

Community Development Agency following the 7 p.m. City Council Meeting
Monday, November 1, 2021 7:30 PM
Council Chambers
1369 25 Avenue
Columbus, NE 68601

1. **Statement of compliance with Open Meetings Act and roll call.**



The City of **Columbus**

RESPONSIBLE • RESPONSIVE • REPUTABLE

Administration Office (402) 562-4232

Fax (402) 563-1380

memorandum

DATE: October 27, 2021
TO: Mayor and City Council and City Council
FROM: Tara Vasicek, City Administrator
RE: Redevelopment Contract for the Pooled TIF for portion of Hwy 30 Reconstruction Expense

RECOMMENDATION:

Approval of the redevelopment contract for the 23rd Street Corridor.

DISCUSSION:

The redevelopment plan and financing have both been approved for this project. The final step to approve the redevelopment contract. The reconstruction of Hwy 30 (23rd Street) from approximately 31st Avenue to East 11th Avenue is scheduled to bid in November or December of 2021 and begin significant construction in 2022. The City is responsible for paying 100% of betterment costs associated with the project and 20% of all other costs of the project. This totals over \$9,000,000.00.

Normally property valuations are raised by the Platte County Assessor every year. All property owners have to pay this increase, which is distributed to all taxing entities. Since the redevelopment plan and project was approved, the City will capture that natural increase in tax revenue and utilize it only to pay for this project. Property owners will see direct improvements to their frontage road, utilities and streetscape but not pay any more taxes than they would have without the utilization of TIF.

As a reminder the City included a plan to utilize up to \$250,000 of these funds to provide direct grants to property owners for façade improvements, landscaping, etc. The City will take applications for these grants funds and award them to property owners as detailed in the plan.

Without the utilization of Tax Increment Financing in the amount of \$6,663,837.00 the City would have to use sales tax revenue to pay for this project. Every budget year sales tax supports capital purchases for all general fund departments including Fire & Rescue, Police, Parks & Recreation, Streets, Library, etc. Without the utilization of TIF to fund this project the City's investment and maintenance into these departments will be significantly negatively impacted as the City would have to expend over \$2,000,000 every year for the next four years into this one project.

RESOLUTION NO. R21-141

A RESOLUTION OF THE COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, APPROVING A REDEVELOPMENT CONTRACT FOR A REDEVELOPMENT PROJECT UNDERTAKEN BY THE CITY OF COLUMBUS, NEBRASKA, AS SET FORTH IN THE "AMENDMENT TO REDEVELOPMENT PLAN FOR THE 23RD STREET CORRIDOR REDEVELOPMENT AREA (23RD STREET CORRIDOR AREA DISTRICT TIF PROJECT)"; AND AUTHORIZING ISSUANCE OF ITS TAX INCREMENT FINANCING PROMISSORY NOTE PURSUANT TO THE TERMS OF THE REDEVELOPMENT CONTRACT.

WHEREAS, the mayor and council of the City of Columbus, Nebraska (the "City"), previously approved a redevelopment plan entitled "Amendment to the Redevelopment Plan for the 23rd Street Corridor Redevelopment Area (23rd Street Corridor Area District TIF Project)" (the "Plan"); and

WHEREAS, the council of the City, as the governing body of the Community Development Agency of the City (the "Agency"), has for its consideration, attached hereto and incorporated herein as Exhibit "A", a proposed form of the Redevelopment Contract by and between the City of Columbus, Nebraska, as redeveloper, and the Agency, with respect to a redevelopment project specified in the Plan (the "Redevelopment Contract").

NOW, THEREFORE, BE IT RESOLVED, by the council of the City of Columbus, Nebraska, as the governing body of the Community Development Agency of the City of Columbus, Nebraska, as follows:

Section 1. That the Redevelopment Contract by and between the Agency and the City, in the form presented, is hereby acknowledged and approved. The council president and city clerk are hereby authorized to execute said redevelopment contract in substantially the form presented but with such changes as they shall deem appropriate or necessary. The execution and delivery by the council president of the Redevelopment Contract, or any such documents, instruments, agreements or certifications relating to such matters contained in the Redevelopment Contract, shall conclusively establish their authority with respect thereto and the authorization and approval thereof.

Section 2. That, no earlier than thirty (30) days after the adoption of this resolution, the Agency is hereby authorized to issue that certain tax increment financing promissory note, in the principal amount of \$6,663,837 at a 0.0% rate of interest, as detailed in the Redevelopment Contract, in substantially the same form as that set forth in Exhibit "D" of the Redevelopment Contract (the "Promissory Note"), but with such changes as the Agency deems appropriate or necessary.

Section 3. That the Promissory Note shall be executed on behalf of the Agency by the council president and city clerk, and shall be delivered to City in consideration of the City's expenditures under and pursuant to the Redevelopment Contract which are eligible for reimbursement from tax increment financing.

Section 4. That the City shall have a first-priority lien interest on all payments allocated to the Promissory Note, pursuant to and in conformance with the terms of the Redevelopment Contract.

Section 5. That the Agency's administration of the Promissory Note shall be governed by the terms of this resolution, the Redevelopment Contract and the terms set forth in the Promissory Note.

Section 6. That, unless excepted under the law, interest on the Promissory Note shall be subject to taxation for both federal and Nebraska state income taxes, as and to the extent provided by law, and no information report shall be filed with the Internal Revenue Service under Section 149(e) of the Internal Revenue Code.

Section 7. The council president and city clerk, on behalf of the Agency, or any one of them, are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this resolution.

Section 8. This resolution shall be in force and take effect from and after its adoption as provided by law.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS ____ DAY OF _____, 2021.

COUNCIL PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



SPECIAL CITY ATTORNEY

EXHIBIT "A"
Redevelopment Contract

(See attached)

REDEVELOPMENT CONTRACT
(23rd Street Corridor Area District – Highway Improvement Project)

This Redevelopment Contract for the 23rd Street Corridor Area District – Highway Improvement Project (“**Redevelopment Contract**”) is made and entered into as of the _____, 20____, by and between the Community Development Agency of the City of Columbus, Nebraska (the “**Agency**”) and the City of Columbus, Nebraska (“**City**”). The Agency and/or City may be referred to hereinafter as the “**Party**” or collectively as the “**Parties**”.

WITNESSETH:

WHEREAS, pursuant to the Nebraska Community Development Law, Sections 18-2101, et. seq. (the “**Act**”) the Mayor and City Council adopted and approved a plan entitled “Amendment to Redevelopment Plan for the 23rd Street Corridor Redevelopment Area (The 23rd Street Corridor Area District TIF Project)” (the “**Plan**”); and

WHEREAS, the City intends to engage in certain development activities and construct certain improvements in the community redevelopment area (as defined in the Act) designated by the Mayor and City Council as blighted and substandard and in need of redevelopment, commonly referred to as "Redevelopment Area 6" a/k/a the "23rd Street Corridor Area" (the “**Redevelopment Area**”), as shown on Exhibit “A”¹, attached hereto and incorporated herein; and

WHEREAS, the substantial investment necessary for such redevelopment of the Redevelopment Area is not economically feasible without the assistance of tax-increment financing (“**TIF**”); and

WHEREAS, the City, pursuant to the Plan, intends to construct necessary street improvements to 23rd Street/U.S. Highway 30 within the Redevelopment Area, as depicted on the preliminary site plans for the redevelopment project attached hereto and incorporated as Exhibit “B”, all as more particularly described in the Plan (collectively, said improvements are referred to in this Redevelopment Contract as the “**Redevelopment Project**”); provided that all such plans are preliminary in nature and subject to change; and

WHEREAS, the Agency proposes to authorize, and via the adoption and execution of this Redevelopment Contract, hereby does authorize issuance of its tax increment financing promissory note (the “**Note**”) pursuant to the terms herein, to provide for eligible costs relating to the Redevelopment Project; and

WHEREAS, in conformance with sections 18-2107(8), 18-2107(10), and 18-2107(13) of the Act, the excess ad valorem real property taxes (“**TIF Revenues**”) used to fund, in part, the Redevelopment Project, shall be derived from all real property within the Redevelopment Area based upon the natural property valuation increases thereon, estimated to equal approximately 2.25% per year; and

¹ Certain parcels in the 23rd Street Corridor Area that are subject to existing (stand-alone) TIF projects are excluded from the Redevelopment Area, and any references thereto, for the purpose of this Redevelopment Contract.

WHEREAS, the City seeks the assistance of the Agency for the costs of the eligible improvements for the Redevelopment Project and therefore is willing to agree to the conditions herein set forth as an inducement to the Agency to issue the Note.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, the Agency and City do hereby agree, covenant and warrant as follows:

Section 1. Representations, Warranties and Covenants of City.

City hereby represents, covenants and warrants as follows:

- (a) The City is a Nebraska municipal corporation duly organized and existing under the laws of the State of Nebraska, and is authorized to enter into and perform its obligations under this Redevelopment Contract.
- (b) Throughout the term of this Redevelopment Contract, City will reasonably endeavor to construct, operate and maintain the Redevelopment Project in accordance with the terms of this Redevelopment Contract and the Plan, or amendments thereof, and all applicable local, state and federal laws and regulations (including, without limitation, environmental, zoning, building code and public health laws and regulations).
- (c) The City shall retain copies of all supporting documents (as defined under section 18-2119(4) of the Act) actually generated and received by the City in relation to the Redevelopment Project or Plan until the expiration of three years following the end of the last fiscal year in which TIF Revenues are divided in relation to the Redevelopment Project.

Section 2. Incorporation of Plan; Agency to Issue Note.

This Redevelopment Contract hereby incorporates the Plan by this reference. In order to provide for payment of some of the eligible improvements for the Redevelopment Project set forth in the Plan and this Redevelopment Contract, as described in Exhibit "C", attached hereto and incorporated herein (the "**Eligible Costs**"), the Agency shall proceed to issue its Note in the form attached hereto and incorporated herein as Exhibit "D", in the principal amount of \$6,663,837 at a 0.0% rate of interest, pursuant to the terms of the Note and this Redevelopment Contract. In consideration of the City undertaking the Redevelopment Project, the Agency shall issue the Note to the City no earlier than thirty (30) days following the Agency's approval and adoption of this Redevelopment Contract. At closing of the Note, the loan to be accomplished by this Section and the obligation of the Agency to use the incremental ad valorem real estate taxes collected within Redevelopment Area (the "**TIF Revenues**") for redevelopment purposes under this Redevelopment Contract may be accomplished by offset so that the City retains the TIF Revenues in consideration of constructing the Redevelopment Project, and no bankable currency is exchanged at closing of the Note, except as otherwise provided herein.

The "effective date" (as defined in the Act) for the division of ad valorem real property taxes as provided under the Act shall be January 1, 2021. The "redevelopment project valuation" (as defined in the Act) shall be the assessed value attributable to the Redevelopment Area on January 1, 2020. In conformance with section 18-2147 of the Act, the Agency shall file notice for the division of taxes on all real property in the Redevelopment Area on or before August 1, 2021.

The Note shall constitute a limited obligation of the Agency payable exclusively from the TIF Revenues pursuant to section 18-2147 of the Act and collected for a period not to exceed fifteen (15) years from the effective date. Prior to receipt of any TIF Revenues, the Treasurer of the Agency, as paying agent and registrar of the Note, shall create a special fund established solely to make payments on the Note (the "**TIF Fund**"). Upon receipt of the TIF Revenues, the Treasurer shall deposit the TIF Revenues into the TIF Fund, and the Treasurer shall disburse said TIF Revenues to the holder of the Note (but only from available TIF Revenues) at the times specified in the Note to provide for reimbursement of all or a portion of the Eligible Costs, to the extent paid by City, as evidenced by paid invoices or other evidence acceptable to the Agency ("**Eligible Costs Certifications**"). The principal amount paid on the Note shall not exceed the aggregate amount of Eligible Costs expended by the City. Each such reimbursement hereunder shall be and constitute a grant to the City made under the terms of this Redevelopment Contract and the Act. The City may, at its option, submit one or more partial Eligible Costs Certifications prior to expenditure of all Eligible Costs providing certification of receipt of billings for work in progress. All Eligible Costs Certifications shall be subject to review and approval by the Agency prior to the funding of such Eligible Costs.

The Agency may treat the registered holder of the Note as the absolute owner of the Note for the purpose of making payments thereon and for all other purposes. All payments on account of interest or principal made to the registered owner of the Note in accordance with the terms of this Redevelopment Contract and the Note shall be valid and effectual and shall be a discharge of the Agency and its officers and agents, in respect of the liability upon the Note or claims for interest to the extent of the sum or sums so paid. The Agency shall keep current records of all payments on the Note and the outstanding balance of principal and interest on the Note, and such records shall be treated as determinative by the Parties and/or their assigns. The City may transfer or pledge the Note as collateral upon prior written notice to the Agency, accompanied by such documentation effectuating such transfer or pledge, in accordance with such other requirements as may be set forth in the Note. At any time, the Agency shall have the option of prepaying in whole or in part principal of the Note. The Chairperson (Council President) and Secretary (City Clerk) of the Agency, or any one of them, shall be authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Redevelopment Contract.

Unless otherwise determined by the Agency, the proceeds of the Note shall be applied to the Eligible Costs in the manner described above.

Section 3. Sale of Note; Payment of Agency's Legal Fees.

Purchase of the Note by the City, and the obligation of the Agency to remit the TIF Revenues for the Redevelopment Project as debt service on the Note, may be accomplished by offset in consideration of the City's warranties and obligations hereunder so that no bankable currency is exchanged between the Parties at closing of the Note, notwithstanding other payments required hereunder.

Upon full execution of this Redevelopment Contract, the City shall render payment for the legal fees incurred in relation to the Redevelopment Project. Such payment shall be made directly to the Agency's special counsel, at the direction of the Agency.

Section 4. Indemnification and Penal Bond

The City shall be required to procure a penal bond in conformance with Section 18-2151 of the Act.

Section 5. Additional Parties Added as Redeveloper.

The Parties specifically agree that additional parties or entities may be admitted to and included as redeveloper(s) of the Redevelopment Project upon the mutual written consent of both Parties.

Section 6. Redevelopment Contract Binding Upon Successors and Assigns.

This Redevelopment Contract is made for the benefit of the City, the Agency and the registered owners from time to time of the Note as third party beneficiaries. This Redevelopment Contract shall be binding upon the Agency and the City, and any successors or assigns thereof.

Section 7. Titles of Sections.

Any titles of the several Sections of this Redevelopment Contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions hereof.

Section 8. Severability.

If any provision of this Redevelopment Contract shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case, for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative and unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained, invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, sections or paragraphs in this

Redevelopment Contract shall not affect the remaining portions of this Redevelopment Contract or any part thereof.

Section 9. Counterparts.

This Redevelopment Contract may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10. Law Governing.

The Parties agree that this Redevelopment Contract shall be governed and construed in accordance with the laws of Nebraska.

Section 11. Time of the Essence.

Time shall be of the essence of this Redevelopment Contract.

Section 12. Termination.

This Redevelopment Contract shall commence as of the date first above written and shall terminate upon the earlier of the date on which TIF Revenues for the Redevelopment Project are no longer collectable under Section 18-2147 of the Act or payment of all principal and interest owed toward the Note. If, at any time prior to the termination of this Redevelopment Contract as set forth above, the City is unable to complete the Redevelopment Project in satisfaction of its obligations under this Redevelopment Contract, the City shall provide written notice to the Agency stating the same, and the City shall pay back to the Agency any TIF Revenues received in excess of the Eligible Costs expended as of such date, to be returned to the county assessor for redistribution among the relevant taxing entities. Thereafter, this Redevelopment Contract shall terminate, and neither the City nor Agency shall have any further rights, obligations or liabilities hereunder.

Section 13. Force Majeure Event.

Neither City nor the Agency shall be considered in breach of, or in default in its obligations with respect to any of the obligations under this Redevelopment Contract in the event that an enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, caused by a Force Majeure Event, which is defined herein as any failure or delay in performance by a Party that is proximately caused by acts of God, or wars or insurrections; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of City or the Agency, as the case may be, shall be extended for the period of the enforced delay as determined by the mutual agreement of City and the Agency; provided, that City or the Agency, as the case may be, shall, within twenty (20) days after the beginning of any such enforced delay, have notified City or the Agency (as applicable) in writing of the cause or causes thereof, and requested an extension for the period of the enforced delay.

Section 14. Effect of Redevelopment Contract.

This Redevelopment Contract (including the Plan as incorporated by reference) constitutes the entire understanding by and between the Parties concerning the subject matter hereof, and supersedes and replaces all prior agreements. No other prior or contemporaneous representations, inducements, promises or agreements, oral or otherwise, between or among the Parties relating to the subject matter hereof and not embodied in this Redevelopment Contract shall be of any force and effect.

(Signatures on following pages)

IN WITNESS WHEREOF, the Agency and the City have caused this Redevelopment Contract to be executed by their duly authorized representatives.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS, NEBRASKA

By: _____
Chairperson

ATTEST:

Secretary

STATE OF NEBRASKA)
) ss.
COUNTY OF PLATTE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by _____, Chairperson, and _____, Secretary, of the Community Development Agency of the City of Columbus, Nebraska on behalf of the agency.

Notary Public

CITY OF COLUMBUS, NEBRASKA

By: _____
Mayor

ATTEST:

City Clerk

STATE OF NEBRASKA)
) ss.
COUNTY OF PLATTE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by _____, Mayor, and _____, City Clerk, of the City of Columbus, Nebraska, on behalf of the city.

Notary Public

Exhibit "A"
Redevelopment Area

Legal Description:

North – from the northwest corner Lot 13, Wagners Addition to the northeast corner Lot 2, Block H, Mahood Addition; from said northeast corner to the intersection of the west line Kummer Drive and the north line Kummer Drive; from said intersection to the northwest corner Lot 15, Block E, Mahood Addition; from said northwest corner to the southwest corner Lot 15, Block E, Mahood Addition; from said southwest corner to the southeast corner Lot 9, Block E, Mahood Addition; from said southeast corner to the northwest corner Lot 20, Block K, Mahood Addition; from said northwest corner to the northeast corner Lot 20, Block K, Mahood Addition; from said northeast corner to the northwest corner Lot 10, Block K, North Park 1st Addition; from said northwest corner to the southeast corner Lot 1, Block F, North Park 1st Addition; from said southeast corner to the southwest corner Lot 22, Block A, North Park 1st Addition; from said southwest corner to the southeast corner Lot 22, Block A, North Park 1st Addition; from said southeast corner and on the east line Lot 22, Block A, North Park 1st Addition, 60.00 feet; from said point, 76.75 feet, on a line perpendicular to the east line Lot 22, Block A, North Park 1st Addition to a point; from said point north and parallel to the east line Lot 11, North Park 5th Addition, 84.9 feet to a point; from said point easterly and parallel to the south line Lot 11, North Park 5th Addition, 295.71 feet to a point; from said point north and parallel to the east line Lot 11 North Park 5th Addition, 89.9 feet to a point; from said point east and parallel to the south line Lot 11 North Park 5th Addition to a point on the east line said Lot 11; from said point to the northwest corner Lot 6 N. C. Rogers Subdivision; from said northwest corner to the northeast corner Lot 6, N.C. Rogers Subdivision; from said northeast corner to the northwest corner Lot 19, Block A, Goeckel Addition; from said northwest corner to the southwest corner Lot 19, Goeckel Addition; from said southwest corner to the southwest corner Lot 13, Block A, Goeckel Addition; from said southwest corner to the northwest corner Lot 9, Columbus Industrial Site Subdivision; from said northwest corner to the northeast corner Lot 10, Columbus Industrial Site Subdivision; from said northeast corner to the northeast corner Lot 8, Columbus Industrial Site Subdivision; from said northeast corner to the northwest corner Lot 17, Columbus Industrial Site Subdivision; from said northwest corner to the southwest corner said Lot 17; from said southwest corner to the southeast corner Lot 14, Columbus Industrial Site Subdivision; from said southeast corner and on the extension of the south line said Lot 17 & Lot 14, 60.00 feet to a point on the east line 14th Avenue; from said point southerly and on the east line said 14th Avenue to the north right of way line U.S. Hwy. #30; from said point easterly and on the north right of way line U.S. Hwy. #30 to a point 60.00 feet south of and on the extension of the west line Lot 1, Rose Bud Addition; from said point northerly to the southwest corner Lot 1 Rose Bud Addition; from said southwest corner to the northwest corner Lot 1, Rose Bud Addition; from said northwest corner to the northeast corner Lot 13, Poor Sisters of Saint Francis 1st Addition; from said northeast corner to the intersection of the west line of 7th Avenue and the westerly extension of the north line of 27th Street; from said intersection to the intersection of the easterly extension of the north line of 27th Street and the east line 3rd Avenue; from said intersection to the intersection of the east line 3rd

Avenue and the north line of 25th Street; from said intersection to the intersection of the north line 25th Street and the northerly extension of the east line 2nd Avenue; from said intersection to the intersection of the east line 2nd Avenue and the north line 24th Street; from said intersection to the southwest corner Lot 39, Block A, Village 1st Addition; from said southwest corner to the northwest corner Lot 34, Blk. A, Village 1st Addition; from said northwest corner to the northeast corner Lot 34, Blk. A, Village 1st Addition; from said northeast corner to the northwest corner East 5th Avenue; from said northwest corner to the northeast corner East 5th Avenue; from said northeast corner to the northwest corner Lot 9, Blk. A, Village 1st Addition; from said northwest corner to the intersection of the west line East 6th Avenue and the north line Lot 9, Blk. A, Village 1st Addition extended easterly; from said intersection to the intersection of the west line East 6th Avenue and the westerly extension of the north line Wal-Mart 1st Addition; from said intersection to the northwest corner Lot 1, Wal-Mart 1st Addition; from said northwest corner and on the east line East 6th Avenue to the northwest corner Lot 4, Wal-Mart 1st Addition; from said northwest corner to the northeast corner Lot 4, Wal-Mart 1st Addition; from said northeast corner to the intersection of the southerly extension of the east line Lot 4, Wal-Mart 1st Addition and the westerly extension of the north line Lot 3, Wal-Mart 1st Addition; from said intersection to the northeast corner Lot 3, Wal-Mart 1st Addition; from said northeast corner to the southeast corner Lot 3, Wal-Mart 1st Addition; from said southeast corner to the southwest corner Lot 2, Wal-Mart 1st Addition; from said southwest corner to the northwest corner Lot 2, Wal-Mart 1st Addition; from said northwest corner to the northeast corner Lot 2, Wal-Mart 1st Addition; from said northeast corner to the northeast corner Lot 2, Wal-Mart 1st Addition abutting East 11th Avenue; from said northeast corner east and perpendicular to the west line East 11th Avenue to a point on the east line east 11th Avenue

East – east line East 11th Avenue from a point 124 feet north of 23rd Street to the intersection of the east line East 11th Avenue and the north line 23rd Street; from said intersection to the northwest corner Lot 3, Block B, Sand Subdivision.

South – from the northwest corner Lot 3, Blk. B, Sand Subdivision to the northeast corner Lot 1, Blk. A, Sand Subdivision; from said northeast corner to the northeast corner Lot 3, Blk. A, Sand Subdivision; from said northeast corner to the southeast corner of the North 550 feet Lot 3, Blk. A, Sand Subdivision; from said southeast corner to the southwest corner North 550 feet Lot 3, Blk. A, Sand Subdivision; from said southwest corner to the southeast corner Lot 1, Three-E Realty Addition; from said southeast corner to the southwest corner Lot 4, Three-E Realty Addition; from said southwest corner to the southeast corner Lot 11, Block B, Replat of the Village South Subdivision; from said southeast corner to a point 56.13 feet east of the southwest corner Lot 5, Block B, Replat of Village South Subdivision; from said point, northerly through Lot 5, to a point on the south line 22nd Street, said point being 56 feet east of the northeast corner Lot 5, Blk. B, Replat of the Village South Subdivision; from said point to the intersection of the west line East 3rd Avenue and the south line 22nd Street; from said intersection to a point 46.91 feet south of said intersection; from said point west and parallel to the north line Lot 2, Block B, Replat Village South Subdivision, 293.84 feet; from said point north and parallel to the west line

Exhibit "A"

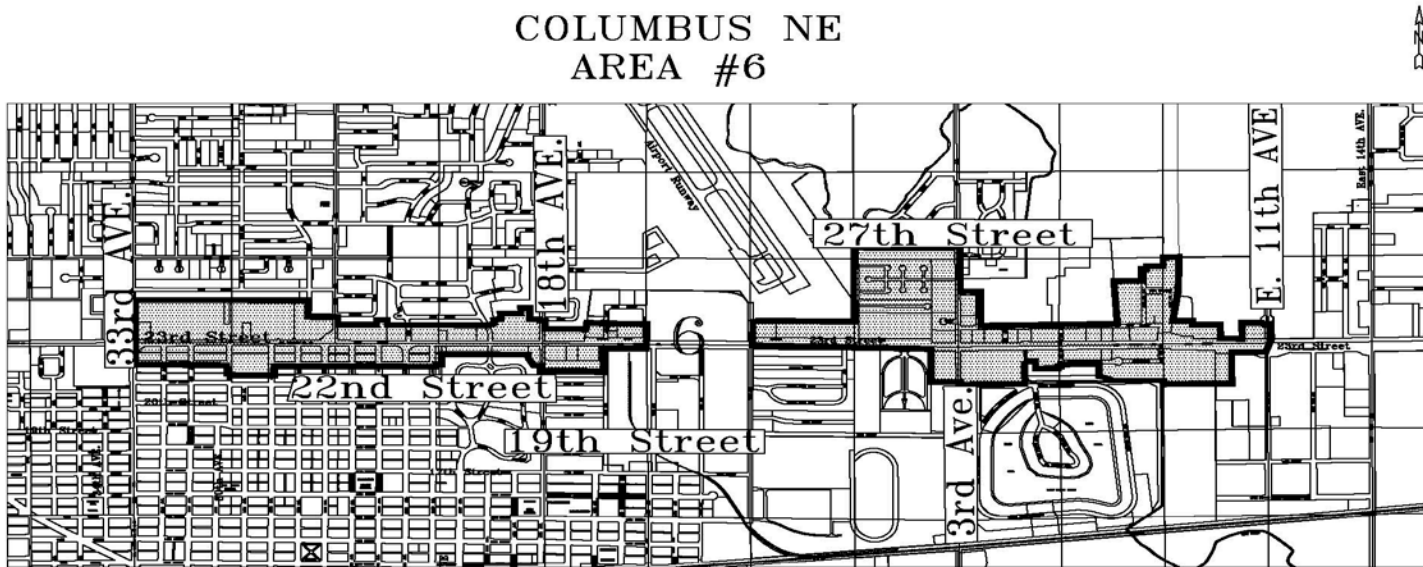
Village South Subdivision to a point on the north line Lot 2, Block B, Village South Subdivision; from said point to the northwest corner Lot 2, Block B, Village South Subdivision; from said northwest corner to the intersection of the southerly extension of the west line Village South Subdivision and the north line North Calle Columbo; from said intersection to the intersection of the north line North Calle Columbo and the east line 3rd Avenue; from said intersection to the intersection of the east line 3rd Avenue and the easterly extension of the south line of the north 230 feet Lot 2, Block B, Replat of north 580 feet of Replat Morningside Subdivision; from said intersection to the southwest corner of the north 230 feet of Lot 2, Block B, Replat north 580 feet of Replat Morningside Subdivision; from said southwest corner to the northwest corner Block A, Replat of north 580 feet of Replat of Morningside Subdivision; from said northwest corner to the northwest corner Lot 1 Block 5, Columbus Industrial Site Subdivision; from said northwest corner to the intersection of the east line 16th Avenue and the south line 23rd Street; from said intersection to the intersection of the east line 16th Avenue and the easterly extension of the south line Behlen Street; from said intersection to the intersection of the westerly extension of the south line Behlen Street and the west line 18th Avenue; from said intersection to the northeast corner of the south 82.5 feet of the south 165 feet Lot 1, Block C, Goeckel Addition; from said northeast corner to the northwest corner of the south 82.5 feet of the south 165 feet Lot 1, Block C, Goeckel Addition; from said northwest corner to the northeast corner Lot 5, Block C, East Park 3rd Addition; from said northeast corner to the northeast corner Lot 6, Block C, East Park 3rd Addition; from said northeast corner to the northeast corner Lot 19, Block B, East Park 2nd Addition; from said northeast corner to the southeast corner Lot 19, Block B, East Park 2nd Addition; from said southeast corner to the southwest corner of north half of vacated 22nd Street; from said southwest corner to the intersection of the east line 22nd Avenue and the easterly extension of the south line 22nd Street; from said intersection to the northwest corner Lot 5, Block 3, Pearsall's 2nd Addition; from said northwest corner to the northwest corner Lot 6, Block 3, Pearsall's 2nd Addition; from said northwest corner to the northwest corner Lot 10, Block 4, Pearsall's 2nd Addition; from said northwest corner to the southwest corner Lot 9, Block 4, Pearsall's 2nd Addition; from said southwest corner to the northeast corner Lot 18, Block 6, Evanlawn Addition; from said northeast corner to the northeast corner Lot 1, Blk. 6, Evanlawn Addition; from said northeast corner to the intersection of the south line 22nd Street and the east line 33rd Avenue

West – east line 33rd Avenue from the intersection of the south line 22nd street and the east line 33rd Avenue to the northwest corner Lot 13, Wagners Addition

* Subsequent to the approval of this Redevelopment Contract, the Redevelopment Area, or a portion thereof, may be subdivided or replatted. Subsequent to said subdivision or replat, the above legal description shall be replaced with the legal description provided in the subdivision or replat of the Redevelopment Area approved by the City.

Redevelopment Area Depiction:

COLUMBUS NE
AREA #6



* Redevelopment Area outlined in black

Exhibit "A"

Exhibit "B"
Redevelopment Project Preliminary Plans

(See Attached)*

* The attached is a preliminary site plan for reference purposes only and is subject to change.

Exhibit "C"
Projected TIF Sources and Uses

Projected TIF Sources:

Assumptions:

Base Tax Amount of Redevelopment Area	\$110,846,460
Post-Redevelopment Valuation	\$143,816,467
Tax Levy	2.0
Annual Increase to Assessed Valuation	2.25%*

* Based on the 4-year historical average

Amortization:

Capture Year	Calendar Year	Assessed Property Value	Property Tax % Increase	Projected Increment
1	2021	\$113,358,910	2.25%	\$49,889
2	2022	\$115,909,486	2.25%	\$100,901
3	2023	\$118,517,449	2.25%	\$153,060
4	2024	\$121,184,092	2.25%	\$206,393
5	2025	\$123,910,734	2.25%	\$260,925
6	2026	\$126,698,725	2.25%	\$316,685
7	2027	\$129,549,447	2.25%	\$373,700
8	2028	\$132,464,309	2.25%	\$431,997
9	2029	\$135,444,756	2.25%	\$491,606
10	2030	\$138,492,263	2.25%	\$552,556
11	2031	\$141,608,339	2.25%	\$614,878
12	2032	\$144,794,527	2.25%	\$678,601
13	2033	\$148,052,404	2.25%	\$743,759
14	2034	\$151,383,583	2.25%	\$810,382
15	2035	\$154,789,713	2.25%	\$878,505
		TOTAL:		\$6,663,837

Eligible Costs/Projected TIF Uses

City's Betterment

Streetscape	\$590,000.00
Water Main	\$1,409,371.00
Sanitary Sewer	\$1,270,025.00
Lump Sum for Colored Concrete	\$10,000.00
Grading for side street paving	\$17,466.00
Additional side street paving	\$174,926.00
Construction Engineering (items 1-3)	\$130,000.00
<u>Construction Engineering (items 4-6)</u>	<u>\$10,119.60</u>
TOTAL	\$3,611,907.60

23rd Street Non-Betterment (City's 20% Share)

Preliminary Engineering	\$213,239.50
Right of Way	\$446,600.00
Utilities	\$126,412.00
Construction	\$4,264,790.00
<u>Construction Engineering</u>	<u>\$213,239.50</u>
TOTAL	\$5,264,281.00

City Legal Fees	\$15,000
<u>City's Share Design Engineer Services</u>	<u>\$237,841.84</u>
TOTAL	\$9,129,030.44

* The above figures are only estimates of the Eligible Costs, and such actual costs may vary, as will be reflected in the Eligible Costs Certifications required under Section 2 of the Redevelopment Contract.

** All Eligible Costs contemplated in the Plan or allowed under the Act, which are not otherwise specified herein, shall be included as Eligible Costs for purposes of this Redevelopment Contract under this Exhibit "C".

Exhibit "D"
The Note

(See Attached)

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

TAX INCREMENT FINANCING PROMISSORY NOTE
(23rd Street Corridor Area District – Highway Improvement Project)

\$6,663,837.00 _____, 20__

FOR VALUE RECEIVED, the undersigned, Community Development Agency of the City of Columbus, Nebraska (hereinafter known as "Agency"), promises to pay the City of Columbus, Nebraska ("Holder"), and/or its assigns, the principal sum of Six Million Six Hundred Sixty Three Thousand Eight Hundred Thirty Seven and No/100 Dollars (\$6,663,837.00), together with interest thereon at the rate of 0.00% per annum, in accordance with the terms of that certain Redevelopment Contract dated _____, 2021 (the "Redevelopment Contract"), as between the Agency and Holder, until January 1, 2037, or until this Redevelopment Promissory Note is paid in full, whichever occurs first. The principal balance and interest thereon shall be due and payable on this Redevelopment Promissory Note as and at such time as any excess ad valorem taxes generated in the "Redevelopment Area" (as set forth in the Redevelopment Contract) are collected by the Agency and available for the retirement of this debt.

All terms of the Redevelopment Contract authorizing the issuance of this Redevelopment Promissory Note are hereby incorporated and adopted by this Redevelopment Promissory Note as if specifically set forth herein. To the extent the terms of this Redevelopment Promissory Note conflict with the Redevelopment Contract, the terms of this Redevelopment Promissory Note shall control.

In the event of default under this Redevelopment Promissory Note, all sums secured by this Redevelopment Promissory Note or any other agreement securing this Redevelopment Promissory Note shall bear interest at a rate equal to five percent (5%) above the prime rate as published by the Wall Street Journal from time-to-time; however, in the event said interest rate exceeds the maximum rate allowable by law, then such rate of interest shall equal the highest legal rate available.

The Agency may prepay the principal amount outstanding in whole or in part, without penalty or the prior consent of the Holder.

In the event the monies collected and held in that special fund established under Section 18-2147 of the Nebraska Revised Statutes and pursuant to the Redevelopment Contract are

insufficient to pay in full all amounts due and owing after all excess ad valorem taxes generated by the Redevelopment Project, as set forth in the Redevelopment Contract, have been collected by the Agency and paid, within a reasonable time after becoming available, towards the retirement of the amounts due hereunder, then the Holder shall waive any unpaid portion of the principal and interest due hereon. Notwithstanding the foregoing, the Agency shall not be obligated to make more than two payments on this Redevelopment Promissory Note, at least five months apart, during any single calendar year.

In the event this Redevelopment Promissory Note is referred to an attorney for collection the Holder shall be entitled to reasonable attorney fees allowable by law and all court costs and other expenses incurred in connection with such collection.

The Agency shall be in default in the event the Agency shall fail to pay, when due, any amount required hereunder.

Demand, presentment, protest and notice of nonpayment under this Redevelopment Promissory Note are hereby waived.

A PORTION OF THE PRINCIPAL AMOUNT OF THIS REDEVELOPMENT PROMISSORY NOTE MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT OF THE AGENCY. THE HOLDER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH HOLDER MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED BY THE RECORDS OF THE AGENCY.

Pursuant to the Redevelopment Contract and Sections 18-2124 and 18-2150, R.R.S. Neb. 2012, the excess ad valorem real property taxes within the Redevelopment Area have been pledged for the payment of this Redevelopment Promissory Note, both principal and interest as the same fall due or become subject to mandatory redemption. This Redevelopment Promissory Note shall not constitute a general obligation of the Agency and the Agency shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. This Redevelopment Promissory Note shall not constitute an obligation of the State of Nebraska, the Agency, or of the City of Columbus (except for such receipts as have been pledged pursuant to said Sections 18-2124 and 18-2150 R.R.S. Neb. 2012) and neither the State of Nebraska, the Agency nor the City of Columbus shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged as described above in this paragraph). Neither the members of the Agency's governing body nor any person executing this Redevelopment Promissory Note shall be liable personally on this Redevelopment Promissory Note by reason of the issuance hereof.

No delay or omission on the part of the Holder in exercising any remedy, right or option under this Redevelopment Promissory Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion.

Exhibit "D"

Any notice provided for in this Redevelopment Promissory Note to the Agency or the Holder shall be in writing and shall be given by regular mail to the Holder or Agency, or at such other address as either party may designate by notice in writing.

This Redevelopment Promissory Note shall be governed by and construed in accordance with the Laws of the State of Nebraska. All payments hereunder shall be payable in lawful money of the United States of America and shall be legal tender for public and private debts at the time of payment.

IN WITNESS WHEREOF, the Chairperson and Secretary of the Agency have caused this Redevelopment Promissory Note to be executed on behalf of the Agency, all as of the Dated Date shown below.

Dated this ____ day of _____, 20__.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS, NEBRASKA

ATTEST:

By: (Sample – Do Not Sign)
Chairperson

(Sample – Do Not Sign)
Secretary

2. **Resolution No. R21-141 approving redevelopment contract for 23rd Street Corridor Area District TIF Project.**



The City of **Columbus**

RESPONSIBLE • RESPONSIVE • REPUTABLE

Administration Office (402) 562-4232

Fax (402) 563-1380

memorandum

DATE: October 27, 2021
TO: Mayor and City Council and City Council
FROM: Tara Vasicek, City Administrator
RE: Redevelopment Contract for the Pooled TIF for portion of Hwy 30 Reconstruction Expense

RECOMMENDATION:

Approval of the redevelopment contract for the 23rd Street Corridor.

DISCUSSION:

The redevelopment plan and financing have both been approved for this project. The final step to approve the redevelopment contract. The reconstruction of Hwy 30 (23rd Street) from approximately 31st Avenue to East 11th Avenue is scheduled to bid in November or December of 2021 and begin significant construction in 2022. The City is responsible for paying 100% of betterment costs associated with the project and 20% of all other costs of the project. This totals over \$9,000,000.00.

Normally property valuations are raised by the Platte County Assessor every year. All property owners have to pay this increase, which is distributed to all taxing entities. Since the redevelopment plan and project was approved, the City will capture that natural increase in tax revenue and utilize it only to pay for this project. Property owners will see direct improvements to their frontage road, utilities and streetscape but not pay any more taxes than they would have without the utilization of TIF.

As a reminder the City included a plan to utilize up to \$250,000 of these funds to provide direct grants to property owners for façade improvements, landscaping, etc. The City will take applications for these grants funds and award them to property owners as detailed in the plan.

Without the utilization of Tax Increment Financing in the amount of \$6,663,837.00 the City would have to use sales tax revenue to pay for this project. Every budget year sales tax supports capital purchases for all general fund departments including Fire & Rescue, Police, Parks & Recreation, Streets, Library, etc. Without the utilization of TIF to fund this project the City's investment and maintenance into these departments will be significantly negatively impacted as the City would have to expend over \$2,000,000 every year for the next four years into this one project.

RESOLUTION NO. R21-141

A RESOLUTION OF THE COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, APPROVING A REDEVELOPMENT CONTRACT FOR A REDEVELOPMENT PROJECT UNDERTAKEN BY THE CITY OF COLUMBUS, NEBRASKA, AS SET FORTH IN THE "AMENDMENT TO REDEVELOPMENT PLAN FOR THE 23RD STREET CORRIDOR REDEVELOPMENT AREA (23RD STREET CORRIDOR AREA DISTRICT TIF PROJECT)"; AND AUTHORIZING ISSUANCE OF ITS TAX INCREMENT FINANCING PROMISSORY NOTE PURSUANT TO THE TERMS OF THE REDEVELOPMENT CONTRACT.

WHEREAS, the mayor and council of the City of Columbus, Nebraska (the "City"), previously approved a redevelopment plan entitled "Amendment to the Redevelopment Plan for the 23rd Street Corridor Redevelopment Area (23rd Street Corridor Area District TIF Project)" (the "Plan"); and

WHEREAS, the council of the City, as the governing body of the Community Development Agency of the City (the "Agency"), has for its consideration, attached hereto and incorporated herein as Exhibit "A", a proposed form of the Redevelopment Contract by and between the City of Columbus, Nebraska, as redeveloper, and the Agency, with respect to a redevelopment project specified in the Plan (the "Redevelopment Contract").

NOW, THEREFORE, BE IT RESOLVED, by the council of the City of Columbus, Nebraska, as the governing body of the Community Development Agency of the City of Columbus, Nebraska, as follows:

Section 1. That the Redevelopment Contract by and between the Agency and the City, in the form presented, is hereby acknowledged and approved. The council president and city clerk are hereby authorized to execute said redevelopment contract in substantially the form presented but with such changes as they shall deem appropriate or necessary. The execution and delivery by the council president of the Redevelopment Contract, or any such documents, instruments, agreements or certifications relating to such matters contained in the Redevelopment Contract, shall conclusively establish their authority with respect thereto and the authorization and approval thereof.

Section 2. That, no earlier than thirty (30) days after the adoption of this resolution, the Agency is hereby authorized to issue that certain tax increment financing promissory note, in the principal amount of \$6,663,837 at a 0.0% rate of interest, as detailed in the Redevelopment Contract, in substantially the same form as that set forth in Exhibit "D" of the Redevelopment Contract (the "Promissory Note"), but with such changes as the Agency deems appropriate or necessary.

Section 3. That the Promissory Note shall be executed on behalf of the Agency by the council president and city clerk, and shall be delivered to City in consideration of the City's expenditures under and pursuant to the Redevelopment Contract which are eligible for reimbursement from tax increment financing.

Section 4. That the City shall have a first-priority lien interest on all payments allocated to the Promissory Note, pursuant to and in conformance with the terms of the Redevelopment Contract.

Section 5. That the Agency's administration of the Promissory Note shall be governed by the terms of this resolution, the Redevelopment Contract and the terms set forth in the Promissory Note.

Section 6. That, unless excepted under the law, interest on the Promissory Note shall be subject to taxation for both federal and Nebraska state income taxes, as and to the extent provided by law, and no information report shall be filed with the Internal Revenue Service under Section 149(e) of the Internal Revenue Code.

Section 7. The council president and city clerk, on behalf of the Agency, or any one of them, are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this resolution.

Section 8. This resolution shall be in force and take effect from and after its adoption as provided by law.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS ____ DAY OF _____, 2021.

COUNCIL PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



SPECIAL CITY ATTORNEY

EXHIBIT "A"
Redevelopment Contract

(See attached)

REDEVELOPMENT CONTRACT
(23rd Street Corridor Area District – Highway Improvement Project)

This Redevelopment Contract for the 23rd Street Corridor Area District – Highway Improvement Project (“**Redevelopment Contract**”) is made and entered into as of the _____, 20____, by and between the Community Development Agency of the City of Columbus, Nebraska (the “**Agency**”) and the City of Columbus, Nebraska (“**City**”). The Agency and/or City may be referred to hereinafter as the “**Party**” or collectively as the “**Parties**”.

WITNESSETH:

WHEREAS, pursuant to the Nebraska Community Development Law, Sections 18-2101, et. seq. (the “**Act**”) the Mayor and City Council adopted and approved a plan entitled “Amendment to Redevelopment Plan for the 23rd Street Corridor Redevelopment Area (The 23rd Street Corridor Area District TIF Project)” (the “**Plan**”); and

WHEREAS, the City intends to engage in certain development activities and construct certain improvements in the community redevelopment area (as defined in the Act) designated by the Mayor and City Council as blighted and substandard and in need of redevelopment, commonly referred to as "Redevelopment Area 6" a/k/a the "23rd Street Corridor Area" (the “**Redevelopment Area**”), as shown on Exhibit “A”¹, attached hereto and incorporated herein; and

WHEREAS, the substantial investment necessary for such redevelopment of the Redevelopment Area is not economically feasible without the assistance of tax-increment financing (“**TIF**”); and

WHEREAS, the City, pursuant to the Plan, intends to construct necessary street improvements to 23rd Street/U.S. Highway 30 within the Redevelopment Area, as depicted on the preliminary site plans for the redevelopment project attached hereto and incorporated as Exhibit “B”, all as more particularly described in the Plan (collectively, said improvements are referred to in this Redevelopment Contract as the “**Redevelopment Project**”); provided that all such plans are preliminary in nature and subject to change; and

WHEREAS, the Agency proposes to authorize, and via the adoption and execution of this Redevelopment Contract, hereby does authorize issuance of its tax increment financing promissory note (the “**Note**”) pursuant to the terms herein, to provide for eligible costs relating to the Redevelopment Project; and

WHEREAS, in conformance with sections 18-2107(8), 18-2107(10), and 18-2107(13) of the Act, the excess ad valorem real property taxes (“**TIF Revenues**”) used to fund, in part, the Redevelopment Project, shall be derived from all real property within the Redevelopment Area based upon the natural property valuation increases thereon, estimated to equal approximately 2.25% per year; and

¹ Certain parcels in the 23rd Street Corridor Area that are subject to existing (stand-alone) TIF projects are excluded from the Redevelopment Area, and any references thereto, for the purpose of this Redevelopment Contract.

WHEREAS, the City seeks the assistance of the Agency for the costs of the eligible improvements for the Redevelopment Project and therefore is willing to agree to the conditions herein set forth as an inducement to the Agency to issue the Note.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, the Agency and City do hereby agree, covenant and warrant as follows:

Section 1. Representations, Warranties and Covenants of City.

City hereby represents, covenants and warrants as follows:

- (a) The City is a Nebraska municipal corporation duly organized and existing under the laws of the State of Nebraska, and is authorized to enter into and perform its obligations under this Redevelopment Contract.
- (b) Throughout the term of this Redevelopment Contract, City will reasonably endeavor to construct, operate and maintain the Redevelopment Project in accordance with the terms of this Redevelopment Contract and the Plan, or amendments thereof, and all applicable local, state and federal laws and regulations (including, without limitation, environmental, zoning, building code and public health laws and regulations).
- (c) The City shall retain copies of all supporting documents (as defined under section 18-2119(4) of the Act) actually generated and received by the City in relation to the Redevelopment Project or Plan until the expiration of three years following the end of the last fiscal year in which TIF Revenues are divided in relation to the Redevelopment Project.

Section 2. Incorporation of Plan; Agency to Issue Note.

This Redevelopment Contract hereby incorporates the Plan by this reference. In order to provide for payment of some of the eligible improvements for the Redevelopment Project set forth in the Plan and this Redevelopment Contract, as described in Exhibit "C", attached hereto and incorporated herein (the "**Eligible Costs**"), the Agency shall proceed to issue its Note in the form attached hereto and incorporated herein as Exhibit "D", in the principal amount of \$6,663,837 at a 0.0% rate of interest, pursuant to the terms of the Note and this Redevelopment Contract. In consideration of the City undertaking the Redevelopment Project, the Agency shall issue the Note to the City no earlier than thirty (30) days following the Agency's approval and adoption of this Redevelopment Contract. At closing of the Note, the loan to be accomplished by this Section and the obligation of the Agency to use the incremental ad valorem real estate taxes collected within Redevelopment Area (the "**TIF Revenues**") for redevelopment purposes under this Redevelopment Contract may be accomplished by offset so that the City retains the TIF Revenues in consideration of constructing the Redevelopment Project, and no bankable currency is exchanged at closing of the Note, except as otherwise provided herein.

The "effective date" (as defined in the Act) for the division of ad valorem real property taxes as provided under the Act shall be January 1, 2021. The "redevelopment project valuation" (as defined in the Act) shall be the assessed value attributable to the Redevelopment Area on January 1, 2020. In conformance with section 18-2147 of the Act, the Agency shall file notice for the division of taxes on all real property in the Redevelopment Area on or before August 1, 2021.

The Note shall constitute a limited obligation of the Agency payable exclusively from the TIF Revenues pursuant to section 18-2147 of the Act and collected for a period not to exceed fifteen (15) years from the effective date. Prior to receipt of any TIF Revenues, the Treasurer of the Agency, as paying agent and registrar of the Note, shall create a special fund established solely to make payments on the Note (the "**TIF Fund**"). Upon receipt of the TIF Revenues, the Treasurer shall deposit the TIF Revenues into the TIF Fund, and the Treasurer shall disburse said TIF Revenues to the holder of the Note (but only from available TIF Revenues) at the times specified in the Note to provide for reimbursement of all or a portion of the Eligible Costs, to the extent paid by City, as evidenced by paid invoices or other evidence acceptable to the Agency ("**Eligible Costs Certifications**"). The principal amount paid on the Note shall not exceed the aggregate amount of Eligible Costs expended by the City. Each such reimbursement hereunder shall be and constitute a grant to the City made under the terms of this Redevelopment Contract and the Act. The City may, at its option, submit one or more partial Eligible Costs Certifications prior to expenditure of all Eligible Costs providing certification of receipt of billings for work in progress. All Eligible Costs Certifications shall be subject to review and approval by the Agency prior to the funding of such Eligible Costs.

The Agency may treat the registered holder of the Note as the absolute owner of the Note for the purpose of making payments thereon and for all other purposes. All payments on account of interest or principal made to the registered owner of the Note in accordance with the terms of this Redevelopment Contract and the Note shall be valid and effectual and shall be a discharge of the Agency and its officers and agents, in respect of the liability upon the Note or claims for interest to the extent of the sum or sums so paid. The Agency shall keep current records of all payments on the Note and the outstanding balance of principal and interest on the Note, and such records shall be treated as determinative by the Parties and/or their assigns. The City may transfer or pledge the Note as collateral upon prior written notice to the Agency, accompanied by such documentation effectuating such transfer or pledge, in accordance with such other requirements as may be set forth in the Note. At any time, the Agency shall have the option of prepaying in whole or in part principal of the Note. The Chairperson (Council President) and Secretary (City Clerk) of the Agency, or any one of them, shall be authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Redevelopment Contract.

Unless otherwise determined by the Agency, the proceeds of the Note shall be applied to the Eligible Costs in the manner described above.

Section 3. Sale of Note; Payment of Agency's Legal Fees.

Purchase of the Note by the City, and the obligation of the Agency to remit the TIF Revenues for the Redevelopment Project as debt service on the Note, may be accomplished by offset in consideration of the City's warranties and obligations hereunder so that no bankable currency is exchanged between the Parties at closing of the Note, notwithstanding other payments required hereunder.

Upon full execution of this Redevelopment Contract, the City shall render payment for the legal fees incurred in relation to the Redevelopment Project. Such payment shall be made directly to the Agency's special counsel, at the direction of the Agency.

Section 4. Indemnification and Penal Bond

The City shall be required to procure a penal bond in conformance with Section 18-2151 of the Act.

Section 5. Additional Parties Added as Redeveloper.

The Parties specifically agree that additional parties or entities may be admitted to and included as redeveloper(s) of the Redevelopment Project upon the mutual written consent of both Parties.

Section 6. Redevelopment Contract Binding Upon Successors and Assigns.

This Redevelopment Contract is made for the benefit of the City, the Agency and the registered owners from time to time of the Note as third party beneficiaries. This Redevelopment Contract shall be binding upon the Agency and the City, and any successors or assigns thereof.

Section 7. Titles of Sections.

Any titles of the several Sections of this Redevelopment Contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions hereof.

Section 8. Severability.

If any provision of this Redevelopment Contract shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case, for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative and unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained, invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, sections or paragraphs in this

Redevelopment Contract shall not affect the remaining portions of this Redevelopment Contract or any part thereof.

Section 9. Counterparts.

This Redevelopment Contract may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10. Law Governing.

The Parties agree that this Redevelopment Contract shall be governed and construed in accordance with the laws of Nebraska.

Section 11. Time of the Essence.

Time shall be of the essence of this Redevelopment Contract.

Section 12. Termination.

This Redevelopment Contract shall commence as of the date first above written and shall terminate upon the earlier of the date on which TIF Revenues for the Redevelopment Project are no longer collectable under Section 18-2147 of the Act or payment of all principal and interest owed toward the Note. If, at any time prior to the termination of this Redevelopment Contract as set forth above, the City is unable to complete the Redevelopment Project in satisfaction of its obligations under this Redevelopment Contract, the City shall provide written notice to the Agency stating the same, and the City shall pay back to the Agency any TIF Revenues received in excess of the Eligible Costs expended as of such date, to be returned to the county assessor for redistribution among the relevant taxing entities. Thereafter, this Redevelopment Contract shall terminate, and neither the City nor Agency shall have any further rights, obligations or liabilities hereunder.

Section 13. Force Majeure Event.

Neither City nor the Agency shall be considered in breach of, or in default in its obligations with respect to any of the obligations under this Redevelopment Contract in the event that an enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, caused by a Force Majeure Event, which is defined herein as any failure or delay in performance by a Party that is proximately caused by acts of God, or wars or insurrections; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of City or the Agency, as the case may be, shall be extended for the period of the enforced delay as determined by the mutual agreement of City and the Agency; provided, that City or the Agency, as the case may be, shall, within twenty (20) days after the beginning of any such enforced delay, have notified City or the Agency (as applicable) in writing of the cause or causes thereof, and requested an extension for the period of the enforced delay.

Section 14. Effect of Redevelopment Contract.

This Redevelopment Contract (including the Plan as incorporated by reference) constitutes the entire understanding by and between the Parties concerning the subject matter hereof, and supersedes and replaces all prior agreements. No other prior or contemporaneous representations, inducements, promises or agreements, oral or otherwise, between or among the Parties relating to the subject matter hereof and not embodied in this Redevelopment Contract shall be of any force and effect.

(Signatures on following pages)

IN WITNESS WHEREOF, the Agency and the City have caused this Redevelopment Contract to be executed by their duly authorized representatives.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS, NEBRASKA

By: _____
Chairperson

ATTEST:

Secretary

STATE OF NEBRASKA)
) ss.
COUNTY OF PLATTE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by _____, Chairperson, and _____, Secretary, of the Community Development Agency of the City of Columbus, Nebraska on behalf of the agency.

Notary Public

CITY OF COLUMBUS, NEBRASKA

By: _____
Mayor

ATTEST:

City Clerk

STATE OF NEBRASKA)
) ss.
COUNTY OF PLATTE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by _____, Mayor, and _____, City Clerk, of the City of Columbus, Nebraska, on behalf of the city.

Notary Public

Exhibit "A"
Redevelopment Area

Legal Description:

North – from the northwest corner Lot 13, Wagners Addition to the northeast corner Lot 2, Block H, Mahood Addition; from said northeast corner to the intersection of the west line Kummer Drive and the north line Kummer Drive; from said intersection to the northwest corner Lot 15, Block E, Mahood Addition; from said northwest corner to the southwest corner Lot 15, Block E, Mahood Addition; from said southwest corner to the southeast corner Lot 9, Block E, Mahood Addition; from said southeast corner to the northwest corner Lot 20, Block K, Mahood Addition; from said northwest corner to the northeast corner Lot 20, Block K, Mahood Addition; from said northeast corner to the northwest corner Lot 10, Block K, North Park 1st Addition; from said northwest corner to the southeast corner Lot 1, Block F, North Park 1st Addition; from said southeast corner to the southwest corner Lot 22, Block A, North Park 1st Addition; from said southwest corner to the southeast corner Lot 22, Block A, North Park 1st Addition; from said southeast corner and on the east line Lot 22, Block A, North Park 1st Addition, 60.00 feet; from said point, 76.75 feet, on a line perpendicular to the east line Lot 22, Block A, North Park 1st Addition to a point; from said point north and parallel to the east line Lot 11, North Park 5th Addition, 84.9 feet to a point; from said point easterly and parallel to the south line Lot 11, North Park 5th Addition, 295.71 feet to a point; from said point north and parallel to the east line Lot 11 North Park 5th Addition, 89.9 feet to a point; from said point east and parallel to the south line Lot 11 North Park 5th Addition to a point on the east line said Lot 11; from said point to the northwest corner Lot 6 N. C. Rogers Subdivision; from said northwest corner to the northeast corner Lot 6, N.C. Rogers Subdivision; from said northeast corner to the northwest corner Lot 19, Block A, Goeckel Addition; from said northwest corner to the southwest corner Lot 19, Goeckel Addition; from said southwest corner to the southwest corner Lot 13, Block A, Goeckel Addition; from said southwest corner to the northwest corner Lot 9, Columbus Industrial Site Subdivision; from said northwest corner to the northeast corner Lot 10, Columbus Industrial Site Subdivision; from said northeast corner to the northeast corner Lot 8, Columbus Industrial Site Subdivision; from said northeast corner to the northwest corner Lot 17, Columbus Industrial Site Subdivision; from said northwest corner to the southwest corner said Lot 17; from said southwest corner to the southeast corner Lot 14, Columbus Industrial Site Subdivision; from said southeast corner and on the extension of the south line said Lot 17 & Lot 14, 60.00 feet to a point on the east line 14th Avenue; from said point southerly and on the east line said 14th Avenue to the north right of way line U.S. Hwy. #30; from said point easterly and on the north right of way line U.S. Hwy. #30 to a point 60.00 feet south of and on the extension of the west line Lot 1, Rose Bud Addition; from said point northerly to the southwest corner Lot 1 Rose Bud Addition; from said southwest corner to the northwest corner Lot 1, Rose Bud Addition; from said northwest corner to the northeast corner Lot 13, Poor Sisters of Saint Francis 1st Addition; from said northeast corner to the intersection of the west line of 7th Avenue and the westerly extension of the north line of 27th Street; from said intersection to the intersection of the easterly extension of the north line of 27th Street and the east line 3rd Avenue; from said intersection to the intersection of the east line 3rd

Avenue and the north line of 25th Street; from said intersection to the intersection of the north line 25th Street and the northerly extension of the east line 2nd Avenue; from said intersection to the intersection of the east line 2nd Avenue and the north line 24th Street; from said intersection to the southwest corner Lot 39, Block A, Village 1st Addition; from said southwest corner to the northwest corner Lot 34, Blk. A, Village 1st Addition; from said northwest corner to the northeast corner Lot 34, Blk. A, Village 1st Addition; from said northeast corner to the northwest corner East 5th Avenue; from said northwest corner to the northeast corner East 5th Avenue; from said northeast corner to the northwest corner Lot 9, Blk. A, Village 1st Addition; from said northwest corner to the intersection of the west line East 6th Avenue and the north line Lot 9, Blk. A, Village 1st Addition extended easterly; from said intersection to the intersection of the west line East 6th Avenue and the westerly extension of the north line Wal-Mart 1st Addition; from said intersection to the northwest corner Lot 1, Wal-Mart 1st Addition; from said northwest corner and on the east line East 6th Avenue to the northwest corner Lot 4, Wal-Mart 1st Addition; from said northwest corner to the northeast corner Lot 4, Wal-Mart 1st Addition; from said northeast corner to the intersection of the southerly extension of the east line Lot 4, Wal-Mart 1st Addition and the westerly extension of the north line Lot 3, Wal-Mart 1st Addition; from said intersection to the northeast corner Lot 3, Wal-Mart 1st Addition; from said northeast corner to the southeast corner Lot 3, Wal-Mart 1st Addition; from said southeast corner to the southwest corner Lot 2, Wal-Mart 1st Addition; from said southwest corner to the northwest corner Lot 2, Wal-Mart 1st Addition; from said northwest corner to the northeast corner Lot 2, Wal-Mart 1st Addition; from said northeast corner to the northeast corner Lot 2, Wal-Mart 1st Addition abutting East 11th Avenue; from said northeast corner east and perpendicular to the west line East 11th Avenue to a point on the east line east 11th Avenue

East – east line East 11th Avenue from a point 124 feet north of 23rd Street to the intersection of the east line East 11th Avenue and the north line 23rd Street; from said intersection to the northwest corner Lot 3, Block B, Sand Subdivision.

South – from the northwest corner Lot 3, Blk. B, Sand Subdivision to the northeast corner Lot 1, Blk. A, Sand Subdivision; from said northeast corner to the northeast corner Lot 3, Blk. A, Sand Subdivision; from said northeast corner to the southeast corner of the North 550 feet Lot 3, Blk. A, Sand Subdivision; from said southeast corner to the southwest corner North 550 feet Lot 3, Blk. A, Sand Subdivision; from said southwest corner to the southeast corner Lot 1, Three-E Realty Addition; from said southeast corner to the southwest corner Lot 4, Three-E Realty Addition; from said southwest corner to the southeast corner Lot 11, Block B, Replat of the Village South Subdivision; from said southeast corner to a point 56.13 feet east of the southwest corner Lot 5, Block B, Replat of Village South Subdivision; from said point, northerly through Lot 5, to a point on the south line 22nd Street, said point being 56 feet east of the northeast corner Lot 5, Blk. B, Replat of the Village South Subdivision; from said point to the intersection of the west line East 3rd Avenue and the south line 22nd Street; from said intersection to a point 46.91 feet south of said intersection; from said point west and parallel to the north line Lot 2, Block B, Replat Village South Subdivision, 293.84 feet; from said point north and parallel to the west line

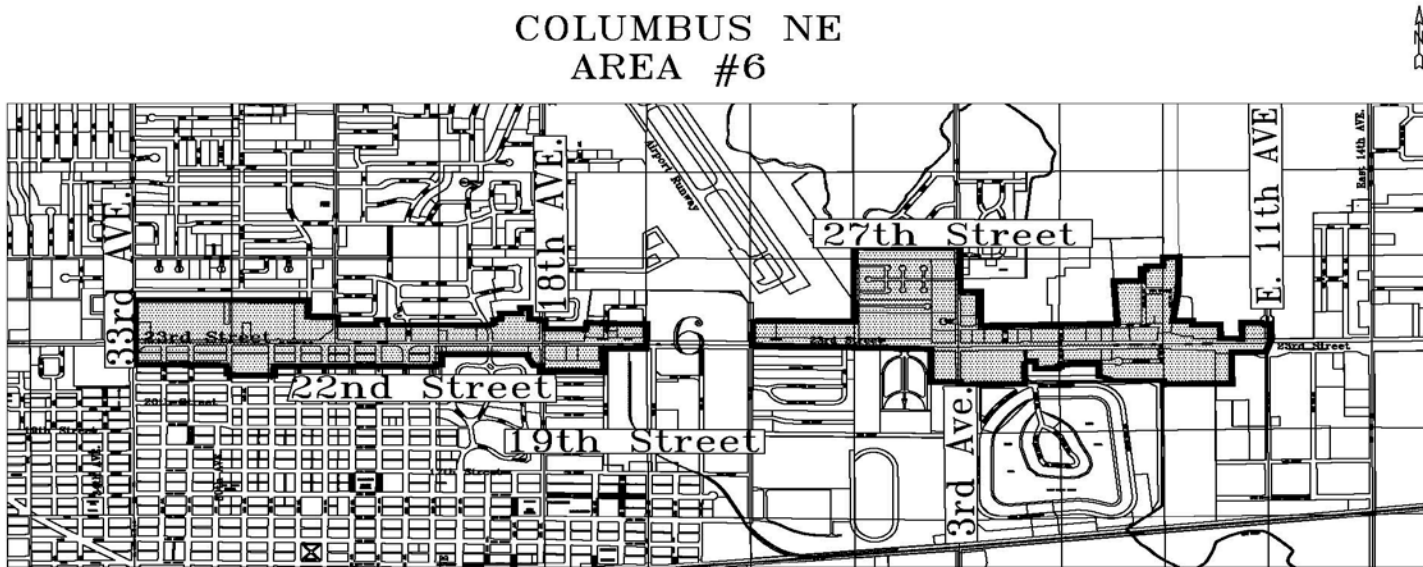
Village South Subdivision to a point on the north line Lot 2, Block B, Village South Subdivision; from said point to the northwest corner Lot 2, Block B, Village South Subdivision; from said northwest corner to the intersection of the southerly extension of the west line Village South Subdivision and the north line North Calle Columbo; from said intersection to the intersection of the north line North Calle Columbo and the east line 3rd Avenue; from said intersection to the intersection of the east line 3rd Avenue and the easterly extension of the south line of the north 230 feet Lot 2, Block B, Replat of north 580 feet of Replat Morningside Subdivision; from said intersection to the southwest corner of the north 230 feet of Lot 2, Block B, Replat north 580 feet of Replat Morningside Subdivision; from said southwest corner to the northwest corner Block A, Replat of north 580 feet of Replat of Morningside Subdivision; from said northwest corner to the northwest corner Lot 1 Block 5, Columbus Industrial Site Subdivision; from said northwest corner to the intersection of the east line 16th Avenue and the south line 23rd Street; from said intersection to the intersection of the east line 16th Avenue and the easterly extension of the south line Behlen Street; from said intersection to the intersection of the westerly extension of the south line Behlen Street and the west line 18th Avenue; from said intersection to the northeast corner of the south 82.5 feet of the south 165 feet Lot 1, Block C, Goeckel Addition; from said northeast corner to the northwest corner of the south 82.5 feet of the south 165 feet Lot 1, Block C, Goeckel Addition; from said northwest corner to the northeast corner Lot 5, Block C, East Park 3rd Addition; from said northeast corner to the northeast corner Lot 6, Block C, East Park 3rd Addition; from said northeast corner to the northeast corner Lot 19, Block B, East Park 2nd Addition; from said northeast corner to the southeast corner Lot 19, Block B, East Park 2nd Addition; from said southeast corner to the southwest corner of north half of vacated 22nd Street; from said southwest corner to the intersection of the east line 22nd Avenue and the easterly extension of the south line 22nd Street; from said intersection to the northwest corner Lot 5, Block 3, Pearsall's 2nd Addition; from said northwest corner to the northwest corner Lot 6, Block 3, Pearsall's 2nd Addition; from said northwest corner to the northwest corner Lot 10, Block 4, Pearsall's 2nd Addition; from said northwest corner to the southwest corner Lot 9, Block 4, Pearsall's 2nd Addition; from said southwest corner to the northeast corner Lot 18, Block 6, Evanlawn Addition; from said northeast corner to the northeast corner Lot 1, Blk. 6, Evanlawn Addition; from said northeast corner to the intersection of the south line 22nd Street and the east line 33rd Avenue

West – east line 33rd Avenue from the intersection of the south line 22nd street and the east line 33rd Avenue to the northwest corner Lot 13, Wagners Addition

* Subsequent to the approval of this Redevelopment Contract, the Redevelopment Area, or a portion thereof, may be subdivided or replatted. Subsequent to said subdivision or replat, the above legal description shall be replaced with the legal description provided in the subdivision or replat of the Redevelopment Area approved by the City.

Redevelopment Area Depiction:

COLUMBUS NE
AREA #6



* Redevelopment Area outlined in black

Exhibit "A"

Exhibit "B"
Redevelopment Project Preliminary Plans

(See Attached)*

* The attached is a preliminary site plan for reference purposes only and is subject to change.

Exhibit "C"
Projected TIF Sources and Uses

Projected TIF Sources:

Assumptions:

Base Tax Amount of Redevelopment Area	\$110,846,460
Post-Redevelopment Valuation	\$143,816,467
Tax Levy	2.0
Annual Increase to Assessed Valuation	2.25%*

* Based on the 4-year historical average

Amortization:

Capture Year	Calendar Year	Assessed Property Value	Property Tax % Increase	Projected Increment
1	2021	\$113,358,910	2.25%	\$49,889
2	2022	\$115,909,486	2.25%	\$100,901
3	2023	\$118,517,449	2.25%	\$153,060
4	2024	\$121,184,092	2.25%	\$206,393
5	2025	\$123,910,734	2.25%	\$260,925
6	2026	\$126,698,725	2.25%	\$316,685
7	2027	\$129,549,447	2.25%	\$373,700
8	2028	\$132,464,309	2.25%	\$431,997
9	2029	\$135,444,756	2.25%	\$491,606
10	2030	\$138,492,263	2.25%	\$552,556
11	2031	\$141,608,339	2.25%	\$614,878
12	2032	\$144,794,527	2.25%	\$678,601
13	2033	\$148,052,404	2.25%	\$743,759
14	2034	\$151,383,583	2.25%	\$810,382
15	2035	\$154,789,713	2.25%	\$878,505
		TOTAL:		\$6,663,837

Eligible Costs/Projected TIF Uses

City's Betterment

Streetscape	\$590,000.00
Water Main	\$1,409,371.00
Sanitary Sewer	\$1,270,025.00
Lump Sum for Colored Concrete	\$10,000.00
Grading for side street paving	\$17,466.00
Additional side street paving	\$174,926.00
Construction Engineering (items 1-3)	\$130,000.00
<u>Construction Engineering (items 4-6)</u>	<u>\$10,119.60</u>
TOTAL	\$3,611,907.60

23rd Street Non-Betterment (City's 20% Share)

Preliminary Engineering	\$213,239.50
Right of Way	\$446,600.00
Utilities	\$126,412.00
Construction	\$4,264,790.00
<u>Construction Engineering</u>	<u>\$213,239.50</u>
TOTAL	\$5,264,281.00

City Legal Fees	\$15,000
<u>City's Share Design Engineer Services</u>	<u>\$237,841.84</u>
TOTAL	\$9,129,030.44

* The above figures are only estimates of the Eligible Costs, and such actual costs may vary, as will be reflected in the Eligible Costs Certifications required under Section 2 of the Redevelopment Contract.

** All Eligible Costs contemplated in the Plan or allowed under the Act, which are not otherwise specified herein, shall be included as Eligible Costs for purposes of this Redevelopment Contract under this Exhibit "C".

Exhibit "D"
The Note

(See Attached)

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

TAX INCREMENT FINANCING PROMISSORY NOTE
(23rd Street Corridor Area District – Highway Improvement Project)

\$6,663,837.00 _____, 20__

FOR VALUE RECEIVED, the undersigned, Community Development Agency of the City of Columbus, Nebraska (hereinafter known as "Agency"), promises to pay the City of Columbus, Nebraska ("Holder"), and/or its assigns, the principal sum of Six Million Six Hundred Sixty Three Thousand Eight Hundred Thirty Seven and No/100 Dollars (\$6,663,837.00), together with interest thereon at the rate of 0.00% per annum, in accordance with the terms of that certain Redevelopment Contract dated _____, 2021 (the "Redevelopment Contract"), as between the Agency and Holder, until January 1, 2037, or until this Redevelopment Promissory Note is paid in full, whichever occurs first. The principal balance and interest thereon shall be due and payable on this Redevelopment Promissory Note as and at such time as any excess ad valorem taxes generated in the "Redevelopment Area" (as set forth in the Redevelopment Contract) are collected by the Agency and available for the retirement of this debt.

All terms of the Redevelopment Contract authorizing the issuance of this Redevelopment Promissory Note are hereby incorporated and adopted by this Redevelopment Promissory Note as if specifically set forth herein. To the extent the terms of this Redevelopment Promissory Note conflict with the Redevelopment Contract, the terms of this Redevelopment Promissory Note shall control.

In the event of default under this Redevelopment Promissory Note, all sums secured by this Redevelopment Promissory Note or any other agreement securing this Redevelopment Promissory Note shall bear interest at a rate equal to five percent (5%) above the prime rate as published by the Wall Street Journal from time-to-time; however, in the event said interest rate exceeds the maximum rate allowable by law, then such rate of interest shall equal the highest legal rate available.

The Agency may prepay the principal amount outstanding in whole or in part, without penalty or the prior consent of the Holder.

In the event the monies collected and held in that special fund established under Section 18-2147 of the Nebraska Revised Statutes and pursuant to the Redevelopment Contract are

insufficient to pay in full all amounts due and owing after all excess ad valorem taxes generated by the Redevelopment Project, as set forth in the Redevelopment Contract, have been collected by the Agency and paid, within a reasonable time after becoming available, towards the retirement of the amounts due hereunder, then the Holder shall waive any unpaid portion of the principal and interest due hereon. Notwithstanding the foregoing, the Agency shall not be obligated to make more than two payments on this Redevelopment Promissory Note, at least five months apart, during any single calendar year.

In the event this Redevelopment Promissory Note is referred to an attorney for collection the Holder shall be entitled to reasonable attorney fees allowable by law and all court costs and other expenses incurred in connection with such collection.

The Agency shall be in default in the event the Agency shall fail to pay, when due, any amount required hereunder.

Demand, presentment, protest and notice of nonpayment under this Redevelopment Promissory Note are hereby waived.

A PORTION OF THE PRINCIPAL AMOUNT OF THIS REDEVELOPMENT PROMISSORY NOTE MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT OF THE AGENCY. THE HOLDER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH HOLDER MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED BY THE RECORDS OF THE AGENCY.

Pursuant to the Redevelopment Contract and Sections 18-2124 and 18-2150, R.R.S. Neb. 2012, the excess ad valorem real property taxes within the Redevelopment Area have been pledged for the payment of this Redevelopment Promissory Note, both principal and interest as the same fall due or become subject to mandatory redemption. This Redevelopment Promissory Note shall not constitute a general obligation of the Agency and the Agency shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. This Redevelopment Promissory Note shall not constitute an obligation of the State of Nebraska, the Agency, or of the City of Columbus (except for such receipts as have been pledged pursuant to said Sections 18-2124 and 18-2150 R.R.S. Neb. 2012) and neither the State of Nebraska, the Agency nor the City of Columbus shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged as described above in this paragraph). Neither the members of the Agency's governing body nor any person executing this Redevelopment Promissory Note shall be liable personally on this Redevelopment Promissory Note by reason of the issuance hereof.

No delay or omission on the part of the Holder in exercising any remedy, right or option under this Redevelopment Promissory Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion.

Exhibit "D"

Any notice provided for in this Redevelopment Promissory Note to the Agency or the Holder shall be in writing and shall be given by regular mail to the Holder or Agency, or at such other address as either party may designate by notice in writing.

This Redevelopment Promissory Note shall be governed by and construed in accordance with the Laws of the State of Nebraska. All payments hereunder shall be payable in lawful money of the United States of America and shall be legal tender for public and private debts at the time of payment.

IN WITNESS WHEREOF, the Chairperson and Secretary of the Agency have caused this Redevelopment Promissory Note to be executed on behalf of the Agency, all as of the Dated Date shown below.

Dated this ____ day of _____, 20__.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS, NEBRASKA

ATTEST:

By: (Sample – Do Not Sign)
Chairperson

(Sample – Do Not Sign)
Secretary

3. Adjournment.