

**CITY OF SCOTTSBLUFF**  
**Scottsbluff City Hall Council Chambers**  
**2525 Circle Drive, Scottsbluff, NE 69361**  
**COMMUNITY REDEVELOPMENT AUTHORITY**

**Regular Meeting**  
**May 1, 2019**  
**12:00 PM**

1. Roll Call
2. **For public information, a copy of the Nebraska Open Meetings Act is posted in the back of the room on the north wall.**
3. Notice of changes in the agenda by the city manager (Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless added under Item 4 of this agenda.)
4. Citizens with business not scheduled on the agenda (As required by state law, no matter may be considered under this item unless the committee determines that the matter requires emergency action.)
5. Minutes
  - a) Approve Minutes of the March 27, 2019 Meeting
  - b) Approve Minutes of the April 10, 2019 Meeting
6. Review and take action on Resolution:
  - a) Review and take action on Resolution approving Redevelopment Contract and authorizing TIF Note for HBP Expansion Project by Pivo, Inc.
  - b) Review and take action on Resolution approving Redevelopment Contract and authorizing TIF Note for Fuel Station and Convenience Store Project by 26 Group, LLC.
  - c) Review and take action on Resolution approving Redevelopment Contract and authorizing TIF Note for Aulick Industries Truck Shop and Office Project by HVS, LLP and Original Equipment Co. d/b/a Aulick Industries.
7. Scooter's Drive thru Coffee Kiosk Project
  - a) Review preliminary Redevelopment Plan for Scooter's Drive thru Coffee Kiosk Project submitted by 1dash5 Enterprises, LLC.
    - i) Conduct preliminary Cost Benefit Analysis for Scooter's Drive thru Coffee Kiosk Project.
    - ii) Submit Redevelopment Plan for Scooter's Drive thru Coffee Kiosk Project to Planning Commission.
8. Platte Valley Addition Improvements Project.
  - a) Review preliminary Redevelopment Plan for Platte Valley Addition Improvements Project submitted by Platte Valley Bank.

- i) Conduct preliminary Cost Benefit Analysis for Platte Valley Addition Improvements Project.
  - ii) Submit Redevelopment Plan for Platte Valley Addition Improvements Project to Planning Commission.
- 9. Staff Reports
  - a) Reports from Staff
- 10. Other Business
  - a) Other Business
- 11. Closed Session (to consider any of the above matters, where a Closed Session is appropriate.)
  - a) Following passage of motion to enter into executive session, presiding officer must state purpose of executive session.
- 12. Schedule Meeting
  - a) Schedule next meeting
- 13. Adjournment.

**City of Scottsbluff, Nebraska**  
**Wednesday, May 1, 2019**  
**Regular Meeting**

**Item Min1**

**Approve Minutes of the March 27, 2019 Meeting**

**Staff Contact: Starr Lehl**

City of Scottsbluff  
Community Redevelopment Authority  
March 27, 2019

A meeting of the Community Redevelopment Authority (CRA) was held on Wednesday, March 27, 2019 at 12:00p.m. at City Hall, 2525 Circle Drive, Scottsbluff, NE.

Notice of the meeting was published in the Star-Herald on March 22, 2019.

The meeting convened at 12:01 p.m. by Chairman Trumbull. Roll call was taken. The following committee members were present: Bill Trumbull, Cathy Eastman, Robert Franco, Joanne Phillips. Absent, William Knapper. In attendance on behalf of the city were, Economic Development Director, Starr Lehl and legal counsel, John Selzer.

Chairman Trumbull informed those in attendance that a copy of the Nebraska Open meetings Act is available for the public's review.

Chairman Trumbull asked if there were changes to the agenda and there were no changes.

Motion by Franco, second by Eastman to approve the minutes from the March 6, 2019 meeting.

"Yeas" Franco, Phillips, Trumbull, Eastman. "Nays" None, Absent, Knapper

Chairman Trumbull stated the purpose of the meeting was to review TIF information for HVS LLP and Original Equipment, Inc. DBA Aulick Industries and 26 Group LLC.

Selzer explained the TIF process and future meetings scheduled and this was the first meeting for the CRA to look at the application and give it preliminary approval followed by a meeting of the Planning Commission on April 8th and city council on April 15<sup>th</sup> and in between those meetings, a CRA meeting will need to be scheduled. He also explained this meeting is not to approve the project but to give the ok to move forward. Selzer explained the project and informed the members that the demolition of the prior building had been completed. The location of the project is 709 W. South Beltline Highway, near the corner of Avenue I and South Beltline Highway. The project will include a new truck shop and office space, members have been given the application and preliminary redevelopment plan. The determination has not been made as to the amount of TIF available for the project and listed a few of the allowable expenses TIF could be used for.

Austin Aulick then spoke and went into more detail about the project and the need for the company to move into a larger space, as they have outgrown the space at 1201 Avenue I. Austin said they plan to double their capacity and sell used and new trucks as well as sale of truck parts and wish diesel mechanic and other jobs to be added. The company plans to move 20 employees to the new facility and over a five year period have a workforce of over 50.

Chairman Trumbull asked for questions and comments from CRA members and asked for a motion to send a positive recommendation to the Planning Commission for the application to move forward in the process. Motion by Franco, second by Phillips "Yeas" Franco, Phillips, Trumbull, Eastman. Absent, Knapper.

Chairman Trumbull asked members to look at the preliminary cost benefit analysis and reviewed the impacts to the various taxing entities as well as employment impact. He then asked for a motion to approve the document in order to move the project through the TIF process. Motion by Phillips, second by Franco to approve the preliminary cost benefit analysis. "Yeas" Phillips, Trumbull, Eastman, Franco. Absent, Knapper.

Chairman Trumbull then introduced the next item on the agenda which is the truck stop and convenience store redevelopment project submitted by 26 Group, LLC. Selzer explained a slight change to the plan which is site lighting, of which the bid came in very late and last minute and was able to get it added to

the plan and distributed to CRA members prior to the meeting in order to be able to use the lighting as a eligible TIF expense.

Selzer reminded members of the three areas you look at for the recommendation to council are 1) if the plan conforms with the city's comprehensive plan 2) analyzing the cost benefit analysis 3) the "but for" test, which is would this project happen "but for" the TIF.

Chairman Trumbull reviewed the process and reviewed the information presented to date that the project meets the TIF criteria as presented. The purpose of TIF is to redevelop blighted areas of the city and meet with the city's plans. Eligible TIF expenses were reviewed as well as the impact on taxing entities and employment. Franco asked about the drainage system for the fuel and diesel and discussion was that if this is something that is required to be done, it would have to be done by the developer and no cost to the city. Discussion continued regarding the current taxes being paid and the difference over the next 15 years as well as the impact the project could have on the remainder of the property and the East Overland Corridor.

Chairman Trumbull asked for a motion to approve the redevelopment plan which was made by Franco and second by Phillips. "Yeas" Trumbull, Eastman, Franco, Phillips. Absent, Knapper.

A motion was then made to approve the cost benefit analysis by Franco, second, Phillips. "Yeas" Eastman, Franco, Phillips, Trumbull. Absent, Knapper.

A motion was then made by Franco, second, Phillips to approve the resolution and send it forward to the City Council. "Yeas" Eastman, Franco, Phillips, Trumbull. Absent, Knapper.

The next CRA meeting is scheduled for Wednesday, April 10, 2019 at noon in the council chambers.

Motion by Phillips, second by Franco to adjourn the meeting "Yeas", Franco, Phillips, Trumbull, Eastman. Absent, Knapper.

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Nathan Johnson

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Starr Lehl

**City of Scottsbluff, Nebraska**  
**Wednesday, May 1, 2019**  
**Regular Meeting**

**Item Min2**

**Approve Minutes of the April 10, 2019 Meeting**

**Staff Contact: Starr Lehl**

City of Scottsbluff  
Community Redevelopment Authority  
April 10, 2019

A meeting of the Community Redevelopment Authority (CRA) was held on Wednesday, April 10, 2019 at 12:00p.m. at City Hall, 2525 Circle Drive, Scottsbluff, NE.

Notice of the meeting was published in the Star-Herald on April 5, 2019.

The meeting convened at 12:14 p.m. by Chairman Trumbull. Roll call was taken. The following committee members were present: Bill Trumbull, Robert Franco, Bill Knapper. Absent Joanne Phillips and Cathy Eastman. In attendance on behalf of the city were City Manager, Nathan Johnson, Economic Development Director, Starr Lehl and legal counsel, John Selzer.

Chairman Trumbull informed those in attendance that a copy of the Nebraska Open meetings Act is available for the public's review.

Chairman Trumbull asked if there were changes to the agenda and Lehl asked that item #8a and #8b be removed from the agenda. Motion by Knapper, second by Franco to approve the agenda as amended. "Yeas" Knapper, Franco, Trumbull, "Nays" none, absent Phillips and Eastman.

Motion by Trumbull, second by Franco to approve the minutes from the March 27, 2019 meeting. "Yeas" Franco, Trumbull, "Nays" None, "Abstain" Knapper, Absent Phillips and Eastman. The March 27, 2019 minutes will be on the next agenda for approval because of lack of a majority vote.

Chairman Trumbull stated that the purpose of the meeting was to review and grant applications for an additional round of East Overland Façade Improvement Program since all of the money had not been allocated. He reported that there are a total of seven applications totaling \$35,851.50 with available funds of \$29,308.76 or a deficit of \$6,542.74 in funding. He then followed the agenda in order and asked each applicant to explain their project as their properties were shown on the screen. Five of the seven applicants were present to review their projects and answered questions from the committee.

Applicants included:

Chris Bruckner, 503 E. Overland

Todd Wilson, 217 E. Overland

JD Koncaba, 1001 E. Overland

Michael Engelhaupt, 211 E. Overland (absent)

Elizabeth Lamas De La Torre, 1127 E. Overland

Jerry Clemens, 1101 E. Overland (absent)

Teresa Moreno, 402 E. Overland

After discussion and a couple of options regarding funding for the projects, Knapper brought forward a couple of options one being decreasing each of the requested amounts by approximately 19% or awarding each applicant 81% of their original request or based on types of projects and previous requests, reducing the amounts as follows to make up the difference of \$6,542.74: Chris Bruckner, decrease amount by \$1,042.00, Todd Wilson, decrease by \$2,000.00, JD Koncaba, full funding of \$1,060.00, Michael Engelhaupt, decrease by \$1,000.00, Elizabeth Lamas De La Torre, reduce by \$2,000.00, Jerry Clemens, full funding of \$1,56.50, Teresa P. Moreno, decrease by \$500.00.

Motion by Knapper, second by Franco to reduce the individual amounts as recommended. "Yeas", Knapper, Franco, Trumbull, "Nays" none, absent Phillips and Eastman.

Chairman introduced item #7 on the agenda, the Aulick Industries Office and Truck Shop Redevelopment TIF Plan. Selzer reviewed the plans and updated the members on the site plan and explained the layout of the building and reported that the building would be approximately 30,000 sq. ft. with 5,000 being office space and 25,000 shop space. Improvements to the property would increase the value of the property by to an estimated value of \$3.8 million and produce TIF revenues of an estimated \$1.163 million over a 15 year period. The project also entails an estimated \$420,000 in TIF eligible expenses. Chairman Trumbull asked if there were any questions by the committee regarding the plan and there were none. For review, Selzer reminded the committee the plan must conform with the city's Comprehensive Plan including zoning and type of business, review of the Cost Benefit Analysis, and the "but for" test asking if the development would happen "but for" the TIF which is confirmed by the redeveloper on page 3 of the plan. Selzer explained that this test is not if the project would happen at all but if it would happen to the extent of the proposed development and in this area of town.

The Cost Benefit Analysis was then reviewed showing the impact on the taxing entities,, The tax increase of approximately \$77,000 per year will be shifted from the taxing entities to the redeveloper for eligible costs. The taxing entities will receive this increase amount after the TIF note has been paid. The project includes reconstructing the storm drain serving the property which will be paid for with TIF funds so there would be no additional tax impacts other than the tax shifts previously discussed. Employment in the project area is expected to increase by up to 30 to 50 employees over the next five years. No negative impact is expected to other employers or the student population of Scottsbluff Public Schools. Other impacts include that there will be personal property added, which will generate taxes for the various taxing entities in the community, local contractors will be used for construction, and the redeveloper has received approval of tax incentives under the Nebraska Advantage Act. Chairman Trumbull asked the committee if there were any questions regarding the Cost Benefit Analysis and there were none.

Chairman Trumbull introduced the next item on the agenda which was to review and approve and approve the resolution approving the Redevelopment Plan, confirming the Cost Benefit Analysis and forwarding the Planning Commission recommendation to the city council and also recommending approval of the Redevelopment Plan to the city council. Motion by Franco, second by Knapper to approve. "Yeas" Franco, Trumbull, Knapper, "Nays" none, absent Phillips and Eastman.

Under staff reports Selzer informed the committee that the contract with 26 Group, LLC will be coming forward and they are working out the details. Also he reported the HPB project has resurfaced so that project will be on the next agenda. There will also be a TIF application coming forward from Platte Valley Bank to raise the sidewalks and drainage issues they are having on their on their campus. City Manager Johnson told the committee the city is promoting TIF as a form of growth and development of projects in the community and said TIF along with LB840 are about the only tools available for economic development and helping existing business grow makes the business community stronger.

Knapper made the comment that Nathan Johnson is doing a great job as city manager.

Discussion was held regarding the schedule of another meeting to keep the TIF projects on track and the committee decided on the date of Wednesday, May 1, 2019 at noon in the council chambers.



Motion by Knapper second by Franco to adjourn the meeting “Yeas”, Knapper, Franco, Trumbull.  
“Nays”, none, absent Phillips and Eastman.

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Nathan Johnson

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Starr Lehl

# **City of Scottsbluff, Nebraska**

**Wednesday, May 1, 2019**

**Regular Meeting**

## **Item Review1**

**Review and take action on Resolution approving Redevelopment Contract and authorizing TIF Note for HBP Expansion Project by Pivo, Inc.**

**Staff Contact: Starr Lehl**

# Simmons Olsen Law Firm, P.C., L.L.O.

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Please Direct All Correspondence  
To Scottsbluff Office

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To: City of Scottsbluff Community Redevelopment Authority  
From: John L. Selzer, Deputy City Attorney  
Date: April 26, 2019  
Re: Redevelopment Contract and TIF Notes

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At your May 1, 2019 meeting, you will be considering resolutions approving a Redevelopment Contract and authorizing issuance of a TIF Note for three previously approved redevelopment projects: the High Plains Budweiser Expansion project, the 26 Group Fuel Station and Convenience Store project, and the Aulick Industries Truck Shop and Office project.

The Redevelopment Contracts and proposed TIF Notes for each project are substantially similar, with only a few differences based on differences in the project and planning.

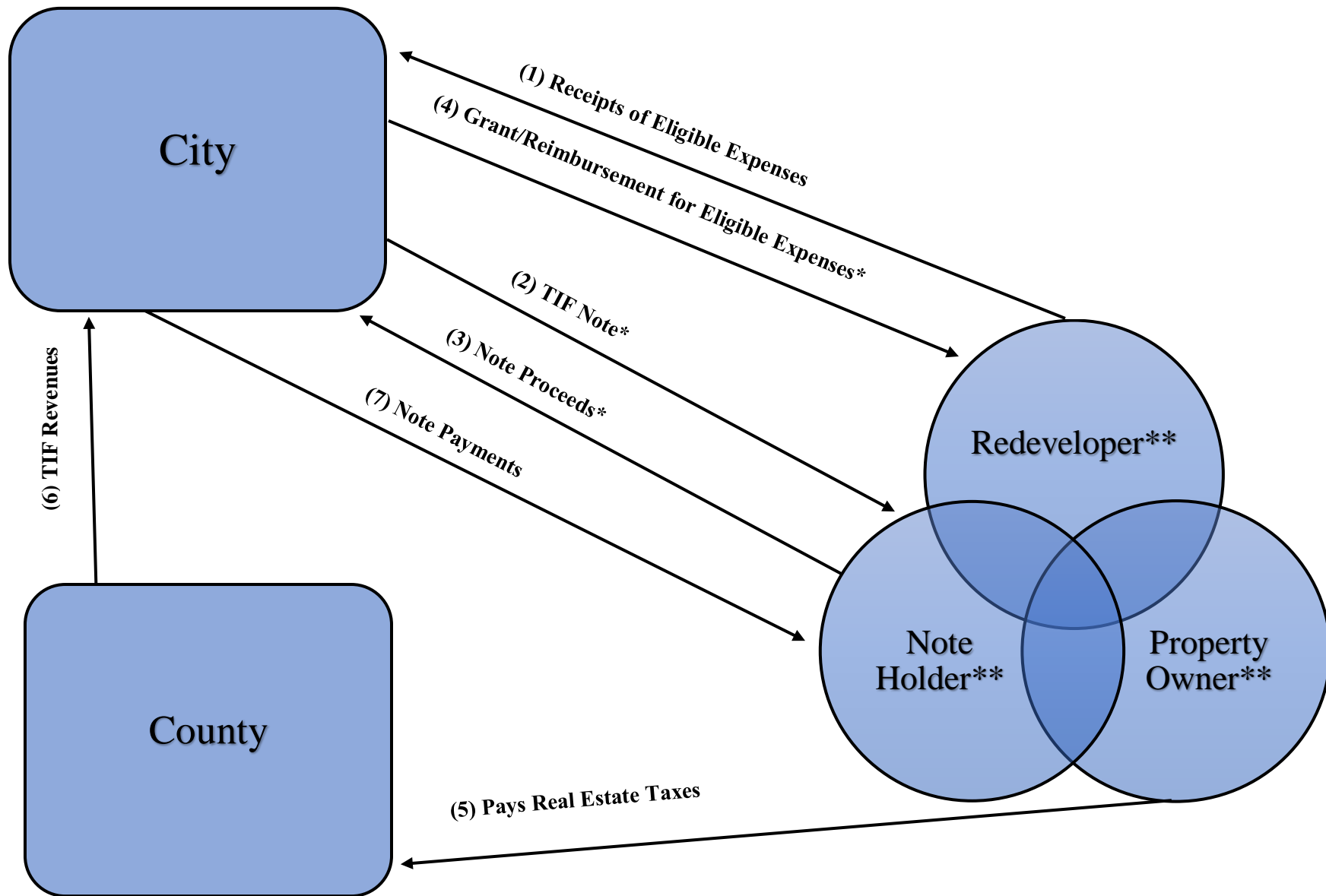
The Resolution authorizes the Chair of the CRA to make any necessary changes to the Contract after approval. This is done simply so if any minor changes need to be made, we can get that done without calling another meeting. In addition, the Resolution authorizes the City Finance Director and City Manager to carry out the administrative duties of the CRA related to the Note and Contract. This includes verifying that the Redevelopers have incurred the eligible expenses of the Project.

The TIF Notes have an interest rate which the CRA is authorizing through approval of the Contract. We have inserted a standard rate of the Wall Street Journal Prime Rate, plus 1%. The Contract and Resolution also state the Redeveloper and CRA can agree on a different rate. This is to provide some discretion in the event (1) the Redeveloper's bank interest rate is substantially higher than the TIF Note rate, or (2) the Redeveloper can show that a potential purchaser of the TIF Note is demanding a higher interest rate before purchasing. The Resolution gives the City Finance Director the authority to adjust the interest rates, which we will advise should be limited to the foregoing circumstances.

I have attached a diagram showing how the TIF Note is issued, paid, and administered.

Please let me know if you have any question or concerns.

Sincerely,  
SIMMONS OLSEN LAW FIRM, P.C., L.L.O.  
/s/ John L. Selzer  
John L. Selzer



\*If the Redeveloper holds the Note, then no funds are exchanged at the issuance of the Note. Instead, the grant to the Redeveloper offsets the funding of the Note.

\*\*The Redeveloper, Property Owner, and Note Holder are often the same person/entity, but do not necessarily have to be.

## REDEVELOPMENT CONTRACT

THIS REDEVELOPMENT CONTRACT is entered into on \_\_\_\_\_ by and between the Community Redevelopment Authority of the City of Scottsbluff, Nebraska (the “Authority”) and Pivo, Inc., a Nebraska Corporation (“Redeveloper”).

### RECITALS

- A. The City Council of the City of Scottsbluff (“City Council” and “City” respectively) has declared the Site (as defined below) blighted and substandard as defined in the Nebraska Community Development Law, NEB REV. STAT. § 18-2101 et seq, (the “Act”).
- B. After a positive recommendation by the Planning Commission of the City, the Authority and City Council approved and adopted the Redevelopment Plan (“Plan”) submitted by the Redeveloper. The Plan is incorporated into this Redevelopment Contract by this reference.
- C. This Redevelopment Contract has been prepared according to the Act in order to implement the Plan submitted by the Redeveloper.
- D. This Redevelopment Contract is entered into by the Authority to provide financing for an approved redevelopment project.

NOW THEREFORE, in consideration of the foregoing recitals which are material to and made a part of this Contract, the covenants herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows.

**1. Definitions.** The following terms in this Contract shall have the following definitions.

- a. “Contract” shall mean this Redevelopment Contract and all amendments, modifications, and extensions hereto.
- b. “Holder(s)” means the registered owner or owners of the Indebtedness issued by the Authority.
- c. "Indebtedness" means any bonds, notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Authority pursuant to this Contract to provide financing for the Project Costs (as defined below) and secured in whole or in part by TIF Revenues (as defined below). The Indebtedness as initially issued by the Authority shall consist of the Authority's Tax Increment Financing Note to be issued on the terms described in Schedule C.
- d. “Project” shall mean the Project as defined in the Plan.
- e. “Project Costs” shall mean the costs for those activities described on Schedule B and reimbursable to Redeveloper under the Act. The amount of the Project Costs shall be the amount actually incurred by the Redeveloper for such activities, and the estimates set forth on Schedule B are provided for budgeting purposes only.

- f. "Public Improvements" shall include, without limiting the generality of the description for public improvements, all improvements related to the Project required by the City to be completed, which may be on City property or in the City right of way, and/or relating to City services, utilities, or infrastructure.
- g. "Resolution" shall mean any Resolution of the Authority authorizing the issuance of the Indebtedness and/or approving this Contract.
- h. "Site" shall mean the real estate legally described on Schedule A together with all buildings, improvements and fixtures located thereon and portions of the adjacent public right of way and property contemplated to be used under the Plan.
- i. "TIF Revenues" shall mean that portion of the ad valorem real estate taxes generated by the Project on the Site and allocated to the Authority pursuant to NEB. REV. STAT. § 18-2147(1)(b).

**2. Findings of the Authority:** The Authority has made the following findings:

- a. The Plan has been duly approved by the City Council and adopted by the Authority pursuant to the Act.
- b. The proposed land uses and building requirements in the Plan are designed with the general purposes of accomplishing, in conformance with the City's Comprehensive 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 provision of adequate transportation, water, sewerage, and other public utilities, 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 conditions of blight.
- c. The Authority and City have each conducted a cost benefit analysis for the Project in accordance with the Act, and found that the Project would not be economically feasible or occur in the project area without tax increment financing and 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, are in the long term best interests of the community.

**3. Representations of the Redeveloper:** The Redeveloper makes the following representations:

- a. The Redeveloper is a Nebraska Corporation duly organized and existing under the laws of the State of Nebraska.
- b. The execution and delivery of this Contract and the consummation of the transactions contemplated under this Contract will not conflict with or constitute a breach of or default under any contract to which Redeveloper is a party or by which it is bound.
- c. There is no litigation pending and to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the Project or this Contract.

- d. The Project as set forth in the Plan would not be economically feasible or occur in the project area without tax increment financing.
- e. The Redeveloper shall only use funds granted by the Authority for the purposes set forth in the Act.
- f. Redeveloper acknowledges that interest on the Indebtedness is not tax-exempt interest under state or Federal law.
- g. Redeveloper acknowledges and represents that it has been advised that the Indebtedness, including any note or bond, is not registered under the Securities Act of 1933, as amended, and that the Authority is not presently required to register under Section 12 of the Securities and Exchange Act of 1934. The Redeveloper therefore recognizes that if and when the Redeveloper may wish to sell or resell the Indebtedness as held by it there may not be any available current business and financial information about the Authority or the Project. Further, the Redeveloper realizes that no trading market presently exists or is ever expected to exist for the Indebtedness. The Redeveloper understands that it may need to bear the risks of an investment in the Indebtedness for an indefinite period of time, since any sale prior to maturity of the Indebtedness may not be possible or may be at a price below that which the Redeveloper is paying for the Indebtedness.
- h. The Redeveloper has conducted its own investigation and has undertaken the responsibility to verify the accuracy and completeness and truth of any statement made or omitted to be made concerning any of the material facts relating to the Indebtedness and the Project and transactions relating thereto.
- i. The Redeveloper is acquiring the Indebtedness for its own account for investment and not with a view for resale or distribution, except that the Redeveloper may assign the Indebtedness to the Redeveloper's lender, provided that such lender shall first acknowledge the Redeveloper's investor related representations substantially the same as set forth in Section 3 of this Contract. The Redeveloper has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment represented by the purchase of the Indebtedness, has financial resources sufficient to sustain the risks related to holding the Indebtedness, and is aware of the intended use of the proceeds and the risks involved therein.
- j. The Redeveloper has been offered an opportunity to ask questions of and receive answers from the Authority and the officers of the Authority concerning the terms and conditions of the Indebtedness and to obtain any additional information on the status of the Project and to obtain any additional financial information and documentation necessary to supplement or clarify the information provided to the Redeveloper.
- k. The Redeveloper understands the liability of the Authority and City shall be limited to the TIF Revenues received by the Authority with respect to the Project available to pay the Indebtedness and the Redeveloper shall look exclusively thereto for the payment on the Indebtedness.
- l. The Redeveloper acknowledges that the Indebtedness has been set based on estimates and assumptions including expectations as to the completion of construction and valuations suggested by the Redeveloper, which may alter substantially and materially, and/or certain costs of the Project to be incurred by the Redeveloper, and that tax increment revenues may be

altered or eliminated entirely based on future decisions of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

- m. The Redeveloper acknowledges that the Indebtedness is being purchased in a direct private placement negotiated between the Authority and the Redeveloper in which no broker, dealer, or municipal securities dealer has participated and is therefore not subject to any of the requirements of Rule 15c2-12 of the Securities and Exchange Commission requiring the providing of certain information upon issuance and certain additional information on a periodic basis.
- n. The Redeveloper understands that THE INDEBTEDNESS IS A LIMITED OBLIGATION OF THE AUTHORITY AND IS NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONIES RECEIVED OR TO BE RECEIVED FROM TAXATION, OTHER THAN TAX INCREMENT REVENUES AS DESCRIBED IN THIS CONTRACT.
- o. The Indebtedness does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority or City and does not impose any general liability upon the Authority or City. No official of the Authority or City nor any person executing the Indebtedness shall be liable personally by reason of its issuance.

**4. Obligations of the Authority:** In addition to the Authority's other obligations set forth in this Contract, the Authority shall perform the following obligations.

- a. In accordance with Section 18-2147 of the Act, the Authority provides that any ad valorem real estate tax on the Site, for the benefit of any public body be divided for a period of fifteen (15) years after the effective date of this provision, which date shall be determined as follows: The effective date of this provision shall be January 1, 2020 and the taxable base value is anticipated to be January 1, 2019. Provided, however, if there is no substantial increase in valuation between the 2019 and 2020 tax years, then, if allowed by law and upon the written request of the Redeveloper, the effective date of this provision shall be January 1, 2021 and the taxable base value shall be January 1, 2020. Said taxes shall be divided as follows:
  - 1. That portion of the ad valorem real estate tax on the Site 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
  - 2. That portion of the ad valorem real estate tax on the Site in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall notify the County Assessor and County Treasurer and all ad valorem real estate taxes upon the Site shall be paid into the funds of the respective public bodies; and
  - 3. Any interest and penalties due for delinquent taxes shall be paid in the funds of each public body in the same proportion as are all other taxes collected by or for the public body.



- b. Upon the request of the Redeveloper, the Authority shall file with the County Assessor a notice for dividing the ad valorem real estate tax on the Site as described in Section 18-2147(4) of the Act and consistent with the effective date as established in this Section 4.
- c. The Authority shall authorize the issuance of the Indebtedness in the form and stated principal amount and bearing interest and being subject to such terms and conditions as are specified in Schedule C or as otherwise set forth in this Contract and the Resolution; provided, at all times the maximum amount of the Indebtedness shall be limited to the sum of all Project Costs incurred by the Redeveloper. No Indebtedness will be issued until Redeveloper has acquired fee title to the Site and become obligated for a portion of the Project Costs.
- d. The Authority pledges 100% of the available annual TIF Revenues derived from the Site as security for and to provide payment of the Indebtedness as the same fall due. The Authority shall, to the extent funds are available from TIF Revenues, pay the Holder of the Indebtedness the TIF Revenues according to the terms of the Indebtedness and this Contract. Any shortfall in TIF Revenues to pay the Indebtedness for any reason whatsoever shall be borne entirely by the Redeveloper and Holder without recourse of any kind against the Authority or the City.
- e. The Authority shall grant to the Redeveloper up to the amount of the Indebtedness to pay the Redeveloper for the Project Costs actually incurred by the Redeveloper, subject to the limitations set forth in this Contract. The Indebtedness and the grant shall not exceed the amount of Project Costs as certified pursuant to Section 6(a) of this Contract. The Authority shall have no obligation to provide grant funds from any source other than the funds actually received by the Authority for the purchase price paid to the Authority for the Indebtedness. Upon the request of the Redeveloper, the purchase price of the Indebtedness shall be offset against the grant described herein.
- f. The Authority shall create a fund to collect and hold the TIF Revenues. Such fund shall be used for no other purpose other than to pay the Indebtedness.

**5. Obligations of Redeveloper.** In addition to the Redeveloper's other obligations set forth herein, the Redeveloper shall fulfill the following obligations:

- a. Prior to the execution of this Contract, the Redeveloper shall deliver to the Authority:
  - 1. a copy of the Redeveloper's Articles of Incorporation and any amendments file stamped by the Nebraska Secretary of State;
  - 2. a signed copy of the Redeveloper's current bylaws;
  - 3. a resolution by the directors of the Redeveloper authorizing the execution of this Contract; and
  - 4. an affidavit of an authorized officer the Redeveloper certifying the foregoing documents.
- b. Redeveloper shall complete the Project and install all required improvements, fixtures, equipment and furnishings necessary to operate the Project as set forth in the Plan. Provided that, as set forth in the Plan, alley improvements on the west side of the Site shall only be required to be completed by the Redeveloper if, in Redeveloper's discretion, adequate TIF

Revenues will be available to cover such costs. The storm water retention fee shall only be required to be paid by the Redeveloper if required by the City under its regular policies, regulations, or ordinances. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to construct the Project. Until construction of the Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress of Redeveloper. Redeveloper shall furnish to the City a Certificate of Completion upon full completion of the Project.

- c. 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. The Authority and the Redeveloper shall be named as additional insureds, unless this requirement is waived by the City. Any contractor chosen by the Redeveloper or the Redeveloper itself, as owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "All Risk" insurance for physical loss or damage. The contractor with respect to any specific contract or the Redeveloper shall also carry insurance on all stored materials. The contractor or the Redeveloper, as the case may be, shall furnish the Authority with a Certificate of Insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Authority prior written notice in the event of cancellation of or material change in any of any of the policies, unless this requirement is waived by the City.
- d. Redeveloper shall pay all costs related to the redevelopment of the Site. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.
- e. The location, size and layout and actual construction of the Public Improvements shall be according to (i) plans and specifications approved in writing by the City in advance of commencement of construction, which approval will not be unreasonably withheld, (ii) all ordinances and codes adopted by the City, as in effect at the time that the Public Improvements are constructed, and (iii) any other agreement related to the Public Improvements between the Redeveloper and the City. This Contract shall not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, or licenses from the City related to the Public Improvements or other improvements as may be required by the City for the type of work to be performed.
- f. Prior to commencing work, the Redeveloper shall furnish or cause to be furnished to the Authority, security consistent with policies established by the City for other development projects, to guarantee the completion of the Public Improvements as set forth in the Plan. The security furnished by the Redeveloper will be in the amount of the actual cost of the Public Improvements. It is contemplated that the Redeveloper will enter into one or more contracts for the construction of the Public Improvements. The actual cost of the Public Improvements will be determined by the provisions of such contract. If the security furnished by the Redeveloper is a bond or letter of credit, the bond or letter of credit shall provide that upon demand by the Authority, the Authority shall be paid all sums which will enable the Authority to complete the Public Improvements. If the sums collected by the Authority under the bond or letter of credit are not sufficient to complete the Public Improvements, the Redeveloper will remain directly liable to the Authority for the balance. The Authority may, at its option, assess all or any part of the amounts owed for the Public Improvements and not covered by the bond or letter of credit and not paid for by Redeveloper. This obligation of Redeveloper may be waived by the Authority if the Redeveloper is required to and does provide such security to the City under a

separate agreement with the City related to the Public Improvements or by the City Manager upon other good cause shown.

- g. Prior to commencing any Public Improvements, the Redeveloper shall furnish or cause to be furnished to the Authority, a payment bond in the amount of the Public Improvements with a corporate surety authorized to do business in the State of Nebraska and approved by the Authority. Such payment bond shall be conditioned upon the Redeveloper at all times making payment of all amounts lawfully due to all persons supplying or furnishing the Redeveloper, the Redeveloper's contractor, or his or her subcontractors with labor, materials, equipment, or supplies for the Public Improvements and will indemnify and save harmless the Authority to the extent any payments under this Contract which the Authority may be required to make under law. The Authority may allow, in lieu of this surety bond, a cash bond in the amount determined by the Authority, to be held by the Authority for the purposes set forth in this subsection. The cash bond shall be refunded to the Redeveloper upon the completion of the applicable Public Improvements and the Authority's receipt of evidence, satisfactory to the Authority, that all persons having performed labor or furnished materials, equipment, or supplies for such Public Improvements have been fully paid. This obligation of Redeveloper may be waived by the Authority if the Redeveloper is required to and does provide such security to the City under a separate agreement with the City related to the Public Improvements or by the City Manager upon other good cause shown.
- h. The Redeveloper will purchase or arrange for the purchase of the Indebtedness at a price equal to the principal amount thereof, in a private placement satisfactory to the Authority as to its terms and participants. The Authority and City shall have no obligation to provide for the sale of the Indebtedness by the Redeveloper.
- i. The Redeveloper shall pay the Authority a fee to cover the Authority's expenses in Plan preparation and other arrangements in connection with the Project, this Contract, and the Indebtedness. The fees shall be as set forth on Schedule D and shall be paid to the Authority on the date of issuing the Indebtedness.
- j. Prior to the completion of the Project, any loan proceeds obtained by the Redeveloper which are secured by mortgage, deed of trust, or other lien or encumbrance on the Site, or any portion thereof, shall be used solely for the costs and expenses associated with the development of the Site pursuant to the Plan, unless otherwise agreed to by the Authority in writing.
- k. The Redeveloper shall retain copies of all documents and records associated with the Plan and Project received or generated by the Redeveloper and make such documents available to the City and Authority, upon request, for at least three years after the end of the last fiscal year in which ad valorem real estate taxes are divided for the Project.

**6. Cost Certification and Disbursement of Funds.** Proceeds of the Indebtedness shall be advanced and disbursed in the manner set forth below:

- a. The Redeveloper shall submit to the Authority a grant disbursement request (the "Disbursement Request") executed by an authorized representative of the Redeveloper. The Disbursement Request shall: (i) certify the portion of the Project that has been completed (ii) certify the actual costs incurred by the Redeveloper in the completion of such portion of the Project, including an itemization of the actual Project Costs incurred; and (iii) include documentation to the Authority's satisfaction that such Project Costs have been incurred and all other requirements under this Contract relating to the work have been met. All Disbursement Requests are subject to review and approval by the

Authority. Determinations by the Authority whether costs included in the Disbursement Request are properly included as Project Costs as defined in this Contract shall be made in the sole discretion of the Authority and shall be conclusive and binding on the Redeveloper.

- b. The Authority shall inform the Holder in writing of the amount of the Disbursement Request allocated to the Indebtedness for reimbursable Project Costs under this Contract. Upon notification from the Authority, the Holder (if other than the Redeveloper) may make deposits to the Authority in such amount necessary to pay the Project Costs set forth in the Disbursement Request. Such amounts shall be proceeds of the Indebtedness to be granted to the Redeveloper under Section 4(e) of this Contract. If the Redeveloper is the Holder, the grant to the Redeveloper shall be offset by the increase in the principal balance of the Indebtedness by the amount of the Project Costs of the approved Disbursement Request.

**7. Redeveloper's Obligations While the Indebtedness is Outstanding.** Redeveloper covenants and agrees that while any Indebtedness is outstanding, Redeveloper shall:

- a. Not protest a taxable valuation of the Site so as to reduce the taxable valuation;
- b. Not convey the Site or structures thereon to any entity which would be exempt from paying real estate taxes, except those public improvements to be transferred to the City according to the Plan;
- c. Not apply to the Scotts Bluff County Assessor for any structures on the Site to be taxed separately from the land of the Site;
- d. Maintain insurance for the full value of the structures on the Site and in the event of casualty, apply such insurance proceeds to completing or repairing the Project;
- e. Pay or cause to be paid all real estate taxes and assessments levied on the Site prior to the time they become delinquent;
- f. Provide progress reports and any relevant financial records regarding the Project to the City or Authority upon request; and
- g. Include the restrictions in this Section 7 in any subsequent sale, assignment, sale-leaseback or other transfer of the Site or any portion thereof. If such restrictions are included, the Redeveloper shall not otherwise be responsible for the action or inaction of third parties if these covenants are breached by third parties and the Redeveloper no longer owns the Site.

**8. Authority's Liability.** The liability of the Authority under the Indebtedness shall be limited to the TIF Revenues and the Redeveloper and other Holders shall look exclusively to the TIF Revenues for the payment on the Indebtedness. THE INDEBTEDNESS IS A LIMITED OBLIGATION OF THE AUTHORITY AND IS NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONIES RECEIVED OR TO BE RECEIVED FROM TAXATION, OTHER THAN TAX INCREMENT REVENUES AS DESCRIBED IN THIS CONTRACT.

**9. Environmental Conditions.** In the development of the Site, the Redeveloper and its contractors shall not violate any applicable laws, ordinances and regulations relating to industrial hygiene or environmental protection (collectively referred to herein as "Environmental Laws"), and not do anything to introduce to the Site substances deemed to be hazardous or toxic under any Environmental Laws.

**10. Indemnity.** To the fullest extent permitted by law, the Redeveloper shall indemnify, defend, and hold harmless the Authority and City from and against all claims, damages, losses, fines, assessments, and expenses, including, but not limited to, attorneys' fees (collectively, "Losses"), arising out of or resulting from (a) the negligent or intentional acts or omissions of the Redeveloper, any of Redeveloper's contractors or subcontractors, or anyone directly employed by any of them, or anyone for whose acts any of them may be liable or (b) the noncompliance with this Contract. The Redeveloper also agrees to indemnify and hold the City and Authority harmless for any claims for amounts which are the responsibility of the Redeveloper charged by persons or entities providing labor or materials for the Project. Notwithstanding the foregoing, in no event shall Redeveloper be required to indemnify, defend, or hold harmless the Authority and/or City for Losses to the extent such Losses are caused by the negligent or intentional acts or omissions of the Authority and/or City.

**11. Nondiscrimination.** The Redeveloper shall not, in the performance of this Contract and the Project, discriminate against any employee or applicant for employment because of race, religion, gender, color, national origin, ancestry, disability, familial status, or receipt of public assistance.

**12. Immigration Status.** Redeveloper agrees that all of its contractors providing services on the Site will utilize the federal immigration verification system, as defined in NEB. REV. STAT. § 4-114 to determine the work eligibility status of new employees physically performing services on the Project.

**13. Conflicts of Interest.** No officer, employee, or agent of the Authority shall have any personal interest in this Contract, whether such interest is direct or indirect.

**14. Assignment.** The Redeveloper may not assign its rights under this Contract without prior written consent of the Authority, which consent shall not be unreasonably withheld.

**15. Covenants Running with the Land.** This Contract shall be binding upon the Redeveloper's successors and assigns, and shall run with the Site. The Redeveloper shall record this Contract or a memorandum of this Contract in the Scotts Bluff County Office of the Register of Deeds, to be indexed against the Site. The Redeveloper shall not be responsible for the violation or breach of these covenants by its successors or assigns.

**16. Status of Parties.** The Authority is not and shall not be regarded as a partner, joint venturer, or other jointly acting party with the Redeveloper for any purpose whatsoever, and the undertakings and agreements on the part of the Authority herein are provided solely pursuant to the provisions of the Act and for the governmental purposes of promoting and encouraging redevelopment in blighted and substandard areas.

**17. Approvals by the Authority.** Whenever, under the terms of this Contract, the Authority has agreed that it shall take an action or cause an action to be taken and applicable statutes require public notice and a hearing or other procedures relating to public approval, the terms and conditions of this Contract shall be understood as subject to such requirements.

**18. Default.** In the event of any default hereunder, the defaulting party shall, upon written notice to the other party proceed immediately to cure the default and such shall be cured within 30 days after the defaulting party's receipt of such notice or such longer time as may be allowed by the party giving notice. Any default which, by its nature, cannot be cured in the time allowed may be cured if curing is commenced within the time allowed and diligently pursued to completion thereafter. If the default is not timely cured, the non-defaulting party may pursue any remedy available to it at law or equity, including specific performance. In addition, in the event of a default by the Redeveloper which is not timely cured as set forth above, then the Authority may suspend its performance under this Contract or rescind or terminate this

Contract. Neither party shall be deemed to be in default of their respective obligations in the event of delay in the performance of such obligations due to causes beyond such party's reasonable control and without its fault including, but not limited to acts of God, acts of the public enemy, acts of the Federal government, fires, floods, epidemics, quarantine, strikes, freight embargos, or delays of subcontractors due to such causes. In the event of any such delay, the party being delayed shall give prompt notice to the other party and the time for performance of the obligation being delayed shall be equitably extended.

**19. Notices and Demands.** Any notice, demand, or other communication under this Contract by either party shall be sufficiently given or delivered if it is sent by certified mail, postage prepaid, return receipt requested, or delivered personally as follows:

If to Redeveloper: Pivo, Inc.  
Attn: Jeffrey J. Scheinost  
2810 Avenue M  
PO Box 771  
Scottsbluff, NE 69361

If to Authority: Scottsbluff Community Development Authority  
Attn: City Manager  
2525 Circle Drive  
Scottsbluff, NE 69361

Either party may give notice of a change in contact information in the manner specified herein.

**20. Complete Contract.** This Contract represents the complete understanding between the parties concerning the subject matter of this Contract, and no other promises or agreements relating to the subject matter of this Contract shall be binding unless they are made in writing and authorized and executed by both parties. *Provided that*, the terms of any Resolution passed by the Authority related to the Indebtedness are made a part of and incorporated into this Contract by this reference.

**21. Governing Law.** Nebraska law will govern the construction of and the performance under this Contract.

**22. Schedules.** All schedules referenced above are incorporated into this Contract by this reference.

**23. Intent.** This Contract is entered into by the Authority to provide financing for an approved redevelopment project.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

Executed this \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SCOTTSBLUFF, NEBRASKA  
COMMUNITY REDEVELOPMENT  
AUTHORITY**

**PIVO, INC.**

\_\_\_\_\_  
William Trumbull, Chair

By \_\_\_\_\_  
Jeffrey J. Scheinost, President

ATTEST:

\_\_\_\_\_  
Secretary

STATE OF NEBRASKA; COUNTY OF SCOTTS BLUFF ) ss.

The foregoing Redevelopment Contract was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019 by William Trumbull, the Chair on behalf of the City of Scottsbluff, Nebraska Community Redevelopment Authority, after being duly authorized.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA; COUNTY OF SCOTTS BLUFF ) ss.

The foregoing Redevelopment Contract was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019 by Jeffrey J. Scheinost, President, on behalf of Pivo, Inc., a Nebraska Corporation.

\_\_\_\_\_  
Notary Public

**Schedule A**  
The Site

Lot 3B, Block 2, Amended Plat of Lots 3A and 5, Block 2, Case Subdivision to the City of Scottsbluff,  
Scotts Bluff County, Nebraska



**Schedule B**  
Estimated Project Costs

<u>Description</u>	<u>Estimated Cost</u>
Site Preparation	\$ 16,032.00
Storm Drain Demolition and Reconstruction	\$ 81,250.00
Civil Engineering/Site Design	\$ 13,500.00
Plan Preparation/Legal	\$ 10,000.00
Demolition/Relocation of abandoned	
Electrical and refrigeration	\$ 5,000.00
Storm Water Retention/Fee	\$ 20,000.00
<u>Alley Improvements*</u>	<u>\$ 12,000.00</u>
TOTAL	\$ 157,782.00

\*Alley improvements on the west side of the Project Site may be added based on final costs of other items and remaining TIF Revenues available.

**Schedule C**  
Indebtedness

- |                      |  |
|----------------------|--|
| 1. Principal Amount: | Not to exceed actual Project Costs certified by the Redeveloper.                                       |
| 2. Interest Rate:    | WSJ Prime Rate + 1% or as agreed upon by the Redeveloper and the Authority.                            |
| 3. Maturity Date:    | December 31, 2034 (or December 31, 2035 depending on the effective date as set forth in Section 4).    |
| 4. Payments:         | Semi-Annually on June 15 and December 15 of each year, with payments limited to TIF Revenues received. |
| 5. Date of Issuance: | At Redeveloper's request as agreed to by the Authority, but subject to the terms of the Contract.      |

**Schedule D**  
Fees

- |                       |            |
|-----------------------|------------|
| 1. Processing Fee:    | \$5,000.00 |
| 2. Administrative Fee | \$5,000.00 |

**RESOLUTION NO. CRA \_\_\_\_\_**

**BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA:**

**Recitals:**

a. According to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan titled *HPB Expansion* submitted by Pivo, Inc. (the “Redevelopment Plan”) has been submitted to the Scottsbluff Community Redevelopment Authority (“Authority”). The Redevelopment Plan proposes to redevelop an area of the City which the City Council has declared to be blighted and substandard and in need of redevelopment. The Redevelopment Plan includes the use of tax increment financing.

b. The Redevelopment Plan has been reviewed by the Planning Commission, which found that the Redevelopment Plan conforms to the 2016 Scottsbluff Comprehensive Plan. The Planning Commission recommended approval of the Redevelopment Plan to the Authority and City Council.

c. The Authority and the City Council have approved and adopted the Redevelopment Plan.

d. The Authority and Pivo, Inc. (the “Redeveloper”) desire to enter into a Redevelopment Contract (the “Contract”) under which the Authority will provide a grant and tax increment financing to the Redeveloper to assist with the implementation of the Redevelopment Plan. Capitalized terms not otherwise defined in this Resolution shall have the same meaning as provided for in the Contract.

**Resolved:**

1. The Contract between the Authority and Redeveloper is approved. The Chair and Secretary of the Authority are authorized to sign the Contract on behalf of the Authority. The Chair may make changes and amendments to the Contract and take all actions and execute all documents which the Chair deems in the best interest of the Authority in connection with the Redevelopment Plan. This Resolution shall be construed consistently with the Contract.

2. A tax increment financing note shall be ordered issued by the Authority and shall be designated as “Tax Increment Financing Note (HPB Expansion)” (the “Note”).

3. Under the provisions of NEB. REV. STAT. § 18-2147 and the terms of the Contract, the effective date is confirmed as stated in Section 4 of the Contract, after which ad valorem taxes on real property located within the Site may be apportioned under section 18-2147. The taxes shall be divided as follows:

- a. That portion of the ad valorem real estate tax on the Site 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 real estate tax on the Site in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem real estate taxes upon the Site shall be paid into the funds of the respective public bodies.

4. Under the terms of the Contract, the City Treasurer (the “Agent”) as Agent of the Authority is authorized to give notice, upon the request of the Redeveloper, to the County Assessor of the provision of the Contract for dividing ad valorem real estate taxes according to the requirements of NEB. REV. STAT. § 18-2147(4).

5. The Note shall be executed by the Chair and Secretary of the Authority and the official seal of the City shall be placed thereon.

6. The City Manager or the City Manager’s designee shall have authority to review and approve Disbursement Requests on behalf of the Authority and carry out all other administrative duties and decisions of the Authority relating to the Note and the Contract.

7. The Note is a special, limited obligation of the Authority and is not secured by any obligation or pledge of any monies received or to be received from taxation, other than tax increment revenues as set forth in the Contract and as described in NEB. REV. STAT. § 18-2147. The Note shall not in any event be a debt of the Authority (except to the extent of the tax increment revenues pledged under the Contract), the City, the State, nor any of its political subdivisions, and neither the Authority, the City, the State nor any of its political subdivisions is liable in respect thereof. In no event shall the Note be payable out of any funds or properties other than those of the Authority acquired under the Contract. The Note does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority and does not impose any general liability upon the Authority. No member or official of the Authority nor any person executing the Note shall be liable personally on the Note by reason of its issuance.

8. The Note shall be in substantially the form of the attached Exhibit A and shall be subject to the terms and conditions as set forth in the Contract and this Resolution (including those in Exhibit A).

- a. The Note shall be issued in fully registered form. The name and address of the registered owner of the Note (including notation of any pledgee as may be requested by the Redeveloper) shall at all times be part of the records of the Authority at City Hall in Scottsbluff, Nebraska.
- b. The Note shall be dated the date the Note is initially issued and delivered (“Date of Original Issue”), shall mature, subject to right of prior redemption, not later than December 31, 2034 (or later date as set forth in the Contract), and shall bear interest in the amount of 6.5% per year or as otherwise determined by the Agent and Redeveloper. The Agent is authorized to determine: (i) the Date of Original Issue, (ii) the principal amount of the Note, (iii) the maturity date of the Note, and (iv) any other term of the Note, but all subject to the terms of the Contract and this Resolution.
- c. The Note shall be issued to such owner as agreed between the Redeveloper and the Authority. Upon execution of the Note and compliance with all other provisions of this Resolution and the Contract, the Note shall be registered by the Agent in the name of the owner and shall be delivered in consideration of payment of the principal amount thereof to the City’s Treasurer in current bankable funds or as otherwise set forth in the Contract. From such purchase price, the Authority shall make a grant to the Redeveloper according to the terms of the Contract.
- d. The initial purchaser (and any pledgee) shall be required to deliver an investment representation letter to the Agent in a form satisfactory to the Authority, as advised by the Authority’s attorney. No Note shall be delivered to any owner unless the Authority has received from the owner such

documents as may be required by the Authority to demonstrate compliance with all applicable laws and the Contract.

- e. The records maintained by the Agent as to principal amount advanced and principal amounts paid on the Note shall be the official records of the cumulative outstanding principal amount of the Note for all purposes. The Agent shall have only such duties and obligations as are expressly stated in this Resolution and no other duties or obligations shall be required of the Agent.
- f. A transfer of the Note may be registered only upon surrender of the Note to the Agent, together with an assignment duly executed by the owner or its attorney or legal representative in a form as satisfactory to the Agent. Prior to any transfer, the transferee shall provide to the Authority an investor's letter in a form satisfactory to the Authority, and shall deposit with the Authority an amount to cover all reasonable costs incurred by the Authority, including legal fees, related to such transfer. Upon any registration of transfer, the Authority may execute and deliver a new Note registered in the name of the transferee, with a principal amount equal to the principal amount of the Note surrendered and with the same maturity and interest rate. The Note surrendered in any such exchange shall be canceled by the Agent. A transfer of any Note may be prohibited by the Authority if a default then exists under the Contract. The Authority may impose any additional restrictions on the transfer of any Note as may be required to ensure compliance with applicable laws.

9. The Chair, City Manager, and their designees are authorized to take any and all actions, and to execute any and all documents deemed by them necessary to affect the transactions contemplated in the Contract and authorized by this Resolution.

10. All prior resolutions of the Authority in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.

11. This Resolution shall become effective immediately upon its adoption.

**PASSED AND APPROVED** on \_\_\_\_\_

**COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
SCOTTSBLUFF**

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Secretary

**EXHIBIT A**  
**(FORM OF NOTE)**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (THE '33 ACT) OR ANY STATE SECURITIES LAWS, AND THIS NOTE MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE '33 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE '33 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER OR THERE SHALL HAVE BEEN DELIVERED THE SCOTTSBLUFF COMMUNITY REDEVELOPMENT AUTHORITY (THE "AUTHORITY") PRIOR TO THE TRANSFER, ASSIGNMENT, SALE, OR HYPOTHECATION, AN OPINION OF COUNSEL SATISFACTORY TO THE AUTHORITY TO THE EFFECT THAT REGISTRATION UNDER THE '33 ACT IS NOT REQUIRED.

THIS NOTE MAY BE TRANSFERRED OR ASSIGNED ONLY IN THE MANNER AND ON THE TERMS AND CONDITIONS AND SUBJECT TO THE RESTRICTIONS STATED IN RESOLUTION NO. \_\_\_\_ OF THE AUTHORITY. THE AUTHORITY'S TRESURER IS PROHIBITED FROM REGISTERING THE OWNERSHIP OR TRANSFER OF OWNERSHIP OF THIS NOTE TO ANY PERSON WITHOUT RECIEPT OF AN EXECTUED INVESTOR LETTER AS REQUIRED UNDER THE TERMS OF SAID RESOLUTION.

**TAX INCREMENT FINANCING NOTE (HPB Expansion)**  
**ISSUED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF**  
**SCOTTSBLUFF, NEBRASKA**

**Date of**  
**Original Issue**

**Date of**  
**Maturity**

**Rate of**  
**Interest**

December 31, 203\_\_

\_\_\_\_\_ per annum

**REGISTERED OWNER:** \_\_\_\_\_

**PRINCIPAL AMOUNT: SEE SCHEDULE 1 (Not to Exceed \$\_\_\_\_\_.)**

FOR VALUE RECEIVED, the **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA** (the "Authority") promises to pay to the Registered Owner named above, but solely from tax increment revenues specified herein, the Principal Amount identified on Schedule 1, together with interest on the unpaid principal balance at the rate set forth above, calculated as simple interest and without compounding, on or before the maturity date set forth above.

All payments of principal and interest prior to maturity shall be made by the Agent by mailing a check to the Registered Owner or its approved pledgee, as shown in the records of the Authority at the time of the payment. All amounts due at maturity or other final payment shall be paid to the Registered Owner or its approved pledgee upon the presentation of this Note to the Agent at City Hall in Scottsbluff, Nebraska.

To the extent funds securing this Note are available to and received by the Authority, the accrued interest shall be payable semiannually on June 15 and September 15 of each year, commencing June 15, 202\_. If the date for any payment is a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Scottsbluff Nebraska are closed, then the date for such payment shall be the next day. The Authority may prepay the outstanding principal and/or interest, in whole or in part, at any time without the prior consent of the Registered Owner or its pledgees. Payments made shall first be applied to accrued interest and then to principal.

The Authority and the Agent may treat the Registered Owner as the absolute owner of the Note for the purpose of making payments and for all other purposes and neither the Authority nor the Agent shall be affected by any notice or knowledge to the contrary. The records maintained by the Authority as to the principal amount issued and principal amounts paid on this Note shall be the official records of the cumulative outstanding principal amount of this Note for all purposes.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153 of the Nebraska Revised Statutes, as amended, and under Resolution No. \_\_\_\_\_ duly passed and adopted by the Authority on \_\_\_\_\_ 2019, as from time to time amended and supplemented (the “**Resolution**”). The Resolution incorporates by reference the terms of the Redevelopment Contract between the Authority and Pivo, Inc. dated \_\_\_\_\_ (the “**Contract**”). This Note has been authorized by the Authority to aid in financing a redevelopment project.

This Note is a special limited obligation of the Authority payable solely from and is secured solely by the TIF Revenues (as defined in the Contract) on the terms and conditions in the Resolution and Contract. The TIF Revenues represents that portion of ad valorem real estate taxes levied by public bodies of the State of Nebraska, including the City, on real property on the Site (as defined in the Contract) which is in excess of that portion of such ad valorem real estate taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the Site as of a certain date as set forth in the Contract and as has been or will be certified by the County Assessor of Scotts Bluff County, Nebraska to the City in accordance with law.

This Note shall not be payable from the general funds of the City or the Authority, nor shall this Note constitute a legal or equitable pledge, charge, lien, security interest or encumbrance upon any of the property or upon any of the income, receipts, or money and securities of the City or the Authority or of any other party other than those specifically pledged under the Resolution and Contract. This Note is not a debt of the City or the Authority within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City or the Authority, and does not impose any general liability upon the City or the Authority. Neither the City nor the Authority shall be liable for the payment of this Note out of any funds of the City or the Authority other than TIF Revenues which have been pledged to the payment of this Note according to and as limited by the Resolution and Contract. Neither the members of the Authority nor any person executing this Note shall be liable personally on this Note by reason of the issuance hereof.

This Note is transferable by the Registered Owner in person or by its attorney or legal representative duly authorized in writing at City Hall in Scottsbluff, Nebraska, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution and Contract, and upon surrender of this Note.



**IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF NEBRASKA** has caused this Note to be signed by the Chair of the Scottsbluff, Nebraska, Community Redevelopment Authority, countersigned by the Secretary of the Community Redevelopment Authority, and with the City's corporate seal imprinted hereon.

**COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
SCOTTSBLUFF, NEBRASKA**

[S E A L]

By: \_\_\_\_\_ (manual signature)  
Chair

By: \_\_\_\_\_ (manual signature)  
Secretary

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**SCHEDULE 1**

**TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT  
TAX INCREMENT FINANCING NOTE (HPB Expansion)  
COMMUNITY REDEVELOPMENT AUTHORITY OF  
THE CITY OF SCOTTSBLUFF, NEBRASKA**

<b>Date</b>	<b>Principal Amount Advanced</b>	<b>Principal Amount Redeemed</b>	<b>Cumulative Outstanding Principal Amount</b>	<b>Notation Made By</b>

**PROVISION FOR REGISTRATION**

<b>Date of Registration</b>	<b>Name of Registered Owner</b>	<b>Signature of Agent</b>

# **City of Scottsbluff, Nebraska**

**Wednesday, May 1, 2019**

**Regular Meeting**

## **Item Review2**

**Review and take action on Resolution approving Redevelopment Contract and authorizing TIF Note for Fuel Station and Convenience Store Project by 26 Group, LLC.**

**Staff Contact: Starr Lehl**

## REDEVELOPMENT CONTRACT

THIS REDEVELOPMENT CONTRACT is entered into on \_\_\_\_\_ by and between the Community Redevelopment Authority of the City of Scottsbluff, Nebraska (the “Authority”) and 26 Group LLC, a Nebraska Limited Liability Company (“Redeveloper”).

### RECITALS

- A. The City Council of the City of Scottsbluff (“City Council” and “City” respectively) has declared the Site (as defined below) blighted and substandard as defined in the Nebraska Community Development Law, NEB REV. STAT. § 18-2101 et seq, (the “Act”).
- B. After a positive recommendation by the Planning Commission of the City, the Authority and City Council approved and adopted the Redevelopment Plan (“Plan”) submitted by the Redeveloper. The Plan is incorporated into this Redevelopment Contract by this reference.
- C. This Redevelopment Contract has been prepared according to the Act in order to implement the Plan submitted by the Redeveloper.
- D. This Redevelopment Contract is entered into by the Authority to provide financing for an approved redevelopment project.

NOW THEREFORE, in consideration of the foregoing recitals which are material to and made a part of this Contract, the covenants herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows.

**1. Definitions.** The following terms in this Contract shall have the following definitions.

- a. “Contract” shall mean this Redevelopment Contract and all amendments, modifications, and extensions hereto.
- b. “Holder(s)” means the registered owner or owners of the Indebtedness issued by the Authority.
- c. "Indebtedness" means any bonds, notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Authority pursuant to this Contract to provide financing for the Project Costs (as defined below) and secured in whole or in part by TIF Revenues (as defined below). The Indebtedness as initially issued by the Authority shall consist of the Authority's Tax Increment Financing Note to be issued on the terms described in Schedule C.
- d. “Project” shall mean the Project as defined in the Plan.
- e. “Project Costs” shall mean the costs for those activities described on Schedule B and reimbursable to Redeveloper under the Act. The amount of the Project Costs shall be the amount actually incurred by the Redeveloper for such activities, and the estimates set forth on Schedule B are provided for budgeting purposes only.

- f. "Public Improvements" shall include, without limiting the generality of the description for public improvements, all improvements related to the Project required by the City to be completed, which may be on City property or in the City right of way, and/or relating to City services, utilities, or infrastructure.
- g. "Resolution" shall mean any Resolution of the Authority authorizing the issuance of the Indebtedness and/or approving this Contract.
- h. "Site" shall mean the real estate legally described on Schedule A together with all buildings, improvements and fixtures located thereon and portions of the adjacent public right of way and property as contemplated to be used under the Plan.
- i. "TIF Revenues" shall mean that portion of the ad valorem real estate taxes generated by the Project on the Site and allocated to the Authority pursuant to NEB. REV. STAT. § 18-2147(1)(b).

**2. Findings of the Authority:** The Authority has made the following findings:

- a. The Plan has been duly approved by the City Council and adopted by the Authority pursuant to the Act.
- b. The proposed land uses and building requirements in the Plan are designed with the general purposes of accomplishing, in conformance with the City's Comprehensive 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 provision of adequate transportation, water, sewerage, and other public utilities, 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 conditions of blight.
- c. The Authority and City have each conducted a cost benefit analysis for the Project in accordance with the Act, and found that the Project would not be economically feasible or occur in the project area without tax increment financing and 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, are in the long term best interests of the community.

**3. Representations of the Redeveloper:** The Redeveloper makes the following representations:

- a. The Redeveloper is a Nebraska Limited Liability Company duly organized and existing under the laws of the State of Nebraska.
- b. The execution and delivery of this Contract and the consummation of the transactions contemplated under this Contract will not conflict with or constitute a breach of or default under any contract to which Redeveloper is a party or by which it is bound.
- c. There is no litigation pending and to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the Project or this Contract.

- d. The Project as set forth in the Plan would not be economically feasible or occur in the project area without tax increment financing.
- e. The Redeveloper shall only use funds granted by the Authority for the purposes set forth in the Act.
- f. Redeveloper acknowledges that interest on the Indebtedness is not tax-exempt interest under state or Federal law.
- g. Redeveloper acknowledges and represents that it has been advised that the Indebtedness, including any note or bond, is not registered under the Securities Act of 1933, as amended, and that the Authority is not presently required to register under Section 12 of the Securities and Exchange Act of 1934. The Redeveloper therefore recognizes that if and when the Redeveloper may wish to sell or resell the Indebtedness as held by it there may not be any available current business and financial information about the Authority or the Project. Further, the Redeveloper realizes that no trading market presently exists or is ever expected to exist for the Indebtedness. The Redeveloper understands that it may need to bear the risks of an investment in the Indebtedness for an indefinite period of time, since any sale prior to maturity of the Indebtedness may not be possible or may be at a price below that which the Redeveloper is paying for the Indebtedness.
- h. The Redeveloper has conducted its own investigation and has undertaken the responsibility to verify the accuracy and completeness and truth of any statement made or omitted to be made concerning any of the material facts relating to the Indebtedness and the Project and transactions relating thereto.
- i. The Redeveloper is acquiring the Indebtedness for its own account for investment and not with a view for resale or distribution, except that the Redeveloper may assign the Indebtedness to the Redeveloper's lender, provided that such lender shall first acknowledge the Redeveloper's investor related representations substantially the same as set forth in Section 3 of this Contract. The Redeveloper has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment represented by the purchase of the Indebtedness, has financial resources sufficient to sustain the risks related to holding the Indebtedness, and is aware of the intended use of the proceeds and the risks involved therein.
- j. The Redeveloper has been offered an opportunity to ask questions of and receive answers from the Authority and the officers of the Authority concerning the terms and conditions of the Indebtedness and to obtain any additional information on the status of the Project and to obtain any additional financial information and documentation necessary to supplement or clarify the information provided to the Redeveloper.
- k. The Redeveloper understands the liability of the Authority and City shall be limited to the TIF Revenues received by the Authority with respect to the Project available to pay the Indebtedness and the Redeveloper shall look exclusively thereto for the payment on the Indebtedness.
- l. The Redeveloper acknowledges that the Indebtedness has been set based on estimates and assumptions including expectations as to the completion of construction and valuations suggested by the Redeveloper, which may alter substantially and materially, and/or certain costs of the Project to be incurred by the Redeveloper, and that tax increment revenues may be

altered or eliminated entirely based on future decisions of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

- m. The Redeveloper acknowledges that the Indebtedness is being purchased in a direct private placement negotiated between the Authority and the Redeveloper in which no broker, dealer, or municipal securities dealer has participated and is therefore not subject to any of the requirements of Rule 15c2-12 of the Securities and Exchange Commission requiring the providing of certain information upon issuance and certain additional information on a periodic basis.
- n. The Redeveloper understands that THE INDEBTEDNESS IS A LIMITED OBLIGATION OF THE AUTHORITY AND IS NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONIES RECEIVED OR TO BE RECEIVED FROM TAXATION, OTHER THAN TAX INCREMENT REVENUES AS DESCRIBED IN THIS CONTRACT.
- o. The Indebtedness does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority or City and does not impose any general liability upon the Authority or City. No official of the Authority or City nor any person executing the Indebtedness shall be liable personally by reason of its issuance.

**4. Obligations of the Authority:** In addition to the Authority's other obligations set forth in this Contract, the Authority shall perform the following obligations.

- a. In accordance with Section 18-2147 of the Act, the Authority provides that any ad valorem real estate tax on the Site, for the benefit of any public body be divided for a period of fifteen (15) years after the effective date of this provision, which date shall be determined as follows: The effective date of this provision shall be January 1, 2019 and the taxable base value is anticipated to be January 1, 2018. Provided, however, if there is no substantial increase in valuation between the 2018 and 2019 tax years, then, if allowed by law and upon the written request of the Redeveloper, the effective date of this provision shall be January 1, 2020 and the taxable base value shall be January 1, 2019. Said taxes shall be divided as follows:
  - 1. That portion of the ad valorem real estate tax on the Site 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
  - 2. That portion of the ad valorem real estate tax on the Site in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall notify the County Assessor and County Treasurer and all ad valorem real estate taxes upon the Site shall be paid into the funds of the respective public bodies; and
  - 3. Any interest and penalties due for delinquent taxes shall be paid in the funds of each public body in the same proportion as are all other taxes collected by or for the public body.

- b. Upon the request of the Redeveloper, the Authority shall file with the County Assessor a notice for dividing the ad valorem real estate tax on the Site as described in Section 18-2147(4) of the Act and consistent with the effective date as established in this Section 4.
- c. The Authority shall authorize the issuance of the Indebtedness in the form and stated principal amount and bearing interest and being subject to such terms and conditions as are specified in Schedule C or as otherwise set forth in this Contract and the Resolution; provided, at all times the maximum amount of the Indebtedness shall be limited to the sum of all Project Costs incurred by the Redeveloper. No Indebtedness will be issued until Redeveloper has acquired fee title to the Site and become obligated for a portion of the Project Costs.
- d. The Authority pledges 100% of the available annual TIF Revenues derived from the Site as security for and to provide payment of the Indebtedness as the same fall due. The Authority shall, to the extent funds are available from TIF Revenues, pay the Holder of the Indebtedness the TIF Revenues according to the terms of the Indebtedness and this Contract. Any shortfall in TIF Revenues to pay the Indebtedness for any reason whatsoever shall be borne entirely by the Redeveloper and Holder without recourse of any kind against the Authority or the City.
- e. The Authority shall grant to the Redeveloper up to the amount of the Indebtedness to pay the Redeveloper for the Project Costs actually incurred by the Redeveloper, subject to the limitations set forth in this Contract. The Indebtedness and the grant shall not exceed the amount of Project Costs as certified pursuant to Section 6(a) of this Contract. The Authority shall have no obligation to provide grant funds from any source other than the funds actually received by the Authority for the purchase price paid to the Authority for the Indebtedness. Upon the request of the Redeveloper, the purchase price of the Indebtedness shall be offset against the grant described herein.
- f. The Authority shall create a fund to collect and hold the TIF Revenues. Such fund shall be used for no other purpose other than to pay the Indebtedness.

**5. Obligations of Redeveloper.** In addition to the Redeveloper's other obligations set forth herein, the Redeveloper shall fulfill the following obligations:

- a. Prior to the execution of this Contract, the Redeveloper shall deliver to the Authority:
  - 1. a copy of the Redeveloper's certificate of organization and any amendments file stamped by the Nebraska Secretary of State;
  - 2. a signed copy of the Redeveloper's current operating agreement;
  - 3. a resolution by the members and managers of the Redeveloper authorizing the execution of this Contract; and
  - 4. an affidavit of the Redeveloper certifying the foregoing documents.
- b. Redeveloper shall complete the Project and install all required improvements, fixtures, equipment and furnishings necessary to operate the Project as set forth in the Plan. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to construct the Project. Until construction of the Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual



progress of Redeveloper. Redeveloper shall furnish to the City a Certificate of Completion upon full completion of the Project.

- c. 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. The Authority and the Redeveloper shall be named as additional insureds, unless this requirement is waived by the City. Any contractor chosen by the Redeveloper or the Redeveloper itself, as owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "All Risk" insurance for physical loss or damage. The contractor with respect to any specific contract or the Redeveloper shall also carry insurance on all stored materials. The contractor or the Redeveloper, as the case may be, shall furnish the Authority with a Certificate of Insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Authority prior written notice in the event of cancellation of or material change in any of any of the policies, unless this requirement is waived by the City.
- d. Redeveloper shall pay all costs related to the redevelopment of the Site. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.
- e. The location, size and layout and actual construction of the Public Improvements shall be according to (i) plans and specifications approved in writing by the City in advance of commencement of construction, which approval will not be unreasonably withheld, (ii) all ordinances and codes adopted by the City, as in effect at the time that the Public Improvements are constructed, and (iii) any other agreement related to the Public Improvements between the Redeveloper and the City. This Contract shall not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, licenses from the City related to the Public Improvements or other improvements as may be required by the City for the type of work to be performed.
- f. Prior to commencing work, the Redeveloper shall furnish or cause to be furnished to the Authority, security consistent with policies established by the City for other development projects, to guarantee the completion of the Public Improvements as set forth in the Plan. The security furnished by the Redeveloper will be in the amount of the actual cost of the Public Improvements. It is contemplated that the Redeveloper will enter into one or more contracts for the construction of the Public Improvements. The actual cost of the Public Improvements will be determined by the provisions of such contract. If the security furnished by the Redeveloper is a bond or letter of credit, the bond or letter of credit shall provide that upon demand by the Authority, the Authority shall be paid all sums which will enable the Authority to complete the Public Improvements. If the sums collected by the Authority under the bond or letter of credit are not sufficient to complete the Public Improvements, the Redeveloper will remain directly liable to the Authority for the balance. The Authority may, at its option, assess all or any part of the amounts owed for the Public Improvements and not covered by the bond or letter of credit and not paid for by Redeveloper. This obligation of Redeveloper may be waived by the Authority if the Redeveloper is required to and does provide such security to the City under a separate agreement with the City related to the Public Improvements or by the City Manager upon other good cause shown.
- g. Prior to commencing any Public Improvements, the Redeveloper shall furnish or cause to be furnished to the Authority, a payment bond in the amount of the Public Improvements with a corporate surety authorized to do business in the State of Nebraska and approved by the

Authority. Such payment bond shall be conditioned upon the Redeveloper at all times making payment of all amounts lawfully due to all persons supplying or furnishing the Redeveloper, the Redeveloper's contractor, or his or her subcontractors with labor, materials, equipment, or supplies for the Public Improvements and will indemnify and save harmless the Authority to the extent any payments under this Contract which the Authority may be required to make under law. The Authority may allow, in lieu of this surety bond, a cash bond in the amount determined by the Authority, to be held by the Authority for the purposes set forth in this subsection. The cash bond shall be refunded to the Redeveloper upon the completion of the applicable Public Improvements and the Authority's receipt of evidence, satisfactory to the Authority, that all persons having performed labor or furnished materials, equipment, or supplies for such Public Improvements have been fully paid. This obligation of Redeveloper may be waived by the Authority if the Redeveloper is required to and does provide such security to the City under a separate agreement with the City related to the Public Improvements or by the City Manager upon other good cause shown.

- h. The Redeveloper will purchase or arrange for the purchase of the Indebtedness at a price equal to the principal amount thereof, in a private placement satisfactory to the Authority as to its terms and participants. The Authority and City shall have no obligation to provide for the sale of the Indebtedness by the Redeveloper.
- i. The Redeveloper shall pay the Authority a fee to cover the Authority's expenses in Plan preparation and other arrangements in connection with the Project, this Contract, and the Indebtedness. The fees shall be as set forth on Schedule D and shall be paid to the Authority on the date of issuing the Indebtedness.
- j. Prior to the completion of the Project, any loan proceeds obtained by the Redeveloper which are secured by mortgage, deed of trust, or other lien or encumbrance on the Site, or any portion thereof, shall be used solely for the costs and expenses associated with the development of the Site pursuant to the Plan, unless otherwise agreed to by the Authority in writing.
- k. The Redeveloper shall retain copies of all documents and records associated with the Plan and Project received or generated by the Redeveloper and make such documents available to the City and Authority, upon request, for at least three years after the end of the last fiscal year in which ad valorem real estate taxes are divided for the Project.

**6. Cost Certification and Disbursement of Funds.** Proceeds of the Indebtedness shall be advanced and disbursed in the manner set forth below:

- a. The Redeveloper shall submit to the Authority a grant disbursement request (the "Disbursement Request") executed by an authorized representative of the Redeveloper. The Disbursement Request shall: (i) certify the portion of the Project that has been completed (ii) certify the actual costs incurred by the Redeveloper in the completion of such portion of the Project, including an itemization of the actual Project Costs incurred; and (iii) include documentation to the Authority's satisfaction that such Project Costs have been incurred and all other requirements under this Contract relating to the work have been met. All Disbursement Requests are subject to review and approval by the Authority. Determinations by the Authority whether costs included in the Disbursement Request are properly included as Project Costs as defined in this Contract shall be made in the sole discretion of the Authority and shall be conclusive and binding on the Redeveloper.
- b. The Authority shall inform the Holder in writing of the amount of the Disbursement Request allocated to the Indebtedness for reimbursable Project Costs under this Contract. Upon notification

from the Authority, the Holder (if other than the Redeveloper) may make deposits to the Authority in such amount necessary to pay the Project Costs set forth in the Disbursement Request. Such amounts shall be proceeds of the Indebtedness to be granted to the Redeveloper under Section 4(e) of this Contract. If the Redeveloper is the Holder, the grant to the Redeveloper shall be offset by the increase in the principal balance of the Indebtedness by the amount of the Project Costs of the approved Disbursement Request.

**7. Redeveloper's Obligations While the Indebtedness is Outstanding.** Redeveloper covenants and agrees that while any Indebtedness is outstanding, Redeveloper shall:

- a. Not protest a taxable valuation of the Site so as to reduce the taxable valuation, provided that the Redeveloper may protest the land/lot value of the Site for the year 2019 to the extent it exceeds \$514,000.00;
- b. Not convey the Site or structures thereon to any entity which would be exempt from paying real estate taxes, except those public improvements to be transferred to the City according to the Plan;
- c. Not apply to the Scotts Bluff County Assessor for any structures on the Site to be taxed separately from the land of the Site;
- d. Maintain insurance for the full value of the structures on the Site and in the event of casualty, apply such insurance proceeds to completing or repairing the Project;
- e. Pay or cause to be paid all real estate taxes and assessments levied on the Site prior to the time they become delinquent;
- f. Provide progress reports and any relevant financial records regarding the Project to the City or Authority upon request; and
- g. Include the restrictions in this Section 7 in any subsequent sale, assignment, sale-leaseback or other transfer of the Site or any portion thereof. If such restrictions are included, the Redeveloper shall not otherwise be responsible for the action or inaction of third parties if these covenants are breached by third parties and the Redeveloper no longer owns the Site.

**8. Authority's Liability.** The liability of the Authority under the Indebtedness shall be limited to the TIF Revenues and the Redeveloper and other Holders shall look exclusively to the TIF Revenues for the payment on the Indebtedness. THE INDEBTEDNESS IS A LIMITED OBLIGATION OF THE AUTHORITY AND IS NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONIES RECEIVED OR TO BE RECEIVED FROM TAXATION, OTHER THAN TAX INCREMENT REVENUES AS DESCRIBED IN THIS CONTRACT.

**9. Environmental Conditions.** In the development of the Site, the Redeveloper and its contractors shall not violate any applicable laws, ordinances and regulations relating to industrial hygiene or environmental protection (collectively referred to herein as "Environmental Laws"), and not do anything to introduce to the Site substances deemed to be hazardous or toxic under any Environmental Laws.

**10. Indemnity.** To the fullest extent permitted by law, the Redeveloper shall indemnify, defend, and hold harmless the Authority and City from and against all claims, damages, losses, fines, assessments, and expenses, including, but not limited to, attorneys' fees (collectively, "Losses"), arising out of or resulting from (a) the negligent or intentional acts or omissions of the Redeveloper, any of Redeveloper's contractors

or subcontractors, or anyone directly employed by any of them, or anyone for whose acts any of them may be liable or (b) the noncompliance with this Contract. The Redeveloper also agrees to indemnify and hold the City and Authority harmless for any claims for amounts which are the responsibility of the Redeveloper charged by persons or entities providing labor or materials for the Project. Notwithstanding the foregoing, in no event shall Redeveloper be required to indemnify, defend, or hold harmless the Authority and/or City for Losses to the extent such Losses are caused by the negligent or intentional acts or omissions of the Authority and/or City.

**11. Nondiscrimination.** The Redeveloper shall not, in the performance of this Contract and the Project, discriminate against any employee or applicant for employment because of race, religion, gender, color, national origin, ancestry, disability, familial status, or receipt of public assistance.

**12. Immigration Status.** Redeveloper agrees that all of its contractors providing services on the Site will utilize the federal immigration verification system, as defined in NEB. REV. STAT. § 4-114 to determine the work eligibility status of new employees physically performing services on the Project.

**13. Conflicts of Interest.** No officer, employee, or agent of the Authority shall have any personal interest in this Contract, whether such interest is direct or indirect.

**14. Assignment.** The Redeveloper may not assign its rights under this Contract without prior written consent of the Authority, which consent shall not be unreasonably withheld.

**15. Covenants Running with the Land.** This Contract shall be binding upon the Redeveloper's successors and assigns, and shall run with the Site. The Redeveloper shall record this Contract or a memorandum of this Contract in the Scotts Bluff County Office of the Register of Deeds, to be indexed against the Site. The Redeveloper shall not be responsible for the violation or breach of these covenants by its successors or assigns.

**16. Status of Parties.** The Authority is not and shall not be regarded as a partner, joint venturer, or other jointly acting party with the Redeveloper for any purpose whatsoever, and the undertakings and agreements on the part of the Authority herein are provided solely pursuant to the provisions of the Act and for the governmental purposes of promoting and encouraging redevelopment in blighted and substandard areas.

**17. Approvals by the Authority.** Whenever, under the terms of this Contract, the Authority has agreed that it shall take an action or cause an action to be taken and applicable statutes require public notice and a hearing or other procedures relating to public approval, the terms and conditions of this Contract shall be understood as subject to such requirements.

**18. Default.** In the event of any default hereunder, the defaulting party shall, upon written notice to the other party proceed immediately to cure the default and such shall be cured within 30 days after the defaulting party's receipt of such notice or such longer time as may be allowed by the party giving notice. Any default which, by its nature, cannot be cured in the time allowed may be cured if curing is commenced within the time allowed and diligently pursued to completion thereafter. If the default is not timely cured, the non-defaulting party may pursue any remedy available to it at law or equity, including specific performance. In addition, in the event of a default by the Redeveloper which is not timely cured as set forth above, then the Authority may suspend its performance under this Contract or rescind or terminate this Contract. Neither party shall be deemed to be in default of their respective obligations in the event of delay in the performance of such obligations due to causes beyond such party's reasonable control and without its fault including, but not limited to acts of God, acts of the public enemy, acts of the Federal government, fires, floods, epidemics, quarantine, strikes, freight embargos, or delays of subcontractors due to such

causes. In the event of any such delay, the party being delayed shall give prompt notice to the other party and the time for performance of the obligation being delayed shall be equitably extended.

**19. Notices and Demands.** Any notice, demand, or other communication under this Contract by either party shall be sufficiently given or delivered if it is sent by certified mail, postage prepaid, return receipt requested, or delivered personally as follows:

If to Redeveloper: 26 Group, LLC  
Attn: Eric Reichert  
1502 19<sup>th</sup> Avenue  
Scottsbluff, NE 69361

If to Authority: Scottsbluff Community Development Authority  
Attn: City Manager  
2525 Circle Drive  
Scottsbluff, NE 69361

Either party may give notice of a change in contact information in the manner specified herein.

**20. Complete Contract.** This Contract represents the complete understanding between the parties concerning the subject matter of this Contract, and no other promises or agreements relating to the subject matter of this Contract shall be binding unless they are made in writing and authorized and executed by both parties. *Provided that*, the terms of any Resolution passed by the Authority related to the Indebtedness are made a part of and incorporated into this Contract by this reference.

**21. Governing Law.** Nebraska law will govern the construction of and the performance under this Contract.

**22. Schedules.** All schedules referenced above are incorporated into this Contract by this reference.

**23. Intent.** This Contract is entered into by the Authority to provide financing for an approved redevelopment project.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

Executed this \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SCOTTSBLUFF, NEBRASKA  
COMMUNITY REDEVELOPMENT  
AUTHORITY**

**26 GROUP, LLC**

\_\_\_\_\_  
William Trumbull, Chair

By\_\_\_\_\_

Printed Name:\_\_\_\_\_

ATTEST:

Title:\_\_\_\_\_

\_\_\_\_\_  
Secretary

STATE OF NEBRASKA; COUNTY OF SCOTTS BLUFF ) ss.

The foregoing Redevelopment Contract was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019 by William Trumbull, the Chair on behalf of the City of Scottsbluff, Nebraska Community Redevelopment Authority, after being duly authorized.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA; COUNTY OF SCOTTS BLUFF ) ss.

The foregoing Redevelopment Contract was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019 by \_\_\_\_\_ (name), \_\_\_\_\_ (title), on behalf of 26 Group, LLC, a Nebraska Limited Liability Company.

\_\_\_\_\_  
Notary Public

**Schedule A**  
The Site

Lot 1, Block 1, Western Addition, City of Scottsbluff, Scotts Bluff County, Nebraska.

**Schedule B**  
Estimated Project Costs

<u>Description</u>	<u>Estimated Cost</u>
Site Acquisition	\$ 514,000.00
Site Preparation	
Compacted Fill	\$ 205,000.00
Gas Line Relocation	\$ 12,610.00
Site Utilities	
Sanitary Sewer	\$ 51,615.00
Water	\$ 12,175.00
Storm Sewer	\$ 17,900.00
30" Curb and Gutter	\$ 41,000.00
Barrier Sidewalk	\$ 18,240.00
Site Lighting	\$ 120,000.00
Civil Engineering	\$ 21,000.00
<u>Plan Preparation/Legal</u>	<u>\$ 14,000.00</u>
TOTAL	\$1,027,540.00



**Schedule C**  
Indebtedness

- |                      |  |
|----------------------|--|
| 1. Principal Amount: | Not to exceed actual Project Costs certified by the Redeveloper.                                       |
| 2. Interest Rate:    | WSJ Prime Rate + 1% or as agreed upon by the Redeveloper and the Authority.                            |
| 3. Maturity Date:    | December 31, 2033 (or December 31, 2034 depending on the effective date as set forth in Section 4).    |
| 4. Payments:         | Semi-Annually on June 15 and December 15 of each year, with payments limited to TIF Revenues received. |
| 5. Date of Issuance: | At Redeveloper's request as agreed to by the Authority, but subject to the terms of the Contract.      |

**Schedule D**  
Fee

1. Processing Fee: \$9,000.00 (1% of estimated TIF Proceeds)
2. Administrative Fee \$5,000.00

**RESOLUTION NO. CRA\_\_\_\_\_**

**BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA:**

**Recitals:**

a. According to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan for the *Fuel Station and Convenience Store* project submitted by 26 Group, LLC (the “Redevelopment Plan”) has been submitted to the Scottsbluff Community Redevelopment Authority (“Authority”). The Redevelopment Plan proposes to redevelop an area of the City which the City Council has declared to be blighted and substandard and in need of redevelopment. The Redevelopment Plan includes the use of tax increment financing.

b. The Redevelopment Plan has been reviewed by the Planning Commission, which found that the Redevelopment Plan conforms to the 2016 Scottsbluff Comprehensive Plan. The Planning Commission recommended approval of the Redevelopment Plan to the Authority and City Council.

c. The Authority and the City Council have approved and adopted the Redevelopment Plan.

d. The Authority and 26 Group, LLC (the “Redeveloper”) desire to enter into a Redevelopment Contract (the “Contract”) under which the Authority will provide a grant and tax increment financing to the Redeveloper to assist with the implementation of the Redevelopment Plan. Capitalized terms not otherwise defined in this Resolution shall have the same meaning as provided for in the Contract.

**Resolved:**

1. The Contract between the Authority and Redeveloper is approved. The Chair and Secretary of the Authority are authorized to sign the Contract on behalf of the Authority. The Chair may make changes and amendments to the Contract and take all actions and execute all documents which the Chair deems in the best interest of the Authority in connection with the Redevelopment Plan. This Resolution shall be construed consistently with the Contract.

2. A tax increment financing note shall be ordered issued by the Authority and shall be designated as “Tax Increment Financing Note (26 Group Fuel Station)” (the “Note”).

3. Under the provisions of NEB. REV. STAT. § 18-2147 and the terms of the Contract, the effective date is confirmed as stated in Section 4 of the Contract, after which ad valorem taxes on real property located within the Site may be apportioned under section 18-2147. The taxes shall be divided as follows:

- a. That portion of the ad valorem real estate tax on the Site 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 real estate tax on the Site in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem real estate taxes upon the Site shall be paid into the funds of the respective public bodies.

4. Under the terms of the Contract, the City Treasurer (the “Agent”) as Agent of the Authority is authorized to give notice, upon the request of the Redeveloper, to the County Assessor of the provision of the Contract for dividing ad valorem real estate taxes according to the requirements of NEB. REV. STAT. § 18-2147(4).

5. The Note shall be executed by the Chair and Secretary of the Authority and the official seal of the City shall be placed thereon.

6. The City Manager or the City Manager’s designee shall have authority to review and approve Disbursement Requests on behalf of the Authority and carry out all other administrative duties and decisions of the Authority relating to the Note and the Contract.

7. The Note is a special, limited obligation of the Authority and is not secured by any obligation or pledge of any monies received or to be received from taxation, other than tax increment revenues as set forth in the Contract and as described in NEB. REV. STAT. § 18-2147. The Note shall not in any event be a debt of the Authority (except to the extent of the tax increment revenues pledged under the Contract), the City, the State, nor any of its political subdivisions, and neither the Authority, the City, the State nor any of its political subdivisions is liable in respect thereof. In no event shall the Note be payable out of any funds or properties other than those of the Authority acquired under the Contract. The Note does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority and does not impose any general liability upon the Authority. No member or official of the Authority nor any person executing the Note shall be liable personally on the Note by reason of its issuance.

8. The Note shall be in substantially the form of the attached Exhibit A and shall be subject to the terms and conditions as set forth in the Contract and this Resolution (including those in Exhibit A).

- a. The Note shall be issued in fully registered form. The name and address of the registered owner of the Note (including notation of any pledgee as may be requested by the Redeveloper) shall at all times be part of the records of the Authority at City Hall in Scottsbluff, Nebraska.
- b. The Note shall be dated the date the Note is initially issued and delivered (“Date of Original Issue”), shall mature, subject to right of prior redemption, not later than December 31, 2033 (or later date as set forth in the Contract), and shall bear interest in the amount of 6.5% per year or as otherwise determined by the Agent and Redeveloper. The Agent is authorized to determine: (i) the Date of Original Issue, (ii) the principal amount of the Note, (iii) the maturity date of the Note, and (iv) any other term of the Note, but all subject to the terms of the Contract and this Resolution.
- c. The Note shall be issued to such owner as agreed between the Redeveloper and the Authority. Upon execution of the Note and compliance with all other provisions of this Resolution and the Contract, the Note shall be registered by the Agent in the name of the owner and shall be delivered in consideration of payment of the principal amount thereof to the City’s Treasurer in current bankable funds or as otherwise set forth in the Contract. From such purchase price, the Authority shall make a grant to the Redeveloper according to the terms of the Contract.
- d. The initial purchaser (and any pledgee) shall be required to deliver an investment representation letter to the Agent in a form satisfactory to the Authority, as advised by the Authority’s attorney. No Note shall be delivered to any owner unless the Authority has received from the owner such

documents as may be required by the Authority to demonstrate compliance with all applicable laws and the Contract.

- e. The records maintained by the Agent as to principal amount advanced and principal amounts paid on the Note shall be the official records of the cumulative outstanding principal amount of the Note for all purposes. The Agent shall have only such duties and obligations as are expressly stated in this Resolution and no other duties or obligations shall be required of the Agent.
- f. A transfer of the Note may be registered only upon surrender of the Note to the Agent, together with an assignment duly executed by the owner or its attorney or legal representative in a form as satisfactory to the Agent. Prior to any transfer, the transferee shall provide to the Authority an investor's letter in a form satisfactory to the Authority, and shall deposit with the Authority an amount to cover all reasonable costs incurred by the Authority, including legal fees, related to such transfer. Upon any registration of transfer, the Authority may execute and deliver a new Note registered in the name of the transferee, with a principal amount equal to the principal amount of the Note surrendered and with the same maturity and interest rate. The Note surrendered in any such exchange shall be canceled by the Agent. A transfer of any Note may be prohibited by the Authority if a default then exists under the Contract. The Authority may impose any additional restrictions on the transfer of any Note as may be required to ensure compliance with applicable laws.

9. The Chair, City Manager, and their designees are authorized to take any and all actions, and to execute any and all documents deemed by them necessary to affect the transactions contemplated in the Contract and authorized by this Resolution.

10. All prior resolutions of the Authority in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.

11. This Resolution shall become effective immediately upon its adoption.

**PASSED AND APPROVED** on \_\_\_\_\_

**COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
SCOTTSBLUFF**

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Secretary

**EXHIBIT A**  
**(FORM OF NOTE)**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (THE '33 ACT) OR ANY STATE SECURITIES LAWS, AND THIS NOTE MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE '33 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE '33 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER OR THERE SHALL HAVE BEEN DELIVERED THE SCOTTSBLUFF COMMUNITY REDEVELOPMENT AUTHORITY (THE "AUTHORITY") PRIOR TO THE TRANSFER, ASSIGNMENT, SALE, OR HYPOTHECATION, AN OPINION OF COUNSEL SATISFACTORY TO THE AUTHORITY TO THE EFFECT THAT REGISTRATION UNDER THE '33 ACT IS NOT REQUIRED.

THIS NOTE MAY BE TRANSFERRED OR ASSIGNED ONLY IN THE MANNER AND ON THE TERMS AND CONDITIONS AND SUBJECT TO THE RESTRICTIONS STATED IN RESOLUTION NO. \_\_\_\_ OF THE AUTHORITY. THE AUTHORITY'S TRESURER IS PROHIBITED FROM REGISTERING THE OWNERSHIP OR TRANSFER OF OWNERSHIP OF THIS NOTE TO ANY PERSON WITHOUT RECIEPT OF AN EXECTUED INVESTOR LETTER AS REQUIRED UNDER THE TERMS OF SAID RESOLUTION.

**TAX INCREMENT FINANCING NOTE (26 Group Fuel Station)**  
**ISSUED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF**  
**SCOTTSBLUFF, NEBRASKA**

**Date of**  
**Original Issue**

**Date of**  
**Maturity**

**Rate of**  
**Interest**

December 31, 203\_\_

\_\_\_\_\_ per annum

**REGISTERED OWNER:** \_\_\_\_\_

**PRINCIPAL AMOUNT: SEE SCHEDULE 1 (Not to Exceed \$\_\_\_\_\_.)**

FOR VALUE RECEIVED, the **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA** (the "Authority") promises to pay to the Registered Owner named above, but solely from tax increment revenues specified herein, the Principal Amount identified on Schedule 1, together with interest on the unpaid principal balance at the rate set forth above, calculated as simple interest and without compounding, on or before the maturity date set forth above.

All payments of principal and interest prior to maturity shall be made by the Agent by mailing a check to the Registered Owner or its approved pledgee, as shown in the records of the Authority at the time of the payment. All amounts due at maturity or other final payment shall be paid to the Registered Owner or its approved pledgee upon the presentation of this Note to the Agent at City Hall in Scottsbluff, Nebraska.

To the extent funds securing this Note are available to and received by the Authority, the accrued interest shall be payable semiannually on June 15 and September 15 of each year, commencing June 15, 202\_. If the date for any payment is a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Scottsbluff Nebraska are closed, then the date for such payment shall be the next day. The Authority may prepay the outstanding principal and/or interest, in whole or in part, at any time without the prior consent of the Registered Owner or its pledgees. Payments made shall first be applied to accrued interest and then to principal.

The Authority and the Agent may treat the Registered Owner as the absolute owner of the Note for the purpose of making payments and for all other purposes and neither the Authority nor the Agent shall be affected by any notice or knowledge to the contrary. The records maintained by the Authority as to the principal amount issued and principal amounts paid on this Note shall be the official records of the cumulative outstanding principal amount of this Note for all purposes.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153 of the Nebraska Revised Statutes, as amended, and under Resolution No. \_\_\_\_\_ duly passed and adopted by the Authority on \_\_\_\_\_ 2019, as from time to time amended and supplemented (the “**Resolution**”). The Resolution incorporates by reference the terms of the Redevelopment Contract between the Authority and 26 Group, LLC dated \_\_\_\_\_ (the “**Contract**”). This Note has been authorized by the Authority to aid in financing a redevelopment project.

This Note is a special limited obligation of the Authority payable solely from and is secured solely by the TIF Revenues (as defined in the Contract) on the terms and conditions in the Resolution and Contract. The TIF Revenues represents that portion of ad valorem real estate taxes levied by public bodies of the State of Nebraska, including the City, on real property on the Site (as defined in the Contract) which is in excess of that portion of such ad valorem real estate taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the Site as of a certain date as set forth in the Contract and as has been or will be certified by the County Assessor of Scotts Bluff County, Nebraska to the City in accordance with law.

This Note shall not be payable from the general funds of the City or the Authority, nor shall this Note constitute a legal or equitable pledge, charge, lien, security interest or encumbrance upon any of the property or upon any of the income, receipts, or money and securities of the City or the Authority or of any other party other than those specifically pledged under the Resolution and Contract. This Note is not a debt of the City or the Authority within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City or the Authority, and does not impose any general liability upon the City or the Authority. Neither the City nor the Authority shall be liable for the payment of this Note out of any funds of the City or the Authority other than TIF Revenues which have been pledged to the payment of this Note according to and as limited by the Resolution and Contract. Neither the members of the Authority nor any person executing this Note shall be liable personally on this Note by reason of the issuance hereof.

This Note is transferable by the Registered Owner in person or by its attorney or legal representative duly authorized in writing at City Hall in Scottsbluff, Nebraska, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution and Contract, and upon surrender of this Note.

**IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF NEBRASKA** has caused this Note to be signed by the Chair of the Scottsbluff, Nebraska, Community Redevelopment Authority, countersigned by the Secretary of the Community Redevelopment Authority, and with the City's corporate seal imprinted hereon.

**COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
SCOTTSBLUFF, NEBRASKA**

[S E A L]

By: \_\_\_\_\_ (manual signature)  
Chair

By: \_\_\_\_\_ (manual signature)  
Secretary

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**SCHEDULE 1**

**TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT  
TAX INCREMENT FINANCING NOTE (26 Group Fuel Station)  
COMMUNITY REDEVELOPMENT AUTHORITY OF  
THE CITY OF SCOTTSBLUFF, NEBRASKA**

<b>Date</b>	<b>Principal Amount Advanced</b>	<b>Principal Amount Redeemed</b>	<b>Cumulative Outstanding Principal Amount</b>	<b>Notation Made By</b>

**PROVISION FOR REGISTRATION**

<b>Date of Registration</b>	<b>Name of Registered Owner</b>	<b>Signature of Agent</b>

# **City of Scottsbluff, Nebraska**

**Wednesday, May 1, 2019**

**Regular Meeting**

## **Item Review3**

**Review and take action on Resolution approving Redevelopment Contract and authorizing TIF Note for Aulick Industries Truck Shop and Office Project by HVS, LLP and Original Equipment Co. d/b/a Aulick Industries.**

**Staff Contact: Starr Lehl**

## REDEVELOPMENT CONTRACT

THIS REDEVELOPMENT CONTRACT is entered into on \_\_\_\_\_ by and between the Community Redevelopment Authority of the City of Scottsbluff, Nebraska (the “Authority”) and HVS, LLP and Original Equipment Co. d/b/a Aulick Industries (together, the “Redeveloper”).

### RECITALS

- A. The City Council of the City of Scottsbluff (“City Council” and “City” respectively) has declared the Site (as defined below) blighted and substandard as defined in the Nebraska Community Development Law, NEB REV. STAT. § 18-2101 et seq, (the “Act”).
- B. After a positive recommendation by the Planning Commission of the City, the Authority and City Council approved and adopted the Redevelopment Plan (“Plan”) submitted by the Redeveloper. The Plan is incorporated into this Redevelopment Contract by this reference.
- C. This Redevelopment Contract has been prepared according to the Act in order to implement the Plan submitted by the Redeveloper.
- D. This Redevelopment Contract is entered into by the Authority to provide financing for an approved redevelopment project.

NOW THEREFORE, in consideration of the foregoing recitals which are material to and made a part of this Contract, the covenants herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows.

**1. Definitions.** The following terms in this Contract shall have the following definitions.

- a. “Contract” shall mean this Redevelopment Contract and all amendments, modifications, and extensions hereto.
- b. “Holder(s)” means the registered owner or owners of the Indebtedness issued by the Authority.
- c. "Indebtedness" means any bonds, notes, loans, and advances of money or other indebtedness, including interest and premium, if any, thereon, incurred by the Authority pursuant to this Contract to provide financing for the Project Costs (as defined below) and secured in whole or in part by TIF Revenues (as defined below). The Indebtedness as initially issued by the Authority shall consist of the Authority's Tax Increment Financing Note to be issued on the terms described in Schedule C.
- d. “Project” shall mean the Project as defined in the Plan.
- e. “Project Costs” shall mean the costs for those activities described on Schedule B and reimbursable to Redeveloper under the Act. The amount of the Project Costs shall be the amount actually incurred by the Redeveloper for such activities, and the estimates set forth on Schedule B are provided for budgeting purposes only.

- f. "Public Improvements" shall include, without limiting the generality of the description for public improvements, all improvements related to the Project required by the City to be completed, which may be on City property or in the City right of way, and/or relating to City services, utilities, or infrastructure.
- g. "Resolution" shall mean any Resolution of the Authority authorizing the issuance of the Indebtedness and/or approving this Contract.
- h. "Site" shall mean the real estate legally described on Schedule A together with all buildings, improvements and fixtures located thereon and portions of the adjacent public right of way and property as contemplated to be used under the Plan.
- i. "TIF Revenues" shall mean that portion of the ad valorem real estate taxes generated by the Project on the Site and allocated to the Authority pursuant to NEB. REV. STAT. § 18-2147(1)(b).

**2. Findings of the Authority:** The Authority has made the following findings:

- a. The Plan has been duly approved by the City Council and adopted by the Authority pursuant to the Act.
- b. The proposed land uses and building requirements in the Plan are designed with the general purposes of accomplishing, in conformance with the City's Comprehensive 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 provision of adequate transportation, water, sewerage, and other public utilities, 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 conditions of blight.
- c. The Authority and City have each conducted a cost benefit analysis for the Project in accordance with the Act, and found that the Project would not be economically feasible or occur in the project area without tax increment financing and 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, are in the long term best interests of the community.

**3. Representations of the Redeveloper:** The Redeveloper makes the following representations:

- a. The Redevelopers are entities duly organized and existing under the laws of the State of Nebraska.
- b. The execution and delivery of this Contract and the consummation of the transactions contemplated under this Contract will not conflict with or constitute a breach of or default under any contract to which Redeveloper is a party or by which it is bound.
- c. There is no litigation pending and to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the Project or this Contract.

- d. The Project as set forth in the Plan would not be economically feasible or occur in the project area without tax increment financing.
- e. The Redeveloper shall only use funds granted by the Authority for the purposes set forth in the Act.
- f. Redeveloper acknowledges that interest on the Indebtedness is not tax-exempt interest under state or Federal law.
- g. Redeveloper acknowledges and represents that it has been advised that the Indebtedness, including any note or bond, is not registered under the Securities Act of 1933, as amended, and that the Authority is not presently required to register under Section 12 of the Securities and Exchange Act of 1934. The Redeveloper therefore recognizes that if and when the Redeveloper may wish to sell or resell the Indebtedness as held by it there may not be any available current business and financial information about the Authority or the Project. Further, the Redeveloper realizes that no trading market presently exists or is ever expected to exist for the Indebtedness. The Redeveloper understands that it may need to bear the risks of an investment in the Indebtedness for an indefinite period of time, since any sale prior to maturity of the Indebtedness may not be possible or may be at a price below that which the Redeveloper is paying for the Indebtedness.
- h. The Redeveloper has conducted its own investigation and has undertaken the responsibility to verify the accuracy and completeness and truth of any statement made or omitted to be made concerning any of the material facts relating to the Indebtedness and the Project and transactions relating thereto.
- i. The Redeveloper is acquiring the Indebtedness for its own account for investment and not with a view for resale or distribution, except that the Redeveloper may assign the Indebtedness to the Redeveloper's lender, provided that such lender shall first acknowledge the Redeveloper's investor related representations substantially the same as set forth in Section 3 of this Contract. The Redeveloper has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment represented by the purchase of the Indebtedness, has financial resources sufficient to sustain the risks related to holding the Indebtedness, and is aware of the intended use of the proceeds and the risks involved therein.
- j. The Redeveloper has been offered an opportunity to ask questions of and receive answers from the Authority and the officers of the Authority concerning the terms and conditions of the Indebtedness and to obtain any additional information on the status of the Project and to obtain any additional financial information and documentation necessary to supplement or clarify the information provided to the Redeveloper.
- k. The Redeveloper understands the liability of the Authority and City shall be limited to the TIF Revenues received by the Authority with respect to the Project available to pay the Indebtedness and the Redeveloper shall look exclusively thereto for the payment on the Indebtedness.
- l. The Redeveloper acknowledges that the Indebtedness has been set based on estimates and assumptions including expectations as to the completion of construction and valuations suggested by the Redeveloper, which may alter substantially and materially, and/or certain costs of the Project to be incurred by the Redeveloper, and that tax increment revenues may be

altered or eliminated entirely based on future decisions of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

- m. The Redeveloper acknowledges that the Indebtedness is being purchased in a direct private placement negotiated between the Authority and the Redeveloper in which no broker, dealer, or municipal securities dealer has participated and is therefore not subject to any of the requirements of Rule 15c2-12 of the Securities and Exchange Commission requiring the providing of certain information upon issuance and certain additional information on a periodic basis.
- n. The Redeveloper understands that THE INDEBTEDNESS IS A LIMITED OBLIGATION OF THE AUTHORITY AND IS NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONIES RECEIVED OR TO BE RECEIVED FROM TAXATION, OTHER THAN TAX INCREMENT REVENUES AS DESCRIBED IN THIS CONTRACT.
- o. The Indebtedness does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority or City and does not impose any general liability upon the Authority or City. No official of the Authority or City nor any person executing the Indebtedness shall be liable personally by reason of its issuance.

**4. Obligations of the Authority:** In addition to the Authority's other obligations set forth in this Contract, the Authority shall perform the following obligations.

- a. In accordance with Section 18-2147 of the Act, the Authority provides that any ad valorem real estate tax on the Site, for the benefit of any public body be divided for a period of fifteen (15) years after the effective date of this provision, which date shall be determined as follows: The effective date of this provision shall be January 1, 2020 and the taxable base value is anticipated to be January 1, 2019. Provided, however, if there is no substantial increase in valuation between the 2019 and 2020 tax years, then, if allowed by law and upon the written request of the Redeveloper, the effective date of this provision shall be January 1, 2021 and the taxable base value shall be January 1, 2020. Said taxes shall be divided as follows:
  - 1. That portion of the ad valorem real estate tax on the Site 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
  - 2. That portion of the ad valorem real estate tax on the Site in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall notify the County Assessor and County Treasurer and all ad valorem real estate taxes upon the Site shall be paid into the funds of the respective public bodies; and
  - 3. Any interest and penalties due for delinquent taxes shall be paid in the funds of each public body in the same proportion as are all other taxes collected by or for the public body.

- b. Upon the request of the Redeveloper, the Authority shall file with the County Assessor a notice for dividing the ad valorem real estate tax on the Site as described in Section 18-2147(4) of the Act and consistent with the effective date as established in this Section 4.
- c. The Authority shall authorize the issuance of the Indebtedness in the form and stated principal amount and bearing interest and being subject to such terms and conditions as are specified in Schedule C or as otherwise set forth in this Contract and the Resolution; provided, at all times the maximum amount of the Indebtedness shall be limited to the sum of all Project Costs incurred by the Redeveloper. No Indebtedness will be issued until Redeveloper has acquired fee title to the Site and become obligated for a portion of the Project Costs.
- d. The Authority pledges 100% of the available annual TIF Revenues derived from the Site as security for and to provide payment of the Indebtedness as the same fall due. The Authority shall, to the extent funds are available from TIF Revenues, pay the Holder of the Indebtedness the TIF Revenues according to the terms of the Indebtedness and this Contract. Any shortfall in TIF Revenues to pay the Indebtedness, for any reason whatsoever, shall be borne entirely by the Redeveloper and Holder without recourse of any kind against the Authority or the City.
- e. The Authority shall grant to the Redeveloper up to the amount of the Indebtedness to pay the Redeveloper for the Project Costs actually incurred by the Redeveloper, subject to the limitations set forth in this Contract. The Indebtedness and the grant shall not exceed the amount of Project Costs as certified pursuant to Section 6(a) of this Contract. The Authority shall have no obligation to provide grant funds from any source other than the funds actually received by the Authority for the purchase price paid to the Authority for the Indebtedness. Upon the request of the Redeveloper, the purchase price of the Indebtedness shall be offset against the grant described herein.
- f. The Authority shall create a fund to collect and hold the TIF Revenues. Such fund shall be used for no other purpose other than to pay the Indebtedness.

**5. Obligations of Redeveloper.** In addition to the Redeveloper's other obligations set forth herein, the Redeveloper shall fulfill the following obligations:

- a. Prior to the execution of this Contract, the Redeveloper shall deliver to the Authority documents as required by the Authority showing who has authority to sign the Contract and related documents on behalf of the Redeveloper.
- b. Redeveloper shall complete the Project and install all required improvements, fixtures, equipment and furnishings necessary to operate the Project as set forth in the Plan. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to construct the Project. Until construction of the Project has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the Authority as to the actual progress of Redeveloper. Redeveloper shall furnish to the City a Certificate of Completion upon full completion of the Project.
- c. 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. The Authority and the Redeveloper shall be named as additional insureds, unless this requirement is waived by the City. Any contractor chosen by the Redeveloper or the Redeveloper itself, as owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable

value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "All Risk" insurance for physical loss or damage. The contractor with respect to any specific contract or the Redeveloper shall also carry insurance on all stored materials. The contractor or the Redeveloper, as the case may be, shall furnish the Authority with a Certificate of Insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Authority prior written notice in the event of cancellation of or material change in any of any of the policies, unless this requirement is waived by the City.

- d. Redeveloper shall pay all costs related to the redevelopment of the Site. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.
- e. The location, size and layout and actual construction of the Public Improvements shall be according to (i) plans and specifications approved in writing by the City in advance of commencement of construction, which approval will not be unreasonably withheld, (ii) all ordinances and codes adopted by the City, as in effect at the time that the Public Improvements are constructed, and (iii) any other agreement related to the Public Improvements between the Redeveloper and the City. This Contract shall not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, licenses from the City related to the Public Improvements or other improvements as may be required by the City for the type of work to be performed.
- f. Prior to commencing work, the Redeveloper shall furnish or cause to be furnished to the Authority, security consistent with policies established by the City for other development projects, to guarantee the completion of the Public Improvements as set forth in the Plan. The security furnished by the Redeveloper will be in the amount of the actual cost of the Public Improvements. It is contemplated that the Redeveloper will enter into one or more contracts for the construction of the Public Improvements. The actual cost of the Public Improvements will be determined by the provisions of such contract. If the security furnished by the Redeveloper is a bond or letter of credit, the bond or letter of credit shall provide that upon demand by the Authority, the Authority shall be paid all sums which will enable the Authority to complete the Public Improvements. If the sums collected by the Authority under the bond or letter of credit are not sufficient to complete the Public Improvements, the Redeveloper will remain directly liable to the Authority for the balance. The Authority may, at its option, assess all or any part of the amounts owed for the Public Improvements and not covered by the bond or letter of credit and not paid for by Redeveloper. This obligation of Redeveloper may be waived by the Authority if the Redeveloper is required to and does provide such security to the City under a separate agreement with the City related to the Public Improvements or by the City Manager upon other good cause shown.
- g. Prior to commencing any Public Improvements, the Redeveloper shall furnish or cause to be furnished to the Authority, a payment bond in the amount of the Public Improvements with a corporate surety authorized to do business in the State of Nebraska and approved by the Authority. Such payment bond shall be conditioned upon the Redeveloper at all times making payment of all amounts lawfully due to all persons supplying or furnishing the Redeveloper, the Redeveloper's contractor, or his or her subcontractors with labor, materials, equipment, or supplies for the Public Improvements and will indemnify and save harmless the Authority to the extent any payments under this Contract which the Authority may be required to make under law. The Authority may allow, in lieu of this surety bond, a cash bond in the amount determined by the Authority, to be held by the Authority for the purposes set forth in this subsection. The cash bond shall be refunded to the Redeveloper upon the completion of the applicable Public Improvements and the Authority's receipt of evidence, satisfactory to the Authority, that all persons having



performed labor or furnished materials, equipment, or supplies for such Public Improvements have been fully paid. This obligation of Redeveloper may be waived by the Authority if the Redeveloper is required to and does provide such security to the City under a separate agreement with the City related to the Public Improvements or by the City Manager upon other good cause shown.

- h. The Redeveloper will purchase or arrange for the purchase of the Indebtedness at a price equal to the principal amount thereof, in a private placement satisfactory to the Authority as to its terms and participants. The Authority and City shall have no obligation to provide for the sale of the Indebtedness by the Redeveloper.
- i. The Redeveloper shall pay the Authority a fee to cover the Authority's expenses in Plan preparation and other arrangements in connection with the Project, this Contract, and the Indebtedness. The fees shall be as set forth on Schedule D and shall be paid to the Authority on the date of issuing the Indebtedness.
- j. Prior to the completion of the Project, any loan proceeds obtained by the Redeveloper which are secured by mortgage, deed of trust, or other lien or encumbrance on the Site, or any portion thereof, shall be used solely for the costs and expenses associated with the development of the Site pursuant to the Plan, unless otherwise agreed to by the Authority in writing.
- k. The Redeveloper shall retain copies of all documents and records associated with the Plan and Project received or generated by the Redeveloper and make such documents available to the City and Authority, upon request, for at least three years after the end of the last fiscal year in which ad valorem real estate taxes are divided for the Project.

**6. Cost Certification and Disbursement of Funds.** Proceeds of the Indebtedness shall be advanced and disbursed in the manner set forth below:

- a. The Redeveloper shall submit to the Authority a grant disbursement request (the "Disbursement Request") executed by an authorized representative of the Redeveloper. The Disbursement Request shall: (i) certify the portion of the Project that has been completed (ii) certify the actual costs incurred by the Redeveloper in the completion of such portion of the Project, including an itemization of the actual Project Costs incurred; and (iii) include documentation to the Authority's satisfaction that such Project Costs have been incurred and all other requirements under this Contract relating to the work have been met. All Disbursement Requests are subject to review and approval by the Authority. Determinations by the Authority whether costs included in the Disbursement Request are properly included as Project Costs as defined in this Contract shall be made in the sole discretion of the Authority and shall be conclusive and binding on the Redeveloper.
- b. The Authority shall inform the Holder in writing of the amount of the Disbursement Request allocated to the Indebtedness for reimbursable Project Costs under this Contract. Upon notification from the Authority, the Holder (if other than the Redeveloper) may make deposits to the Authority in such amount necessary to pay the Project Costs set forth in the Disbursement Request. Such amounts shall be proceeds of the Indebtedness to be granted to the Redeveloper under Section 4(e) of this Contract. If the Redeveloper is the Holder, the grant to the Redeveloper shall be offset by the increase in the principal balance of the Indebtedness by the amount of the Project Costs of the approved Disbursement Request.

**7. Redeveloper's Obligations While the Indebtedness is Outstanding.** Redeveloper covenants and agrees that while any Indebtedness is outstanding, Redeveloper shall:

- a. Not protest a taxable valuation of the Site so as to reduce the taxable valuation;
- b. Not convey the Site or structures thereon to any entity which would be exempt from paying real estate taxes, except those public improvements to be transferred to the City according to the Plan;
- c. Not apply to the Scotts Bluff County Assessor for any structures on the Site to be taxed separately from the land of the Site;
- d. Maintain insurance for the full value of the structures on the Site and in the event of casualty, apply such insurance proceeds to completing or repairing the Project;
- e. Pay or cause to be paid all real estate taxes and assessments levied on the Site prior to the time they become delinquent;
- f. Provide progress reports and any relevant financial records regarding the Project to the City or Authority upon request; and
- g. Include the restrictions in this Section 7 in any subsequent sale, assignment, sale-leaseback or other transfer of the Site or any portion thereof. If such restrictions are included, the Redeveloper shall not otherwise be responsible for the action or inaction of third parties if these covenants are breached by third parties and the Redeveloper no longer owns the Site.

**8. Authority's Liability.** The liability of the Authority under the Indebtedness shall be limited to the TIF Revenues and the Redeveloper and other Holders shall look exclusively to the TIF Revenues for the payment on the Indebtedness. THE INDEBTEDNESS IS A LIMITED OBLIGATION OF THE AUTHORITY AND IS NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONIES RECEIVED OR TO BE RECEIVED FROM TAXATION, OTHER THAN TAX INCREMENT REVENUES AS DESCRIBED IN THIS CONTRACT.

**9. Environmental Conditions.** In the development of the Site, the Redeveloper and its contractors shall not violate any applicable laws, ordinances and regulations relating to industrial hygiene or environmental protection (collectively referred to herein as "Environmental Laws"), and not do anything to introduce to the Site substances deemed to be hazardous or toxic under any Environmental Laws.

**10. Indemnity.** To the fullest extent permitted by law, the Redeveloper shall indemnify, defend, and hold harmless the Authority and City from and against all claims, damages, losses, fines, assessments, and expenses, including, but not limited to, attorneys' fees (collectively, "Losses"), arising out of or resulting from (a) the negligent or intentional acts or omissions of the Redeveloper, any of Redeveloper's contractors or subcontractors, or anyone directly employed by any of them, or anyone for whose acts any of them may be liable or (b) the noncompliance with this Contract. The Redeveloper also agrees to indemnify and hold the City and Authority harmless for any claims for amounts which are the responsibility of the Redeveloper charged by persons or entities providing labor or materials for the Project. Notwithstanding the foregoing, in no event shall Redeveloper be required to indemnify, defend, or hold harmless the Authority and/or City for Losses to the extent such Losses are caused by the negligent or intentional acts or omissions of the Authority and/or City.

- 11. Nondiscrimination.** The Redeveloper shall not, in the performance of this Contract and the Project, discriminate against any employee or applicant for employment because of race, religion, gender, color, national origin, ancestry, disability, familial status, or receipt of public assistance.
- 12. Immigration Status.** Redeveloper agrees that all of its contractors providing services on the Site will utilize the federal immigration verification system, as defined in NEB. REV. STAT. § 4-114 to determine the work eligibility status of new employees physically performing services on the Project.
- 13. Conflicts of Interest.** No officer, employee, or agent of the Authority shall have any personal interest in this Contract, whether such interest is direct or indirect.
- 14. Assignment.** The Redeveloper may not assign its rights under this Contract without prior written consent of the Authority, which consent shall not be unreasonably withheld.
- 15. Covenants Running with the Land.** This Contract shall be binding upon the Redeveloper's successors and assigns, and shall run with the Site. The Redeveloper shall record this Contract or a memorandum of this Contract in the Scotts Bluff County Office of the Register of Deeds, to be indexed against the Site. The Redeveloper shall not be responsible for the violation or breach of these covenants by its successors or assigns.
- 16. Status of Parties.** The Authority is not and shall not be regarded as a partner, joint venturer, or other jointly acting party with the Redeveloper for any purpose whatsoever, and the undertakings and agreements on the part of the Authority herein are provided solely pursuant to the provisions of the Act and for the governmental purposes of promoting and encouraging redevelopment in blighted and substandard areas.
- 17. Approvals by the Authority.** Whenever, under the terms of this Contract, the Authority has agreed that it shall take an action or cause an action to be taken and applicable statutes require public notice and a hearing or other procedures relating to public approval, the terms and conditions of this Contract shall be understood as subject to such requirements.
- 18. Default.** In the event of any default hereunder, the defaulting party shall, upon written notice to the other party proceed immediately to cure the default and such shall be cured within 30 days after the defaulting party's receipt of such notice or such longer time as may be allowed by the party giving notice. Any default which, by its nature, cannot be cured in the time allowed may be cured if curing is commenced within the time allowed and diligently pursued to completion thereafter. If the default is not timely cured, the non-defaulting party may pursue any remedy available to it at law or equity, including specific performance. In addition, in the event of a default by the Redeveloper which is not timely cured as set forth above, then the Authority may suspend its performance under this Contract or rescind or terminate this Contract. Neither party shall be deemed to be in default of their respective obligations in the event of delay in the performance of such obligations due to causes beyond such party's reasonable control and without its fault including, but not limited to acts of God, acts of the public enemy, acts of the Federal government, fires, floods, epidemics, quarantine, strikes, freight embargos, or delays of subcontractors due to such causes. In the event of any such delay, the party being delayed shall give prompt notice to the other party and the time for performance of the obligation being delayed shall be equitably extended.
- 19. Notices and Demands.** Any notice, demand, or other communication under this Contract by either party shall be sufficiently given or delivered if it is sent by certified mail, postage prepaid, return receipt requested, or delivered personally as follows:

If to Redeveloper: HVS, LLP and Original Equipment Co.  
Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Authority: Scottsbluff Community Development Authority  
Attn: City Manager  
2525 Circle Drive  
Scottsbluff, NE 69361

Either party may give notice of a change in contact information in the manner specified herein.

**20. Complete Contract.** This Contract represents the complete understanding between the parties concerning the subject matter of this Contract, and no other promises or agreements relating to the subject matter of this Contract shall be binding unless they are made in writing and authorized and executed by both parties. *Provided that*, the terms of any Resolution passed by the Authority related to the Indebtedness are made a part of and incorporated into this Contract by this reference.

**21. Governing Law.** Nebraska law will govern the construction of and the performance under this Contract.

**22. Schedules.** All schedules referenced above are incorporated into this Contract by this reference.

**23. Intent.** This Contract is entered into by the Authority to provide financing for an approved redevelopment project.

**24. Joint and Several.** HVS, LLP and Original Equipment Co.'s obligations under this Contract shall be joint and several.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

Executed this \_\_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SCOTTSBLUFF, NEBRASKA  
COMMUNITY REDEVELOPMENT  
AUTHORITY**

\_\_\_\_\_  
William Trumbull, Chair

ATTEST:

\_\_\_\_\_  
Secretary

**HVS, LLP**

By\_\_\_\_\_

Printed Name:\_\_\_\_\_

Title:\_\_\_\_\_

**Original Equipment Co.**

By\_\_\_\_\_

Printed Name:\_\_\_\_\_

Title:\_\_\_\_\_

STATE OF NEBRASKA; COUNTY OF SCOTTS BLUFF ) ss.

The foregoing Redevelopment Contract was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019 by William Trumbull, the Chair on behalf of the City of Scottsbluff, Nebraska Community Redevelopment Authority, after being duly authorized.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA; COUNTY OF SCOTTS BLUFF ) ss.

The foregoing Redevelopment Contract was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019 by \_\_\_\_\_ (name), \_\_\_\_\_ (title), on behalf of HVS LLP, a Nebraska Limited Liability Partnership.

\_\_\_\_\_  
Notary Public

The foregoing Redevelopment Contract was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019 by \_\_\_\_\_ (name), \_\_\_\_\_ (title), on behalf of Original Equipment Co., a Nebraska Corporation.

\_\_\_\_\_  
Notary Public

**Schedule A**

The Site

Block 3, Marvin Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska, EXCEPT that part deeded to the State of Nebraska in Deed Book 152, Page 293 of the records of Scotts Bluff County, Nebraska.

**Schedule B**  
Estimated Project Costs

<u>Description</u>	<u>Estimated Cost</u>
Site Preparation	
Compacted Fill	\$ 66,000.00
Demolition	
Site Concrete	\$ 91,000.00
Storm Drain	\$ 8,000.00
Building	\$ 30,000.00
Storm Drain Construction	\$ 16,000.00
Sanitary Lines	\$ 20,000.00
Water Service	\$ 7,200.00
Lighting	\$ 96,000.00
Landscaping Highway ROW	\$ 30,000.00
Geo Tech/Civil Engineering	\$ 45,000.00
<u>Plan Preparation/Legal</u>	<u>\$ 10,000.00</u>
TOTAL	\$ 419,200.00

**Schedule C**  
Indebtedness

- |                      |  |
|----------------------|--|
| 1. Principal Amount: | Not to exceed actual Project Costs certified by the Redeveloper.                                       |
| 2. Interest Rate:    | WSJ Prime Rate +1% or as agreed upon by the Redeveloper and Authority.                                 |
| 3. Maturity Date:    | December 31, 2034 (or December 31, 2035 depending on the effective date as set forth in Section 4).    |
| 4. Payments:         | Semi-Annually on June 15 and December 15 of each year, with payments limited to TIF Revenues received. |
| 5. Date of Issuance: | At Redeveloper's request as agreed to by the Authority, but subject to the terms of the Contract.      |



**Schedule D**  
Fee

- |                       |            |
|-----------------------|------------|
| 1. Processing Fee:    | \$5,000.00 |
| 2. Administrative Fee | \$5,000.00 |

**RESOLUTION NO. CRA\_\_\_\_\_**

**BE IT RESOLVED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA:**

**Recitals:**

- a. According to the Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*, a redevelopment plan for the *Aulick Industries Office and Truck Shop* project submitted by HVS, LLP and Original Equipment Co. d/b/a Aulick Industries (the “Redevelopment Plan”) has been submitted to the Scottsbluff Community Redevelopment Authority (“Authority”). The Redevelopment Plan proposes to redevelop an area of the City which the City Council has declared to be blighted and substandard and in need of redevelopment. The Redevelopment Plan includes the use of tax increment financing.
- b. The Redevelopment Plan has been reviewed by the Planning Commission, which found that the Redevelopment Plan conforms to the 2016 Scottsbluff Comprehensive Plan. The Planning Commission recommended approval of the Redevelopment Plan to the Authority and City Council.
- c. The Authority and the City Council have approved and adopted the Redevelopment Plan.
- d. The Authority and HVS, LLP and Original Equipment Co. d/b/a Aulick Industries (the “Redeveloper”) desire to enter into a Redevelopment Contract (the “Contract”) under which the Authority will provide a grant and tax increment financing to the Redeveloper to assist with the implementation of the Redevelopment Plan. Capitalized terms not otherwise defined in this Resolution shall have the same meaning as provided for in the Contract.

**Resolved:**

1. The Contract between the Authority and Redeveloper is approved. The Chair and Secretary of the Authority are authorized to sign the Contract on behalf of the Authority. The Chair may make changes and amendments to the Contract and take all actions and execute all documents which the Chair deems in the best interest of the Authority in connection with the Redevelopment Plan. This Resolution shall be construed consistently with the Contract.
2. A tax increment financing note shall be ordered issued by the Authority and shall be designated as “Tax Increment Financing Note (Aulick Industries Office and Truck Shop)” (the “Note”).
3. Under the provisions of NEB. REV. STAT. § 18-2147 and the terms of the Contract, the effective date is confirmed as stated in Section 4 of the Contract, after which ad valorem taxes on real property located within the Site may be apportioned under section 18-2147. The taxes shall be divided as follows:
  - a. That portion of the ad valorem real estate tax on the Site 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 real estate tax on the Site in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority

shall so notify the County Assessor and County Treasurer and all ad valorem real estate taxes upon the Site shall be paid into the funds of the respective public bodies.

4. Under the terms of the Contract, the City Treasurer (the “Agent”) as Agent of the Authority is authorized to give notice, upon the request of the Redeveloper, to the County Assessor of the provision of the Contract for dividing ad valorem real estate taxes according to the requirements of NEB. REV. STAT. § 18-2147(4).

5. The Note shall be executed by the Chair and Secretary of the Authority and the official seal of the City shall be placed thereon.

6. The City Manager or the City Manager’s designee shall have authority to review and approve Disbursement Requests on behalf of the Authority and carry out all other administrative duties and decisions of the Authority relating to the Note and the Contract.

7. The Note is a special, limited obligation of the Authority and is not secured by any obligation or pledge of any monies received or to be received from taxation, other than tax increment revenues as set forth in the Contract and as described in NEB. REV. STAT. § 18-2147. The Note shall not in any event be a debt of the Authority (except to the extent of the tax increment revenues pledged under the Contract), the City, the State, nor any of its political subdivisions, and neither the Authority, the City, the State nor any of its political subdivisions is liable in respect thereof. In no event shall the Note be payable out of any funds or properties other than those of the Authority acquired under the Contract. The Note does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority and does not impose any general liability upon the Authority. No member or official of the Authority nor any person executing the Note shall be liable personally on the Note by reason of its issuance.

8. The Note shall be in substantially the form of the attached Exhibit A and shall be subject to the terms and conditions as set forth in the Contract and this Resolution (including those in Exhibit A).

- a. The Note shall be issued in fully registered form. The name and address of the registered owner of the Note (including notation of any pledgee as may be requested by the Redeveloper) shall at all times be part of the records of the Authority at City Hall in Scottsbluff, Nebraska.
- b. The Note shall be dated the date the Note is initially issued and delivered (“Date of Original Issue”), shall mature, subject to right of prior redemption, not later than December 31, 2034 (or later date as set forth in the Contract), and shall bear interest in the amount of 6.5% per year or as otherwise determined by the Agent and Redeveloper. The Agent is authorized to determine: (i) the Date of Original Issue, (ii) the principal amount of the Note, (iii) the maturity date of the Note, and (iv) any other term of the Note, but all subject to the terms of the Contract and this Resolution.
- c. The Note shall be issued to such owner as agreed between the Redeveloper and the Authority. Upon execution of the Note and compliance with all other provisions of this Resolution and the Contract, the Note shall be registered by the Agent in the name of the owner and shall be delivered in consideration of payment of the principal amount thereof to the City’s Treasurer in current bankable funds or as otherwise set forth in the Contract. From such purchase price, the Authority shall make a grant to the Redeveloper according to the terms of the Contract.
- d. The initial purchaser (and any pledgee) shall be required to deliver an investment representation letter to the Agent in a form satisfactory to the Authority, as advised by the Authority’s attorney.

No Note shall be delivered to any owner unless the Authority has received from the owner such documents as may be required by the Authority to demonstrate compliance with all applicable laws and the Contract.

- e. The records maintained by the Agent as to principal amount advanced and principal amounts paid on the Note shall be the official records of the cumulative outstanding principal amount of the Note for all purposes. The Agent shall have only such duties and obligations as are expressly stated in this Resolution and no other duties or obligations shall be required of the Agent.
- f. A transfer of the Note may be registered only upon surrender of the Note to the Agent, together with an assignment duly executed by the owner or its attorney or legal representative in a form as satisfactory to the Agent. Prior to any transfer, the transferee shall provide to the Authority an investor's letter in a form satisfactory to the Authority, and shall deposit with the Authority an amount to cover all reasonable costs incurred by the Authority, including legal fees, related to such transfer. Upon any registration of transfer, the Authority may execute and deliver a new Note registered in the name of the transferee, with a principal amount equal to the principal amount of the Note surrendered and with the same maturity and interest rate. The Note surrendered in any such exchange shall be canceled by the Agent. A transfer of any Note may be prohibited by the Authority if a default then exists under the Contract. The Authority may impose any additional restrictions on the transfer of any Note as may be required to ensure compliance with applicable laws.

9. The Chair, City Manager, and their designees are authorized to take any and all actions, and to execute any and all documents deemed by them necessary to affect the transactions contemplated in the Contract and authorized by this Resolution.

10. All prior resolutions of the Authority in conflict with the terms and provisions of this Resolution are repealed to the extent of such conflicts.

11. This Resolution shall become effective immediately upon its adoption.

**PASSED AND APPROVED** on \_\_\_\_\_

**COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
SCOTTSBLUFF**

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Secretary

**EXHIBIT A**  
**(FORM OF NOTE)**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (THE '33 ACT) OR ANY STATE SECURITIES LAWS, AND THIS NOTE MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE '33 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE '33 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER OR THERE SHALL HAVE BEEN DELIVERED THE SCOTTSBLUFF COMMUNITY REDEVELOPMENT AUTHORITY (THE "AUTHORITY") PRIOR TO THE TRANSFER, ASSIGNMENT, SALE, OR HYPOTHECATION, AN OPINION OF COUNSEL SATISFACTORY TO THE AUTHORITY TO THE EFFECT THAT REGISTRATION UNDER THE '33 ACT IS NOT REQUIRED.

THIS NOTE MAY BE TRANSFERRED OR ASSIGNED ONLY IN THE MANNER AND ON THE TERMS AND CONDITIONS AND SUBJECT TO THE RESTRICTIONS STATED IN RESOLUTION NO. \_\_\_\_ OF THE AUTHORITY. THE AUTHORITY'S TRESURER IS PROHIBITED FROM REGISTERING THE OWNERSHIP OR TRANSFER OF OWNERSHIP OF THIS NOTE TO ANY PERSON WITHOUT RECIEPT OF AN EXECTUED INVESTOR LETTER AS REQUIRED UNDER THE TERMS OF SAID RESOLUTION.

**TAX INCREMENT FINANCING NOTE (Aulick Industries Office and Truck Shop)**  
**ISSUED BY THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF**  
**SCOTTSBLUFF, NEBRASKA**

**Date of**  
**Original Issue**

**Date of**  
**Maturity**

**Rate of**  
**Interest**

December 31, 203\_\_

\_\_\_\_\_ per annum

**REGISTERED OWNER:** \_\_\_\_\_

**PRINCIPAL AMOUNT: SEE SCHEDULE 1 (Not to Exceed \$\_\_\_\_\_.)**

FOR VALUE RECEIVED, the **COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF, NEBRASKA** (the "Authority") promises to pay to the Registered Owner named above, but solely from tax increment revenues specified herein, the Principal Amount identified on Schedule 1, together with interest on the unpaid principal balance at the rate set forth above, calculated as simple interest and without compounding, on or before the maturity date set forth above.

All payments of principal and interest prior to maturity shall be made by the Agent by mailing a check to the Registered Owner or its approved pledgee, as shown in the records of the Authority at the time of the payment. All amounts due at maturity or other final payment shall be paid to the Registered Owner or its approved pledgee upon the presentation of this Note to the Agent at City Hall in Scottsbluff, Nebraska.

To the extent funds securing this Note are available to and received by the Authority, the accrued interest shall be payable semiannually on June 15 and September 15 of each year, commencing June 15, 202\_. If the date for any payment is a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Scottsbluff Nebraska are closed, then the date for such payment shall be the next day. The Authority may prepay the outstanding principal and/or interest, in whole or in part, at any time without the prior consent of the Registered Owner or its pledgees. Payments made shall first be applied to accrued interest and then to principal.

The Authority and the Agent may treat the Registered Owner as the absolute owner of the Note for the purpose of making payments and for all other purposes and neither the Authority nor the Agent shall be affected by any notice or knowledge to the contrary. The records maintained by the Authority as to the principal amount issued and principal amounts paid on this Note shall be the official records of the cumulative outstanding principal amount of this Note for all purposes.

This Note is issued by the Authority under the authority of and in full compliance with the Constitution and statutes of the State of Nebraska, including particularly Article VIII, Section 12 of the Nebraska Constitution, Sections 18-2101 to 18-2153 of the Nebraska Revised Statutes, as amended, and under Resolution No. \_\_\_\_\_ duly passed and adopted by the Authority on \_\_\_\_\_ 2019, as from time to time amended and supplemented (the "**Resolution**"). The Resolution incorporates by reference the terms of the Redevelopment Contract between the Authority and HVS, LLP and Original Equipment Co. dated \_\_\_\_\_ (the "**Contract**"). This Note has been authorized by the Authority to aid in financing a redevelopment project.

This Note is a special limited obligation of the Authority payable solely from and is secured solely by the TIF Revenues (as defined in the Contract) on the terms and conditions in the Resolution and Contract. The TIF Revenues represents that portion of ad valorem real estate taxes levied by public bodies of the State of Nebraska, including the City, on real property on the Site (as defined in the Contract) which is in excess of that portion of such ad valorem real estate taxes produced by the levy at the rate fixed each year by or for each such public body upon the valuation of the Site as of a certain date as set forth in the Contract and as has been or will be certified by the County Assessor of Scotts Bluff County, Nebraska to the City in accordance with law.

This Note shall not be payable from the general funds of the City or the Authority, nor shall this Note constitute a legal or equitable pledge, charge, lien, security interest or encumbrance upon any of the property or upon any of the income, receipts, or money and securities of the City or the Authority or of any other party other than those specifically pledged under the Resolution and Contract. This Note is not a debt of the City or the Authority within the meaning of any constitutional, statutory or charter limitation upon the creation of general obligation indebtedness of the City or the Authority, and does not impose any general liability upon the City or the Authority. Neither the City nor the Authority shall be liable for the payment of this Note out of any funds of the City or the Authority other than TIF Revenues which have been pledged to the payment of this Note according to and as limited by the Resolution and Contract. Neither the members of the Authority nor any person executing this Note shall be liable personally on this Note by reason of the issuance hereof.

This Note is transferable by the Registered Owner in person or by its attorney or legal representative duly authorized in writing at City Hall in Scottsbluff, Nebraska, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution and Contract, and upon surrender of this Note.

**IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SCOTTSBLUFF NEBRASKA** has caused this Note to be signed by the Chair of the Scottsbluff, Nebraska, Community Redevelopment Authority, countersigned by the Secretary of the Community Redevelopment Authority, and with the City's corporate seal imprinted hereon.

**COMMUNITY REDEVELOPMENT  
AUTHORITY OF THE CITY OF  
SCOTTSBLUFF, NEBRASKA**

[S E A L]

By: \_\_\_\_\_ (manual signature)  
Chair

By: \_\_\_\_\_ (manual signature)  
Secretary

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**SCHEDULE 1**

**TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT  
TAX INCREMENT FINANCING NOTE (Aulick Industries Office and Truck Shop)  
COMMUNITY REDEVELOPMENT AUTHORITY OF  
THE CITY OF SCOTTSBLUFF, NEBRASKA**

<b>Date</b>	<b>Principal Amount Advanced</b>	<b>Principal Amount Redeemed</b>	<b>Cumulative Outstanding Principal Amount</b>	<b>Notation Made By</b>

**PROVISION FOR REGISTRATION**

<b>Date of Registration</b>	<b>Name of Registered Owner</b>	<b>Signature of Agent</b>



# **City of Scottsbluff, Nebraska**

**Wednesday, May 1, 2019**

**Regular Meeting**

## **Item Scooter's1**

**Review preliminary Redevelopment Plan for Scooter's Drive thru Coffee Kiosk Project submitted by 1dash5 Enterprises, LLC.**

*Conduct preliminary Cost Benefit Analysis for Scooter's Drive thru Coffee Kiosk Project.*

*Submit Redevelopment Plan for Scooter's Drive thru Coffee Kiosk Project to Planning Commission.*

**Minutes:**

**Staff Contact: Starr Lehl**

**CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN**

*Scooter's Drive Thru Coffee Kiosk*

*By: 1dash5 Enterprises, LLC*

**1. Introduction/Executive Summary**

1dash5 Enterprises, LLC (the "Redeveloper") submits this Redevelopment Plan ("Plan") to the City of Scottsbluff City Council (the "City"), the City of Scottsbluff Planning Commission ("Planning Commission"), and the City of Scottsbluff Community Redevelopment Authority (the "CRA"), pursuant to the Nebraska Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*

Under this Plan, the Redeveloper proposes to develop the "Project Site" (as defined below) into a Scooters Coffee Drive-thru kiosk. The Project Site has been declared to be blighted and substandard. The Redeveloper is requesting tax increment financing for certain eligible costs and expenses related to the Project.

**2. Blighted and Substandard Condition of Project Site (NEB. REV. STAT. §§ 18-2103 (3) and (31) and 18-2109)**

The City has declared the Project Site and surrounding areas as blighted and substandard as defined in the Nebraska Community Development Law.

**3. Statutory Elements (NEB. REV. STAT. §§ 18-2103(27) and 18-2111)**

**A. *Boundaries of the Project Site:*** The Project Site is located at the southeast corner of West Overland and Avenue I. The legal description of the Project Site is:

Tracts 3 and 4, Graves Tracts, an addition to the City of Scottsbluff, Scotts Bluff County, Nebraska, EXCEPT the West 17 fee of Tract 4 thereof.

Aerial maps of the Project Site are found in Attachment 1.

**B. *Land Acquisition:*** The Redeveloper plans on privately acquiring the Project Site as part of this Plan.

**C. *Land Uses, Land Coverage and Building Intensities:*** The Redeveloper intends to construct a Scooters Coffee Drive-Thru kiosk. This will include an approximately 800 square foot building and an off-street parking lot and drive thru-area and landscaping.

**D. *Existing Uses and Condition:*** The Project Site is currently vacant land (See Attachment 2).

**E. *Site Plan:*** See Attachment 3 (To be provided)

**F. *Demolition and Removal of Structures:*** None

**G. *Population Densities:*** The Plan does not contemplate a change in population densities around the Project Site. The Redeveloper expects an increase in use of the area by employees and customers of Scooters.

- H. Zoning Changes:** The Project Site is zoned as C-2 (Neighborhood Commercial), which includes drive-through restaurants, bakeries, and other similar retail and service establishments as permitted uses. Thus, no zoning changes are necessary.
- I. Additional Public Facilities and Utilities:** The Project will require sanitary sewer, water, electric and fiber optic utility connections.
- J. Street Layouts, Street Levels, and Grades:** No changes to street layouts, street levels, and grades are needed for this Plan. The Project Site is currently in the flood plain which will need to be addressed as part of the Project.
- K. Ordinance and Building Code Changes:** No ordinance or building code changes are contemplated by the Plan.
- 4. Conformity to General Plan of the City (NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a)).**

The Planning Commission, City, and CRA are all tasked with determining whether this Plan conforms to the general plan for the development of the City as a whole. NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a).

According to the 2016 Scottsbluff Comprehensive Plan, the Project Site is in the Southwest District. A principle of sustainable development for the Southwest District is to encourage infill development through mitigation of blighted properties and incentives. A principle of interconnection of neighborhoods and amenities for the Southwest District is to allow and encourage neighborhood commercial development at node intersections and corridors within walking distance to residential neighborhoods. The Redeveloper's Plan is consistent with the Comprehensive Plan.

## **5. Proposed Financing**

**A. Tax Increment Financing.** The Redeveloper is requesting tax increment financing to pay for statutorily eligible expenses, to the extent such funds are available. The tax increment financing will be generated from the increased property taxes to be paid on the Project Site after development all in accordance with NEB. REV. STAT. § 18-2147. The amount of the available proceeds from tax increment financing ("TIF Revenues") is estimated at approximately \$87,300.00, calculated as follows:

Current Assessed Value	\$ 30,518.00
Estimated Value after Completion	\$ 300,000.00
Increment Value	\$ 269,482.00
Multiplied by approximate 2.16% levy	x .0216
Annual TIF Revenues Generated (Rounded)	\$ 5,820.00
Multiplied by 15 years (Maximum Duration of TIF)	x 15
Estimated TIF Revenues Available:	<u>\$ 87,300.00</u>

*Preliminary Draft Plan for Initial CRA Review and Conceptual Approval  
Subject to Change upon Obtaining Further Information from Redeveloper; 5/1/19*

*Note: The above figures are based on estimated values and levy rates. Actual values and rates may vary materially from the estimated amounts.*

The TIF Revenues will be used to make principal and interest payments toward a tax increment financing bond ("TIF Indebtedness") to be held or sold by the Redeveloper.

Because the Plan proposes the use of tax increment financing, the City must find that the Plan would not be economically feasible without the use of tax increment financing and the Project would not occur in the blighted and substandard area without the use of tax increment financing. The City and the CRA must also find 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 and been found to be in the long-term best interest of the community. NEB. REV. STAT. §§ 18-2113(2) and 18-2116(1)(b).

The Redeveloper certifies that the Plan would not be economically feasible and would not occur in the blighted and substandard area without the use of tax increment financing. Tax increment financing and other incentives are critical in the Redeveloper's decision to proceed with the Project.

Notwithstanding the foregoing, the Redeveloper understands the liability of the CRA and City is limited to the TIF Revenues received by the CRA related to the Project to pay the TIF Indebtedness. The Redeveloper shall look exclusively to the TIF Revenues related to this Project for the payment of any TIF Indebtedness. The Redeveloper acknowledges that the above figures are, and any TIF Indebtedness will be set, based on estimates and assumptions, including expectations as to the completion of construction and property valuations suggested by the Redeveloper which may alter substantially and materially, and/or certain project costs incurred by the Redeveloper, and that tax increment revenues may be altered or eliminated entirely based on future decision of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

Below are the portions of the project, and estimated costs, which the Redeveloper proposes to be paid for with TIF Revenues [NOTE: This is a preliminary list; further eligible costs may be identified or particularized]

<u>Description</u>	<u>Estimated Cost</u>
Site Acquisition	\$ 57,000.00
Site Preparation	\$ 18,000.00
Civil Engineering	\$ 5,000.00
Drainage	\$ 5,250.00
Plan Preparation/Legal	\$ 6,984.00
TOTAL	\$ 92,234.00

A preliminary statutory Cost-Benefit Analysis of the Project is attached as Attachment 4.

**B. Private Investment/Financing.** The Redeveloper will make a substantial private investment in and obtain private financing for in the private improvements such as the building and personal property estimated at \$345,000.00.

*Please note that all the figures in this Plan are estimates and tax increment financing granted will be based on actual costs incurred for eligible expenses.*

**6. Implementation of the Plan.**

Upon approval of this Plan, the Redeveloper will enter into a Redevelopment Contract with the CRA which shall govern the implementation of this Plan. All public improvements related to this Plan shall be according to (a) plans and specifications approved in writing by the City in advance of commencement of construction, (b) all ordinances and codes adopted by the City, as in effect at the time that the public improvements are constructed, and (c) any other agreement related to the public improvements between the Redeveloper and the City. The Redevelopment Contract between the Redeveloper and the CRA shall not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, or licenses from the City related to the public improvements or other improvements as may be required by the City for the type of work to be performed on the Project Site.

**Dated:** \_\_\_\_\_

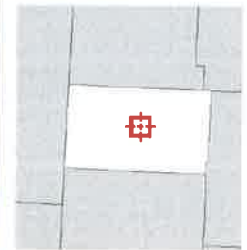
**1dash5 Enterprises, LLC**

**By:** \_\_\_\_\_  
**Gary Rimington, President**

**Scooter's Drive Thru Coffee Kiosk Redevelopment Plan  
Attachment 1  
Aerial Maps of Project Site**



Overview



Legend

-  Parcels
-  Subdivisions
-  Roads

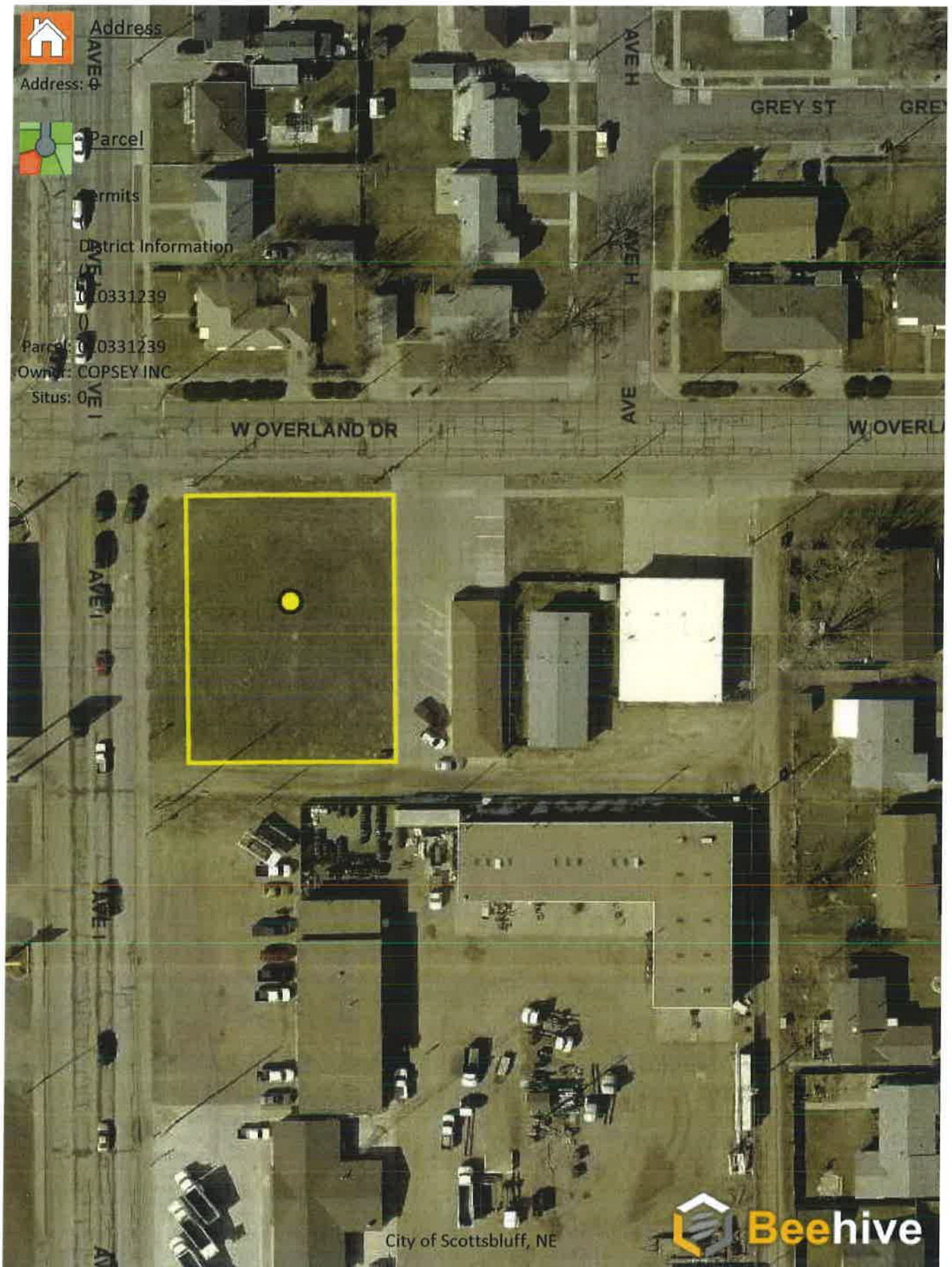
Parcel ID	010331239	Alternate ID	n/a	Owner Address	COPSEY INC
Sec/Twp/Rng	26/22/55	Class	n/a		& MONTY J COPSEY
Property Address		Acreage	n/a		2101 5TH AVE
					SCOTTSBLUFF NE 69361
District	n/a				
Brief Tax Description	LTS 3 & 4, EX W 17' OF LT 4, GRAVES ADD				
	(Note: Not to be used on legal documents)				

DISCLAIMER: This map measurement's and all associated data are approximate and not to be used for any official purposes. Scotts Bluff County assumes no liability associated with the use or misuse of this information.

Date created: 4/26/2019

Developed by  **Schneider**  
GEOSPATIAL







**Scooter's Drive Thru Coffee Kiosk Redevelopment Plan  
Attachment 2  
Street View of Project Site**



Google

© 2019 Google

**Scooter's Drive Thru Coffee Kiosk Redevelopment Plan  
Attachment 3  
Site Plan**

**Scooter's Drive Thru Coffee Kiosk Redevelopment Plan  
Attachment 4  
Cost Benefit Analysis**

**CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN**

*Scooter's Drive Thru Coffee Kiosk*

*By: 1dash5 Enterprises, LLC*

**Cost Benefit Analysis**

**A. *Tax Revenues and Tax Shifts Resulting from the Division of Taxes.*** Real estate taxes from the base value of the Project Site will be available to the local taxing jurisdictions regardless of the tax increment financing. The base value of the Project Site is \$30,518.00 which produces an annual real estate tax of approximately \$634.12. The tax increment revenues created by the Project are estimated at approximately \$5,280.00 per year. The local taxing jurisdictions are the City, Scotts Bluff County, Scottsbluff Public Schools, WNCC, ESU 13, and North Platte NRD. The tax increment revenues will not be available to local taxing jurisdictions for up to 15 years after the effective date of the division of taxes, or earlier if the TIF Revenues pay off the TIF Indebtedness early. During those times, the tax increment revenues from the Project Site will be used to reimburse the Redeveloper for the eligible development costs (with interest) necessary for the Project, as set forth in the Redevelopment Plan.

**B. *Public Infrastructure and Community Public Service Needs Impacts and Local Tax Impacts Arising from Project Approval.*** This Project will require water, sanitary sewer, electrical, and fiber optic connections to the Project Site. No additional local tax impacts, except those identified in section A above, will result from the Project.

**C. *Impacts on Employers and Employees of Firms Locating or Expanding Within the Boundaries of the Redevelopment Project Area.*** Employment will increase from zero employees to approximately 5 full-time employees on the Project Site as a result of the Project.

**D. *Impacts on other Employers and Employees within the City and immediate area located outside the Redevelopment Project Area.*** No negative impacts on other employers and employees in the area are expected.

**E. *Impacts on Student Populations of School Districts within the City.*** No negative impacts on the student population at Scottsbluff Public Schools are expected.

**F. *Other Impacts.***

- This Project will achieve the infill development of vacant land in in furtherance of the Comprehensive Plan.
- This Project will also result in an increase in sales taxes and utility revenue.
- The Redeveloper anticipates using local services when possible for banking, operational supplies, landscaping, and snow removal.

# **City of Scottsbluff, Nebraska**

**Wednesday, May 1, 2019**

**Regular Meeting**

## **Item Platte1**

**Review preliminary Redevelopment Plan for Platte Valley  
Addition Improvements Project submitted by Platte Valley Bank.**

*Conduct preliminary Cost Benefit Analysis for Platte Valley Addition Improvements Project.*

*Submit Redevelopment Plan for Platte Valley Addition Improvements Project to Planning Commission.*

Staff Contact: Starr Lehl

**CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN**  
***Platte Valley Addition Improvements Project***  
***By: Platte Valley Bank***

**1. Introduction/Executive Summary**

Platte Valley Bank (the “Redeveloper”) submits this Redevelopment Plan (“Plan”) to the City of Scottsbluff City Council (the “City”), the City of Scottsbluff Planning Commission (“Planning Commission”), and the City of Scottsbluff Community Redevelopment Authority (the “CRA”), pursuant to the Nebraska Community Development Law, NEB. REV. STAT. § 18-2101 *et seq.*

Under this Plan, the Redeveloper proposes to make improvements to the “Project Site” (as defined below) to enhance the safety of employees, customers, and other pedestrians walking across and around the public street Platte Valley Company’s Scottsbluff campus as well as enhance drainage of the Project Site. The Project Site has been declared to be blighted and substandard. The Redeveloper is requesting tax increment financing for certain eligible costs and expenses related to the Project.

**2. Blighted and Substandard Condition of Project Site (NEB. REV. STAT. §§ 18-2103 (3) and (31) and 18-2109)**

The City has declared the Project Site and surrounding areas as blighted and substandard as defined in the Nebraska Community Development Law.

**3. Statutory Elements (NEB. REV. STAT. §§ 18-2103(27) and 18-2111)**

**A. *Boundaries of the Project Site:*** The Project Site is legally described as follows:

Lots 1, 2, and 4, Block 1 Platte Valley Addition and Lots A and B, Subdivision of Lot 3, Block 1, Platte Valley Addition, in the City of Scottsbluff, Scotts Bluff County, Nebraska.

Aerial maps of the Project Site are found in Attachment 1. Plats of the Project Site are found in Attachment 2.

**B. *Land Acquisition:*** The Redeveloper owns the Project Site, so no land acquisition is contemplated under this Plan.

**C. *Uses, Condition, Land Coverage, and Building Intensities:*** The Project Site is the main campus of Platte Valley Companies. Land uses, condition, land coverage, and building intensities are as follows:

1. Lot 1 contains the Professional Center, which is a 14,082 square foot office building. Platte Valley Bank recently acquired the Professional Center. Previously, a portion of the Professional Center was used as offices of an accounting firm, a portion was used as a community room for Platte Valley Companies, and a portion was used as offices for Platte Valley Bank. In 2018, the Professional Center was renovated and 2,157 square feet of building space was added. Now JG Elliott Insurance Company and Platte Valley Bank’s trust and brokerage services are located in the Professional Center.
2. Lot 2 contains Platte Valley Bank’s main bank, which covers approximately 14,000 square feet of land.

3. Lot A contains a newly constructed building of approximately 4,000 square feet. The building is near completion and will be used as a Community Center for meetings, trainings, and other events. There is currently asphalt parking south of the building which will be demolished and resurfaced as part of this Plan.
4. Lot B contains an office building, which was previously JG Elliott Insurance Company's offices. The building is now used as Platte Valley Companies' Operations Center, which includes data processing, loan and deposit operations, the credit card department, the audit and compliance department, and other operational departments of the entire Platte Valley Companies. Platte Valley Bank's acquisition and expansion of the Professional Center (on Lot 1) created the possibility for Platte Valley Companies to use of the building on Lot B as Platte Valley Companies' Operations Center. This was an important element in keeping these jobs in the community and accommodating further growth.
5. Lot 4 is currently gravel parking for Platte Valley Companies' employees. This lot will be paved and lighted as part of this Plan.
6. Platte Valley Drive is a public street which runs east/west through the Platte Valley Addition. 13<sup>th</sup> Avenue is a public street which runs north/south, along the east side of Lot 2. Storm water drainage on the Project Site is a current problem. Rain showers and other wet conditions create streams and standing water on Platte Valley Drive. This Plan will address the drainage problem. This Plan also contemplates raised crosswalks across and public sidewalks along Platte Valley Drive to enhance the safety of employees, customers, and pedestrians crossing Platte Valley Drive.

- E. Site Plan:** See Attachment 3.
- F. Demolition and Removal of Structures:** No structures will be demolished as part of this Plan.
- G. Population Densities:** The Plan does not contemplate a change in population densities around the Project Site.
- H. Zoning Changes:** The Project Site is zoned as C-2 (Neighborhood Commercial), which includes banks and office and professional services as permitted uses. Thus, no zoning changes are necessary.
- I. Additional Public Facilities and Utilities:** The Project will require storm water drainage improvements, sidewalk improvements, and public street improvements as explained above.
- J. Street Layouts, Street Levels, and Grades:** No changes in street layouts and grades are contemplated under this Plan. Raised sidewalks will be added to Platte Valley Drive as explained above.
- K. Ordinance and Building Code Changes:** No ordinance or building code changes are contemplated by the Plan.



4. Conformity to General Plan of the City (NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a)).

The Planning Commission, City, and CRA are all tasked with determining whether this Plan conforms to the general plan for the development of the City as a whole. NEB. REV. STAT. §§ 18-2112, 18-2113(1), and 18-2116(1)(a).

According to the 2016 Scottsbluff Comprehensive Plan, the Project Site is in the Northeast District and in the Highway 26 Commercial neighborhood. The Highway 26 Commercial neighborhood contemplates daytime and nighttime activities, both personal and commercial vehicle use, formalized pedestrian facilities, and enforced aesthetic and landscaping standards. The Redeveloper's current use and improvement of the Project Site is consistent with the Comprehensive Plan.

5. Proposed Financing

A. **Tax Increment Financing.** The Redeveloper is requesting tax increment financing to pay for statutorily eligible expenses, to the extent such funds are available. The tax increment financing will be generated from the increased property taxes to be paid on the Project Site after development all in accordance with NEB. REV. STAT. § 18-2147. The amount of the available proceeds from tax increment financing ("TIF Revenues") is estimated at approximately \_\_\_\_\_, calculated as follows:  
[NOTE: Available TIF revenues have not yet been estimated]

Current Assessed Value	\$
Estimated Value after Completion	\$
Increment Value	\$
Multiplied by approximate 2.16% levy	x .0216
Annual TIF Revenues Generated (Rounded)	\$
Multiplied by 15 years (Maximum Duration of TIF)	x 15
Estimated TIF Revenues Available:	\$

*Note: The above figures are based on estimated values and levy rates. Actual values and rates may vary materially from the estimated amounts.*

The TIF Revenues will be used to make principal and interest payments toward a tax increment financing bond ("TIF Indebtedness") to be held or sold by the Redeveloper.

Because the Plan proposes the use of tax increment financing, the City must find that the Plan would not be economically feasible without the use of tax increment financing and the Project would not occur in the blighted and substandard area without the use of tax increment financing. The City and the CRA must also find 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 and been found to be in the long-term best interest of the community. NEB. REV. STAT. §§ 18-2113(2) and 18-2116(1)(b).

*Preliminary Draft Plan for Initial CRA Review and Conceptual Approval  
Subject to Change upon Obtaining Further Information from Redeveloper; 5/1/19*

The Redeveloper certifies that this Plan would not be economically feasible and would not occur in the blighted and substandard area without the use of tax increment financing. Tax increment financing and other incentives are critical in the Redeveloper's decision to proceed with the Project.

Notwithstanding the foregoing, the Redeveloper understands the liability of the CRA and City is limited to the TIF Revenues received by the CRA related to the Project to pay the TIF Indebtedness. The Redeveloper shall look exclusively to the TIF Revenues related to this Project for the payment of any TIF Indebtedness. The Redeveloper acknowledges that the above figures are, and any TIF Indebtedness will be set, based on estimates and assumptions, including expectations as to the completion of construction and property valuations suggested by the Redeveloper which may alter substantially and materially, and/or certain project costs incurred by the Redeveloper, and that tax increment revenues may be altered or eliminated entirely based on future decision of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

Below are the portions of the project, and estimated costs, which the Redeveloper proposes to be paid for with TIF Revenues [NOTE: This is a preliminary list; further eligible costs may be identified or particularized]

<u>Description</u>	<u>Estimated Cost</u>
Drainage and Raised Sidewalks	\$ 205,250.00
Lighting	\$ 48,000.00
Engineering	\$ 17,135.00
<u>Plan Preparation/Legal</u>	<u>\$ 10,000.00</u>
TOTAL	\$ 280,385.00

A preliminary statutory Cost-Benefit Analysis of the Project is attached as Attachment 4.

**B. Private Investment/Financing.** The Redeveloper has made and is making a substantial private investment in and obtain private financing for in the private improvements related to the Plan, estimated in the amount of \$3,100,000.00.

*Please note that all the figures in this Plan are estimates and tax increment financing granted will be based on actual costs incurred for eligible expenses.*

**6. Implementation of the Plan.**

Upon approval of this Plan, the Redeveloper will enter into a Redevelopment Contract with the CRA which shall govern the implementation of this Plan. All public improvements related to this Plan shall be according to (a) plans and specifications approved in writing by the City in advance of commencement of construction, (b) all ordinances and codes adopted by the City, as in effect at the time that the public improvements are constructed, and (c) any other agreement related to the public improvements between the Redeveloper and the City. The Redevelopment Contract between the Redeveloper and the CRA shall not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, or licenses from the City related to the public improvements or other improvements as may be required by the City for the type of work to be performed on the Project Site.

Dated: \_\_\_\_\_

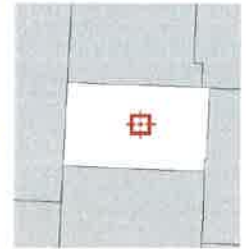
Platte Valley Bank

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

**Platte Valley Addition Improvements Redevelopment Plan  
Attachment 1  
Aerial Maps of Project Site**



Overview



Legend

-  Subdivisions
-  Roads

Date created: 4/29/2019

Developed by  **Schneider**  
GEOSPATIAL





**Platte Valley Addition Improvements Redevelopment Plan  
Attachment 2  
Plats of Project Site**

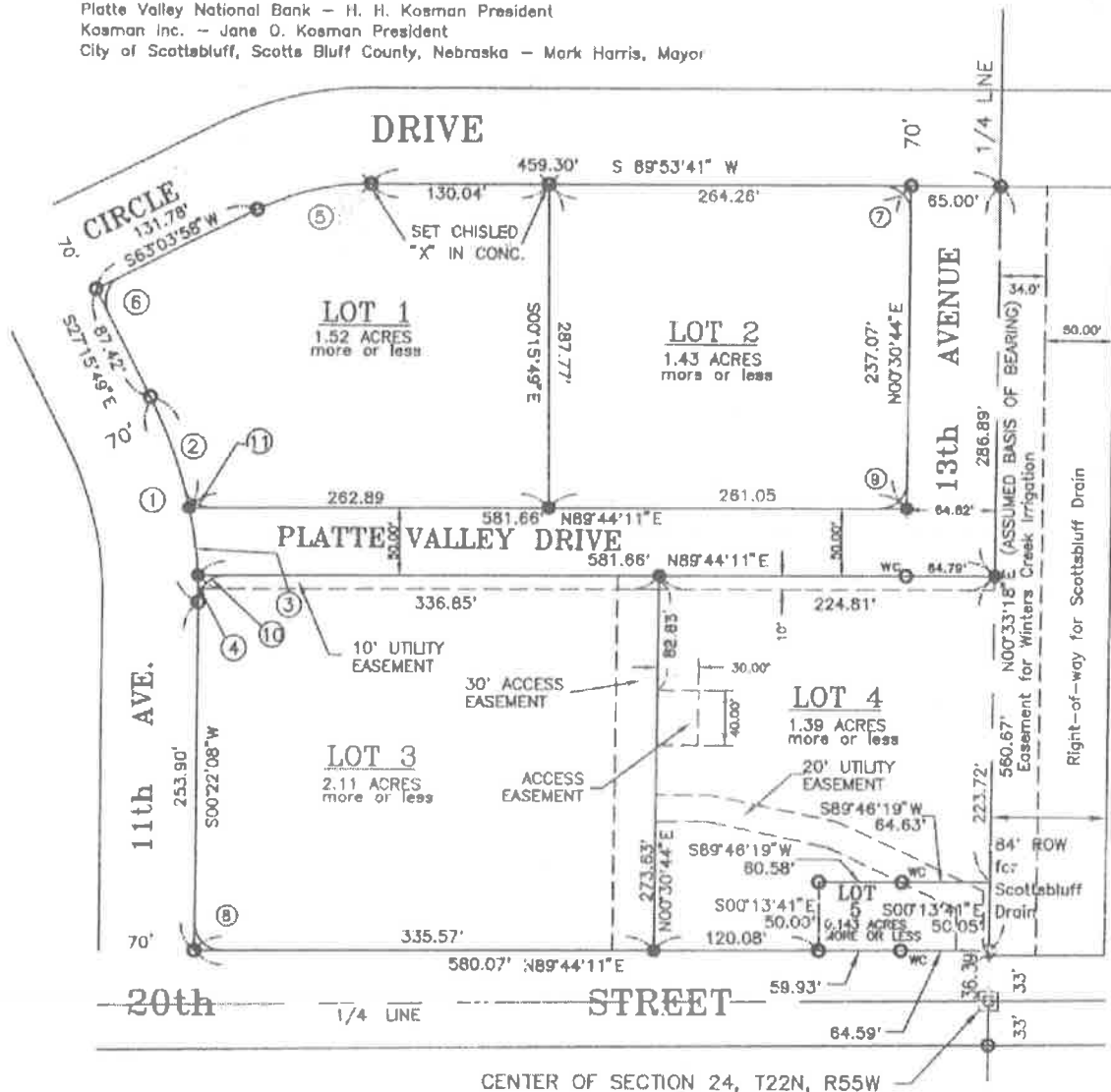
# FINAL PLAT OF LOTS 1, 2, 3, 4 & 5 BLOCK 1, PLATTE VALLEY ADDITON

3904

TO THE CITY OF SCOTTSBLUFF, SCOTTS BLUFF COUNTY, NEBRASKA

**OWNERS:**

Mr. Scobie I. Amott,  
Platte Valley National Bank - H. H. Kosman President  
Kosman Inc. - Jane O. Kosman President  
City of Scottsbluff, Scotts Bluff County, Nebraska - Mark Harris, Mayor


**LEGEND:**

- FOUND 5/8" REBAR
- SET 5/8" X 36" REBAR
- ✕ FOUND CHISELED "X" IN CONCRETE
- WC WITNESS CORNER

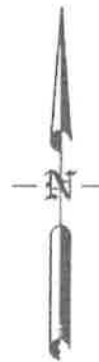
**CURVE DATA:**

- |  |   |  |
|--|---|--|
| ① $\Delta = 27^{\circ}37'56''$<br>$R = 325.05'$<br>$T = 79.94'$<br>$L = 156.76'$ | ④ $\Delta = 3^{\circ}28'37''$<br>$R = 325.05'$<br>$T = 9.87'$<br>$L = 19.73'$   | ⑧ $\Delta = 90^{\circ}37'57''$<br>$R = 20.00'$<br>$T = 20.22'$<br>$L = 31.64'$ |
| ② $\Delta = 15^{\circ}15'40''$<br>$R = 325.05'$<br>$T = 43.55'$<br>$L = 86.58'$  | ⑤ $\Delta = 26^{\circ}49'43''$<br>$R = 184.85'$<br>$T = 44.04'$<br>$L = 86.46'$ | ⑨ $\Delta = 89^{\circ}13'27''$<br>$R = 20.00'$<br>$T = 19.73'$<br>$L = 31.15'$ |
| ③ $\Delta = 08^{\circ}53'38''$<br>$R = 325.05'$<br>$T = 25.28'$<br>$L = 50.46'$  | ⑥ $\Delta = 90^{\circ}19'47''$<br>$R = 20.00'$<br>$T = 20.12'$<br>$L = 31.53'$  | ⑩ $\Delta = 89^{\circ}26'02''$<br>$R = 20.00'$<br>$T = 19.80'$<br>$L = 31.22'$ |
|  | ⑦ $\Delta = 90^{\circ}37'03''$<br>$R = 20.00'$<br>$T = 20.22'$<br>$L = 31.63'$  | ⑪ $\Delta = 75^{\circ}33'12''$<br>$R = 20.00'$<br>$T = 15.50'$<br>$L = 26.37'$ |

Prepared by

**Baker & Associates**

120 East 16th Street, Suite A  
Scottsbluff, Nebraska



SCALE: 1" = 100'



APRIL, 1996

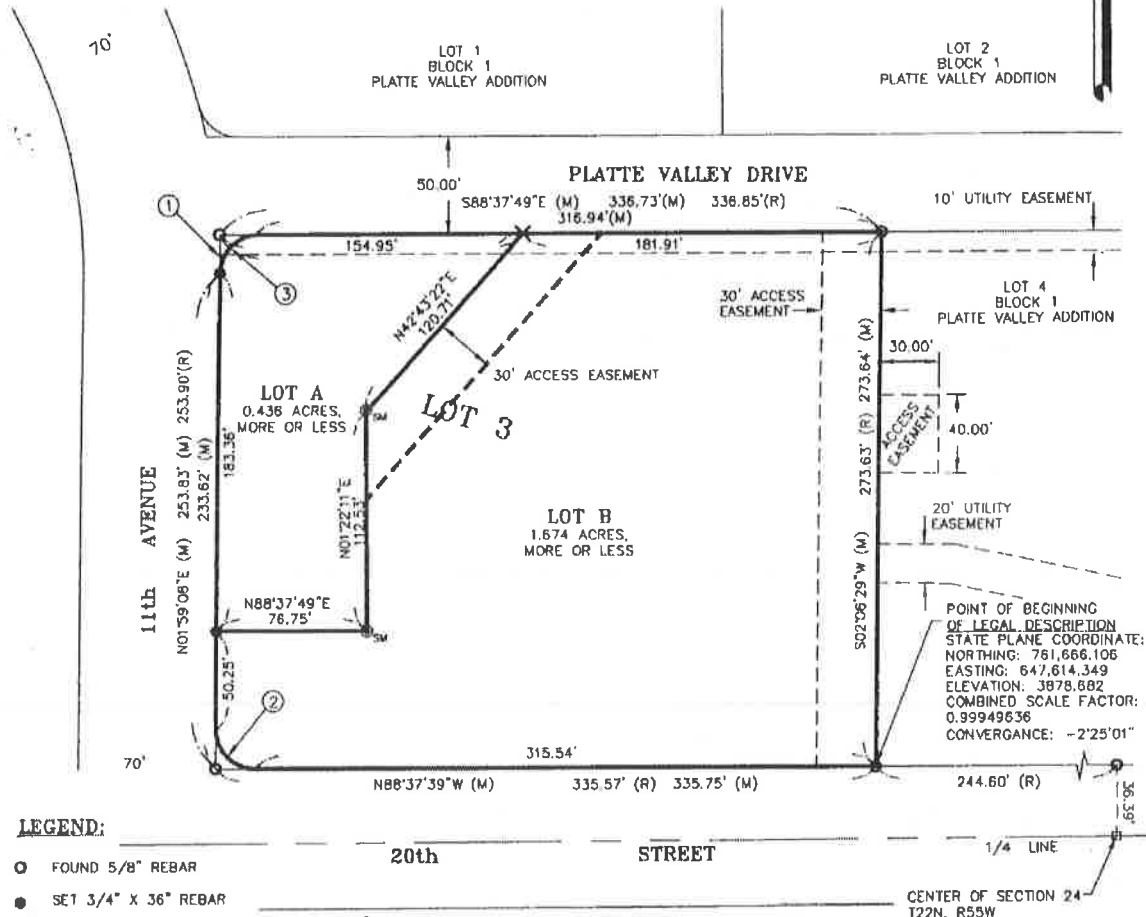
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PAGE 1 OF 2

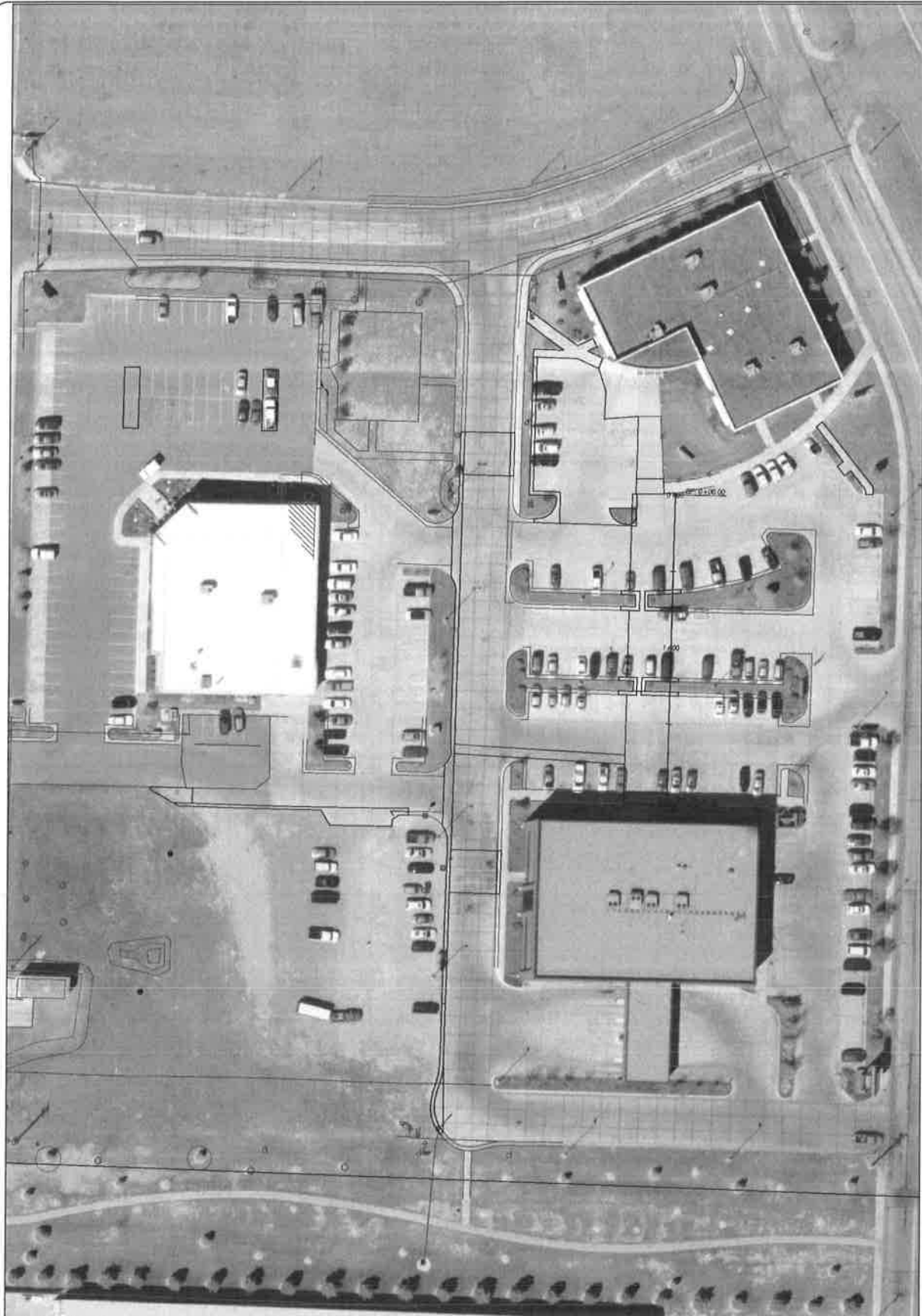
FINAL PLAT  
 OF  
 LOTS A AND B,  
 SUBDIVISION OF LOT 3,  
 BLOCK 1, PLATTE VALLEY ADDITION  
 TO THE CITY OF SCOTTSBLUFF, SCOTTS BLUFF COUNTY, NEBRASKA



AutoCAD File: 204-012 REPLAT.DWG



**Platte Valley Addition Improvements Redevelopment Plan  
Attachment 3  
Site Plans**



REM-1  
SHEET 1 OF 2

DATE	REVISION

SCALE

PROJECT NUMBER:  
RM180393-00  
PROJECT DATE:  
03-26-19  
PROJECT MGR:  
D. J. ...  
PROJECT TEAM:  
A.V./C.S.

PROJECT: PLATTE VALLEY BANK  
MAIN CAMPUS PARKING  
LOT IMPROVEMENTS  
REMOVAL PLAN


CLIENT: PLATTE VALLEY BANK



M. C. SCHAFF & ASSOCIATES, INC.  
818 SOUTH BELTLINE HIGHWAY EAST  
SCOTTSBLUFF, NEBRASKA 69361

ENGINEERS ♦ PLANNERS ♦ DESIGNERS ♦ LAND SURVEYORS  
PH: 308-636-1926 FAX: 308-636-7807 INTERNET: WWW.MCSCHAFF.COM



<b>C-1</b> SHEET 2 OF 2	DATE: _____ REVISION: _____	SEAL: _____	<b>PROJECT:</b> PLATTE VALLEY BANK MAIN CAMPUS PARKING LOT IMPROVEMENTS CONSTRUCTION PLAN  <b>CLIENT:</b> PLATTE VALLEY BANK	 <b>M. C. SCHAFF &amp; ASSOCIATES, INC.</b> 818 SOUTH BELTLINE HIGHWAY EAST SCOTTSBLUFF, NEBRASKA 69361 ENGINEERS ♦ PLANNERS ♦ DESIGNERS ♦ LAND SURVEYORS PH: 308-636-1926 FAX: 308-636-7807 INTERNET: WWW.MCSCHAFF.COM
	PROJECT NUMBER: RM18033-00 PROJECT DATE: 03-26-19 PROJECT MGR: J.D. PROJECT TEAM: A.V./C.S.			

**Platte Valley Addition Improvements Redevelopment Plan  
Attachment 4  
Cost Benefit Analysis**

**CITY OF SCOTTSBLUFF REDEVELOPMENT PLAN**

*Platte Valley Addition Improvements Project*

*By: Platte Valley Bank*

**Cost Benefit Analysis**

**A. *Tax Revenues and Tax Shifts Resulting from the Division of Taxes.*** Real estate taxes from the base value of the Project Site will be available to the local taxing jurisdictions regardless of the tax increment financing. The local taxing jurisdictions are the City, Scotts Bluff County, Scottsbluff Public Schools, WNCC, ESU 13, and North Platte NRD. The tax increment revenues will not be available to local taxing jurisdictions for up to 15 years after the effective date of the division of taxes, or earlier if the TIF Revenues pay off the TIF Indebtedness early. During those times, the tax increment revenues from the Project Site will be used to reimburse the Redeveloper for the eligible development costs (with interest) necessary for the Project, as set forth in the Redevelopment Plan. *The anticipated amount of tax increment revenues to be used for this Plan have not yet been analyzed.*

**B. *Public Infrastructure and Community Public Service Needs Impacts and Local Tax Impacts Arising from Project Approval.*** The Project includes storm water drainage improvements, sidewalk improvements, and public street improvements on and around Platte Valley Drive. No additional local tax impacts, except those identified in section A above, will result from the Project.

**C. *Impacts on Employers and Employees of Firms Locating or Expanding Within the Boundaries of the Redevelopment Project Area.*** The Redeveloper's improvements on the Project Site have assisted Platte Valley Companies in retaining locally its jobs in its Operations Center. Current employment on the Project Site is 139 employees and the improvements will allow for 10-15% growth.

**D. *Impacts on other Employers and Employees within the City and immediate area located outside the Redevelopment Project Area.*** No negative impacts on other employers and employees in the area are expected.

**E. *Impacts on Student Populations of School Districts within the City.*** No negative impacts on the student population at Scottsbluff Public Schools are expected.

**F. *Other Impacts.***

- The Plan will result in a Community Center for use by community organizations.
- The Redeveloper has used and is using local contractors for the redevelopment.
- The improvements will enhance pedestrian safety around the Project Site.

# **City of Scottsbluff, Nebraska**

**Wednesday, May 1, 2019**

**Regular Meeting**

## **Item Reports1**

### **Reports from Staff**

**Staff Contact: Starr Lehl**

**City of Scottsbluff, Nebraska**  
**Wednesday, May 1, 2019**  
**Regular Meeting**

**Item 1**

**Other Business**

**Staff Contact: Starr Lehl**

# **City of Scottsbluff, Nebraska**

**Wednesday, May 1, 2019**

**Regular Meeting**

## **Item 1**

**Following passage of motion to enter into executive session,  
presiding officer must state purpose of executive session.**

**Staff Contact:**



**City of Scottsbluff, Nebraska**  
**Wednesday, May 1, 2019**  
**Regular Meeting**

**Item 1**

**Schedule next meeting**

**Staff Contact: Starr Lehl**