

Community Development Agency following the 7 p.m. City Council Meeting
Tuesday, July 5, 2022 7:30 PM
Council Chambers
2500 14 Street
Columbus, NE 68601

The Mayor and City Council reserve the right to go into closed session as per Section 84-1410 of the Nebraska Revised Statutes. A current agenda is on file at the office of the city clerk at City Hall, 2424 14 Street, Columbus, Nebraska. For more information, call 402-562-4224 or visit our website at www.columbusne.us.

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

Open Meetings Act

Neb. Rev. Stat. § 84-1407. Act, how cited.

Sections 84-1407 to 84-1414 shall be known and may be cited as the Open Meetings Act.

Neb. Rev. Stat. § 84-1408. Declaration of intent; meetings open to public.

It is hereby declared to be the policy of this state that the formation of public policy is public business and may not be conducted in secret.

Every meeting of a public body shall be open to the public in order that citizens may exercise their democratic privilege of attending and speaking at meetings of public bodies, except as otherwise provided by the Constitution of Nebraska, federal statutes, and the Open Meetings Act.

Neb. Rev. Stat. § 84-1409. Terms, defined.

For purposes of the Open Meetings Act, unless the context otherwise requires:

(1)(a) Public body means (i) governing bodies of all political subdivisions of the State of Nebraska, (ii) governing bodies of all agencies, created by the Constitution of Nebraska, statute, or otherwise pursuant to law, of the executive department of the State of Nebraska, (iii) all independent boards, commissions, bureaus, committees, councils, subunits, or any other bodies created by the Constitution of Nebraska, statute, or otherwise pursuant to law, (iv) all study or advisory committees of the executive department of the State of Nebraska whether having continuing existence or appointed as special committees with limited existence, (v) advisory committees of the bodies referred to in subdivisions (i), (ii), and (iii) of this subdivision, and (vi) instrumentalities exercising essentially public functions; and

(b) Public body does not include (i) subcommittees of such bodies unless a quorum of the public body attends a subcommittee meeting or unless such subcommittees are holding hearings, making policy, or taking formal action on behalf of their parent body, except that all meetings of any subcommittee established under section 81-15,175 are subject to the Open Meetings Act, and (ii) entities conducting judicial proceedings unless a court or other judicial body is exercising rulemaking authority, deliberating, or deciding upon the issuance of administrative orders;

(2) Meeting means all regular, special, or called meetings, formal or informal, of any public body for the purposes of briefing, discussion of public business, formation of tentative policy, or the taking of any action of the public body; and

(3) Virtual conferencing means conducting or participating in a meeting electronically or telephonically with interaction among the participants subject to subsection (2) of section 84-1412.

Neb. Rev. Stat. § 84-1410. Closed session; when; purpose; reasons listed; procedure; right to challenge; prohibited acts; chance meetings, conventions, or workshops.

(1) Any public body may hold a closed session by the affirmative vote of a majority of its voting members if a closed session is clearly necessary for the protection of the public interest or for the prevention of needless injury to the reputation of an individual and if such

individual has not requested a public meeting. The subject matter and the reason necessitating the closed session shall be identified in the motion to close. Closed sessions may be held for, but shall not be limited to, such reasons as:

(a) Strategy sessions with respect to collective bargaining, real estate purchases, pending litigation, or litigation which is imminent as evidenced by communication of a claim or threat of litigation to or by the public body;

(b) Discussion regarding deployment of security personnel or devices;

(c) Investigative proceedings regarding allegations of criminal misconduct;

(d) Evaluation of the job performance of a person when necessary to prevent needless injury to the reputation of a person and if such person has not requested a public meeting;

(e) For the Community Trust created under section 81-1801.02, discussion regarding the amounts to be paid to individuals who have suffered from a tragedy of violence or natural disaster; or

(f) For public hospitals, governing board peer review activities, professional review activities, review and discussion of medical staff investigations or disciplinary actions, and any strategy session concerning transactional negotiations with any referral source that is required by federal law to be conducted at arms length.

Nothing in this section shall permit a closed meeting for discussion of the appointment or election of a new member to any public body.

(2) The vote to hold a closed session shall be taken in open session. The entire motion, the vote of each member on the question of holding a closed session, and the time when the closed session commenced and concluded shall be recorded in the minutes. If the motion to close passes, then the presiding officer immediately prior to the closed session shall restate on the record the limitation of the subject matter of the closed session. The public body holding such a closed session shall restrict its consideration of matters during the closed portions to only those purposes set forth in the motion to close as the reason for the closed session. The meeting shall be reconvened in open session before any formal action may be taken. For purposes of this section, formal action shall mean a collective decision or a collective commitment or promise to make a decision on any question, motion, proposal, resolution, order, or ordinance or formation of a position or policy but shall not include negotiating guidance given by members of the public body to legal counsel or other negotiators in closed sessions authorized under subdivision (1)(a) of this section.

(3) Any member of any public body shall have the right to challenge the continuation of a closed session if the member determines that the session has exceeded the reason stated in the original motion to hold a closed session or if the member contends that the closed session is neither clearly necessary for (a) the protection of the public interest or (b) the prevention of needless injury to the reputation of an individual. Such challenge shall be overruled only by a majority vote of the

members of the public body. Such challenge and its disposition shall be recorded in the minutes.

(4) Nothing in this section shall be construed to require that any meeting be closed to the public. No person or public body shall fail to invite a portion of its members to a meeting, and no public body shall designate itself a subcommittee of the whole body for the purpose of circumventing the Open Meetings Act. No closed session, informal meeting, chance meeting, social gathering, email, fax, or other electronic communication shall be used for the purpose of circumventing the requirements of the act.

(5) The act does not apply to chance meetings or to attendance at or travel to conventions or workshops of members of a public body at which there is no meeting of the body then intentionally convened, if there is no vote or other action taken regarding any matter over which the public body has supervision, control, jurisdiction, or advisory power.

Neb. Rev. Stat. § 84-1411. Meetings of public body; notice; method; contents; when available; right to modify; duties concerning notice; virtual meetings authorized; emergency meeting without notice; appearance before public body.

(1)(a) Each public body shall give reasonable advance publicized notice of the time and place of each meeting as provided in this subsection. Such notice shall be transmitted to all members of the public body and to the public.

(b)(i) Except as provided in subdivision (1)(b)(ii) of this section, in the case of a public body described in subdivision (1)(a)(i) of section 84-1409 or such body's advisory committee, such notice shall be published in a newspaper of general circulation within the public body's jurisdiction and, if available, on such newspaper's web site.

(ii) In the case of the governing body of a city of the second class or village or such body's advisory committee, such notice shall be published by:

(A) Publication in a newspaper of general circulation within the public body's jurisdiction and, if available, on such newspaper's web site; or

(B) Posting written notice in three conspicuous public places in such city or village. Such notice shall be posted in the same three places for each meeting.

(iii) In the case of a public body not described in subdivision (1)(b)(i) or (ii) of this section, such notice shall be given by a method designated by the public body.

(c) In addition to a method of notice required by subdivision (1)(b)(i) or (ii) of this section, such notice may also be provided by any other appropriate method designated by such public body or such advisory committee.

(d) Each public body shall record the methods and dates of such notice in its minutes.

(e) Such notice shall contain an agenda of subjects known at the time of the publicized notice or a statement that the agenda, which shall be kept continually current, shall be readily available for public inspection at the principal office of the public body during normal business hours. Agenda items shall be sufficiently descriptive to give the public reasonable notice of the matters to be considered at the

meeting. Except for items of an emergency nature, the agenda shall not be altered later than (i) twenty-four hours before the scheduled commencement of the meeting or (ii) forty-eight hours before the scheduled commencement of a meeting of a city council or village board scheduled outside the corporate limits of the municipality. The public body shall have the right to modify the agenda to include items of an emergency nature only at such public meeting.

(2)(a) The following entities may hold a meeting by means of virtual conferencing if the requirements of subdivision (2)(b) of this section are met:

(i) A state agency, state board, state commission, state council, or state committee, or an advisory committee of any such state entity;

(ii) An organization, including the governing body, created under the Interlocal Cooperation Act, the Joint Public Agency Act, or the Municipal Cooperative Financing Act;

(iii) The governing body of a public power district having a chartered territory of more than one county in this state;

(iv) The governing body of a public power and irrigation district having a chartered territory of more than one county in this state;

(v) An educational service unit;

(vi) The Educational Service Unit Coordinating Council;

(vii) An organization, including the governing body, of a risk management pool or its advisory committees organized in accordance with the Intergovernmental Risk Management Act;

(viii) A community college board of governors;

(ix) The Nebraska Brand Committee;

(x) A local public health department;

(xi) A metropolitan utilities district;

(xii) A regional metropolitan transit authority;

(xiii) A natural resources district; and

(xiv) The Judicial Resources Commission.

(b) The requirements for holding a meeting by means of virtual conferencing are as follows:

(i) Reasonable advance publicized notice is given as provided in subsection (1) of this section, including providing access to a dial-in number or link to the virtual conference;

(ii) In addition to the public's right to participate by virtual conferencing, reasonable arrangements are made to accommodate the public's right to attend at a physical site and participate as provided in section 84-1412, including reasonable seating, in at least one designated site in a building open to the public and identified in the notice, with: At least one member of the entity holding such meeting, or his or her designee, present at each site; a recording of the hearing by audio or visual recording devices; and a reasonable opportunity for input, such as public comment or questions, is provided to at least the same extent as

would be provided if virtual conferencing was not used;

(iii) At least one copy of all documents being considered at the meeting is available at any physical site open to the public where individuals may attend the virtual conference. The public body shall also provide links to an electronic copy of the agenda, all documents being considered at the meeting, and the current version of the Open Meetings Act; and

(iv) Except as otherwise provided in this subdivision or subsection (4) of section 79-2204, no more than one-half of the meetings of the state entities, advisory committees, boards, councils, organizations, or governing bodies are held by virtual conferencing in a calendar year. In the case of an organization created under the Interlocal Cooperation Act that sells electricity or natural gas at wholesale on a multistate basis or an organization created under the Municipal Cooperative Financing Act, the organization may hold more than one-half of its meetings by virtual conferencing if such organization holds at least one meeting each calendar year that is not by virtual conferencing. The governing body of a risk management pool that meets at least quarterly and the advisory committees of the governing body may each hold more than one-half of its meetings by virtual conferencing if the governing body's quarterly meetings are not held by virtual conferencing.

(3) Virtual conferencing, emails, faxes, or other electronic communication shall not be used to circumvent any of the public government purposes established in the Open Meetings Act.

(4) The secretary or other designee of each public body shall maintain a list of the news media requesting notification of meetings and shall make reasonable efforts to provide advance notification to them of the time and place of each meeting and the subjects to be discussed at that meeting.

(5) When it is necessary to hold an emergency meeting without reasonable advance public notice, the nature of the emergency shall be stated in the minutes and any formal action taken in such meeting shall pertain only to the emergency. Such emergency meetings may be held by virtual conferencing. The provisions of subsection (4) of this section shall be complied with in conducting emergency meetings. Complete minutes of such emergency meetings specifying the nature of the emergency and any formal action taken at the meeting shall be made available to the public by no later than the end of the next regular business day.

(6) A public body may allow a member of the public or any other witness to appear before the public body by means of virtual conferencing.

(7)(a) Notwithstanding subsections (2) and (5) of this section, if an emergency is declared by the Governor pursuant to the Emergency Management Act as defined in section 81-829.39, a public body the territorial jurisdiction of which is included in the emergency declaration, in whole or in part, may hold a meeting by virtual conferencing during such emergency if the public body gives reasonable advance publicized notice as described in subsection (1) of this section. The notice shall include information regarding access for the public and news media. In addition to any formal action taken pertaining to the emergency, the public body may hold such meeting for the purpose of briefing, discussion of public business, formation of tentative policy, or the taking of any action by the public body.

(b) The public body shall provide access by providing a dial-in Open Meetings Act

number or a link to the virtual conference. The public body shall also provide links to an electronic copy of the agenda, all documents being considered at the meeting, and the current version of the Open Meetings Act. Reasonable arrangements shall be made to accommodate the public's right to hear and speak at the meeting and record the meeting. Subsection (4) of this section shall be complied with in conducting such meetings.

(c) The nature of the emergency shall be stated in the minutes. Complete minutes of such meeting specifying the nature of the emergency and any formal action taken at the meeting shall be made available for inspection as provided in subsections (5) and (6) of section 84-1413.

Neb. Rev. Stat. § 84-1412. Meetings of public body; rights of public; public body; powers and duties.

(1) Subject to the Open Meetings Act, the public has the right to attend and the right to speak at meetings of public bodies, and all or any part of a meeting of a public body, except for closed sessions called pursuant to section 84-1410, may be videotaped, televised, photographed, broadcast, or recorded by any person in attendance by means of a tape recorder, a camera, video equipment, or any other means of pictorial or sonic reproduction or in writing.

(2) It shall not be a violation of subsection (1) of this section for any public body to make and enforce reasonable rules and regulations regarding the conduct of persons attending, speaking at, videotaping, televising, photographing, broadcasting, or recording its meetings, including meetings held by virtual conferencing. A body may not be required to allow citizens to speak at each meeting, but it may not forbid public participation at all meetings.

(3) No public body shall require members of the public to identify themselves as a condition for admission to the meeting nor shall such body require that the name of any member of the public be placed on the agenda prior to such meeting in order to speak about items on the agenda. The body shall require any member of the public desiring to address the body to identify himself or herself, including an address and the name of any organization represented by such person unless the address requirement is waived to protect the security of the individual.

(4) No public body shall, for the purpose of circumventing the Open Meetings Act, hold a meeting in a place known by the body to be too small to accommodate the anticipated audience.

(5) No public body shall be deemed in violation of this section if it holds its meeting in its traditional meeting place which is located in this state.

(6) No public body shall be deemed in violation of this section if it holds a meeting outside of this state if, but only if:

(a) A member entity of the public body is located outside of this state and the meeting is in that member's jurisdiction;

(b) All out-of-state locations identified in the notice are located within public buildings used by members of the entity or at a place which will accommodate the anticipated audience;

(c) Reasonable arrangements are made to accommodate the public's right to attend, hear, and speak at the meeting, including making virtual conferencing available at an in-state location to members, the public, or the press, if requested twenty-four hours in advance;

(d) No more than twenty-five percent of the public body's meetings in a calendar year are held out-of-state;

(e) Out-of-state meetings are not used to circumvent any of the public government purposes established in the Open Meetings Act; and

(f) The public body publishes notice of the out-of-state meeting at least twenty-one days before the date of the meeting in a legal newspaper of statewide circulation.

(7) Each public body shall, upon request, make a reasonable effort to accommodate the public's right to hear the discussion and testimony presented at a meeting.

(8) Public bodies shall make available at the meeting or the in-state location for virtual conferencing as required by subdivision (6)(c) of this section, for examination and copying by members of the public, at least one copy of all reproducible written material to be discussed at an open meeting, either in paper or electronic form. Public bodies shall make available at least one current copy of the Open Meetings Act posted in the meeting room at a location accessible to members of the public. At the beginning of the meeting, the public shall be informed about the location of the posted information.

Neb. Rev. Stat. § 84-1413. Meetings; minutes; roll call vote; secret ballot; when.

(1) Each public body shall keep minutes of all meetings showing the time, place, members present and absent, and the substance of all matters discussed.

(2) Any action taken on any question or motion duly moved and seconded shall be by roll call vote of the public body in open session, and the record shall state how each member voted or if the member was absent or not voting. The requirements of a roll call or viva voce vote shall be satisfied by a public body which utilizes an electronic voting device which allows the yeas and nays of each member of such public body to be readily seen by the public.

(3) The vote to elect leadership within a public body may be taken by secret ballot, but the total number of votes for each candidate shall be recorded in the minutes.

(4) The minutes of all meetings and evidence and documentation received or disclosed in open session shall be public records and open to public inspection during normal business hours.

(5) Minutes shall be written, except as provided in subsection (6) of this section, and available for inspection within ten working days or prior to the next convened meeting, whichever occurs earlier, except that cities of the second class and villages may have an additional ten working days if the employee responsible for writing the minutes is absent due to a serious illness or emergency.

(6) Minutes of the meetings of the board of a school district or educational service unit may be kept as an electronic record.

(7) Beginning July 31, 2022, the governing body of a natural resources district, the city council of a city of the metropolitan class, the city council of a city of the primary class, the city council of a city of the first class, the county board of a county with a population greater than twenty-five thousand inhabitants, and the school board of a school district shall make available on such entity's public web site the agenda and minutes of any meeting of the governing body. The agenda shall be placed on the web site at least twenty-four hours before the meeting of

the governing body. Minutes shall be placed on the web site at such time as the minutes are available for inspection as provided in subsection (5) of this section. This information shall be available on the public web site for at least six months.

Neb. Rev. Stat. § 84-1414. Unlawful action by public body; declared void or voidable by district court; when; duty to enforce open meeting laws; citizen's suit; procedure; violations; penalties.

(1) Any motion, resolution, rule, regulation, ordinance, or formal action of a public body made or taken in violation of the Open Meetings Act shall be declared void by the district court if the suit is commenced within one hundred twenty days of the meeting of the public body at which the alleged violation occurred. Any motion, resolution, rule, regulation, ordinance, or formal action of a public body made or taken in substantial violation of the Open Meetings Act shall be voidable by the district court if the suit is commenced more than one hundred twenty days after but within one year of the meeting of the public body in which the alleged violation occurred. A suit to void any final action shall be commenced within one year of the action.

(2) The Attorney General and the county attorney of the county in which the public body ordinarily meets shall enforce the Open Meetings Act.

(3) Any citizen of this state may commence a suit in the district court of the county in which the public body ordinarily meets or in which the plaintiff resides for the purpose of requiring compliance with or preventing violations of the Open Meetings Act, for the purpose of declaring an action of a public body void, or for the purpose of determining the applicability of the act to discussions or decisions of the public body. It shall not be a defense that the citizen attended the meeting and failed to object at such time. The court may order payment of reasonable attorney's fees and court costs to a successful plaintiff in a suit brought under this section.

(4) Any member of a public body who knowingly violates or conspires to violate or who attends or remains at a meeting knowing that the public body is in violation of any provision of the Open Meetings Act shall be guilty of a Class IV misdemeanor for a first offense and a Class III misdemeanor for a second or subsequent offense.

Neb. Rev. Stat. § 84-1415. Open Meetings Act; requirements; waiver; validity of action.

No motion, resolution, rule, regulation, ordinance, or formal action made, adopted, passed, or taken at a meeting as defined in section 84-1409 of a public body as defined in such section shall be invalidated because such motion, resolution, rule, regulation, ordinance, or formal action was made, adopted, passed, or taken at a meeting or meetings on or after March 17, 2020, and on or before April 30, 2021, pursuant to a Governor's Executive Order which waived certain requirements of the Open Meetings Act.

2. **Resolution No. R22-83 approving amendment to redevelopment agreement with SERC, LLC in conjunction with City of Columbus Redevelopment Plan for the Southeast Redevelopment Area.**

RESOLUTION NO. R22-83

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, APPROVING AN AMENDMENT TO A REDEVELOPMENT CONTRACT FOR A REDEVELOPMENT PROJECT UNDERTAKEN BY SERC, LLC, AS SET FORTH IN THE "CITY OF COLUMBUS REDEVELOPMENT PLAN FOR THE SOUTHEAST REDEVELOPMENT AREA (SERC, LLC, REDEVELOPMENT PROJECT)".

WHEREAS, the Mayor and City Council of the City of Columbus, Nebraska (the "City"), previously approved a redevelopment plan entitled, "City of Columbus Redevelopment Plan for the Southeast Redevelopment Area (SERC, LLC, Redevelopment Project)" (the "Plan"); and

WHEREAS, the City Council of the City, as the governing body of the Community Development Agency of the City of Columbus, Nebraska (the "Agency"), previously approved and entered into a redevelopment agreement between SERC, LLC, a Nebraska limited liability company ("Redeveloper"), as redeveloper, and the Agency, dated December 3, 2018, with respect to the redevelopment project set forth in the Plan (the "Redevelopment Agreement"); and

WHEREAS, the Agency has for its consideration, attached hereto and incorporated herein as Exhibit "A", a proposed form of an amendment to the Redevelopment Agreement (the "Amendment"), to make certain changes to the Redevelopment Agreement desirable to the Agency and the Redeveloper.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Columbus, Nebraska, as the governing body of the Agency, that the Amendment by and between Redeveloper and the Agency, in the form presented, is hereby acknowledged and approved. The Agency Chairperson (Council President) and Secretary (City Clerk) are hereby authorized to execute said Amendment in substantially the form presented but with such changes as they shall deem appropriate or necessary. The execution and delivery by the Chairperson of the Amendment, or any such documents, instruments, agreements or certifications relating to such matters contained in the Amendment, shall conclusively establish their authority with respect thereto and the authorization and approval thereof.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS _____ DAY OF _____, 2022.

COUNCIL PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Michael Sauls

SPECIAL CITY ATTORNEY

EXHIBIT "A"
Amendment

(See attached)

AMENDMENT TO REDEVELOPMENT AGREEMENT
(SERC, LLC, REDEVELOPMENT PROJECT)

This Amendment to Redevelopment Agreement (“**Amendment**”) is made and entered into as of the ____ day of _____, 2022, by and between the Community Development Agency of the City of Columbus, Nebraska (the “**Agency**”), and SERC, LLC, a Nebraska limited liability company (“**Redeveloper**”). The Agency and Redeveloper may be referred to hereinafter as the “**Party**” or collectively as the “**Parties**”.

RECITALS

WHEREAS, Redeveloper and the Agency entered into that certain redevelopment agreement dated December 3, 2018 (the “**Redevelopment Agreement**”); and

WHEREAS, pursuant to Section 2 of the Redevelopment Agreement, the Parties wish to set forth an Annual Phase via this Amendment.

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

1. **Recitals; Definitions.** The Parties hereby agree that the Recitals set forth above are true and correct and are incorporated herein by this reference. Capitalized terms not otherwise defined in this Amendment shall have the meanings assigned to them in the Redevelopment Agreement.

2. **Amendment.** Pursuant to Section 2 of the Redevelopment Agreement, the Redevelopment Agreement shall be and hereby is amended and supplemented as follows:

(a) This Amendment incorporates a new Annual Phase of the Redevelopment Project which shall include the following lot(s) in the Redevelopment Project Area:

Lots 1 through 8, Augustine 4th Subdivision, a Minor Subdivision of Lots 1-4, Block A, Augustine 3rd Subdivision to the City of Columbus, Platte County, Nebraska.

(collectively, the “**Lots**”)

(b) The “effective date” (as defined in the Act and the Redevelopment Agreement) for the Lots shall be January 1, 2022;

(c) The base year valuation for the Lots shall be the year 2021.

(d) The Agency shall file a Notice to Divide on and upon the Lots, in conformance with the dates provided herein, in the form attached hereto and incorporated herein as Exhibit 1.

3. **Miscellaneous.** Except as specifically set forth in this Amendment, all terms and conditions in the Redevelopment Agreement shall remain in full force and effect and the Redevelopment Agreement is hereby ratified by the Parties. This Amendment shall inure to the benefit of and be binding upon the parties to the Redevelopment Agreement and their respective successors and assigns. The rights granted hereunder shall run with the land and burden the Redevelopment Project Area. This Amendment shall be construed under and in accordance with the laws of the State of Nebraska without regard to principles of conflicts of law. The Agency acknowledges that there has been no Event of Default under the Redevelopment Agreement by Redeveloper. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the Parties hereto may execute this Amendment by signing any such counterpart.

(Signatures on following pages)

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives as of the date set forth above.

AGENCY:

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS NEBRASKA

By: _____
Chairperson (Council President)

ATTEST:

Secretary (City Clerk)

REDEVELOPER:

SERC, LLC, a Nebraska limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT 1

Notice to Divide

(See Attached)

DOCS/2828776.1

3. **Resolution No. R22-84 authorizing issuance of Tax Increment Revenue Bond in an amount not to exceed \$1,006,636 for SERC, LLC.**

RESOLUTION NO. R22-84

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, ADOPTED BY THE CITY COUNCIL OF THE CITY OF COLUMBUS, ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA; AUTHORIZING THE ISSUANCE OF A TAX INCREMENT REVENUE BOND FOR THE SERC, LLC, REDEVELOPMENT PROJECT IN THE SOUTHEAST REDEVELOPMENT AREA; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND; AND PLEDGING REVENUES OF THE AGENCY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW.

BE IT RESOLVED by the City Council of the City of Columbus, Nebraska, acting as the governing body of the Community Development Agency of the City of Columbus, Nebraska, as follows:

Section 1. The City Council of the City of Columbus (the "City") hereby find and determine:

(a) that, pursuant to the Nebraska Community Development Law, Article 21 of Chapter 18, Reissue Revised Statutes of Nebraska (the "Act"), the Community Development Agency of the City of Columbus (the "Agency") has been duly created by ordinance for purposes of assisting with redevelopment of blighted and substandard real estate located within the City; that the Agency has and may exercise all of the powers of a redevelopment authority provided for under the Community Development Law of the State of Nebraska; that there has been prepared a redevelopment plan, entitled "City of Columbus Redevelopment Plan for the Southeast Redevelopment Area (SERC, LLC, Redevelopment Project)" (the "Plan"), for the redevelopment of the real estate described and referred to in Exhibit A (hereinafter in this Resolution referred to as the "Project Area");

(b) that prior to the recommendation or approval of the Plan an area which includes the Project Area was declared blighted and substandard by action of the Mayor and Council of the City;

(c) that the City has had in effect its general plan for the development of the City from the time prior to the preparation of the Plan;

(d) that the Plan was submitted to the City Planning Commission of the City and the Agency, and thereafter recommended by said bodies to the Mayor and Council of the City, as and to the extent required by the Act;

(e) that on the 3rd day of December, 2018, the Mayor and Council of the City held a public hearing on the Plan, for which notice was given by publication prior to such hearing in conformance with the Act, and, after such hearing, the Mayor and Council gave their approval to the Plan;

(f) that the Plan, among other things, calls for the phased construction of sixteen duplex lots (with thirty two single-family attached townhome structures) and one

single-family detached home within the Project Area (referred to herein as the "Project"), all as more particularly described in the Plan;

(g) that SERC, LLC, a Nebraska limited liability company (hereafter in this Resolution referred to as the "Redeveloper"), has undertaken or will undertake the redevelopment of the real estate constituting a portion of the Project Area by constructing the Project as described in the redevelopment contract between the Agency and Redeveloper, attached hereto and incorporated herein as Exhibit B ("Redevelopment Contract"), and the City and the Agency have previously communicated willingness to assist such redevelopment in order to encourage employment and economic development of the City as well as for the redevelopment of a blighted and substandard area of the City;

(h) that Redeveloper has incurred and is expected to incur costs in excess of \$6,970,000 relating to redevelopment of the Project Area pursuant to the Plan and the Redevelopment Contract, and intends to complete the Project prior to December 31, 2027;

(i) that the Agency, upon the written request of Redeveloper, shall timely file a "Notice to Divide Tax" for the Project with the county assessor for Platte County, Nebraska, on or before August 1, 2022, for the first phase of the Project, and in each successive year upon the written request of Redeveloper for the subsequent phases;

(j) that the Agency and the City have agreed to assist the Redeveloper with certain grants as set forth in the Redevelopment Contract and in consideration for undertaking the costs of the Project and for such purpose it is necessary for the Agency to authorize the issuance of its tax increment revenue bond in an amount not to exceed \$1,006,636;

(k) that the Redevelopment Contract between the Agency and the Redeveloper in the form presented provides that the Agency and the City will assist the Redeveloper with certain grant assistance and the issuance of the tax increment revenue bond as provided for in this resolution;

(l) that all ad valorem taxes received by the Agency's Treasurer related to the Project Area shall be allocated to the tax increment revenue bond pursuant to the terms of said bond; and

(m) that all conditions, acts and things required by law to exist or to be done precedent to the authorizing of the Agency's tax increment revenue bond as provided for in this Resolution do exist and have been done as provided by the Act.

Section 2. A tax increment revenue bond in an amount not to exceed One Million Six Thousand Six Hundred Thirty Six Dollars (\$1,006,636) is hereby ordered issued in accordance with Section 18-2125 of the Act, by the Agency and shall be designated as its "Tax Increment Revenue Bond of the Community Development Agency for City of Columbus, Nebraska (SERC, LLC, Redevelopment Project), Series 2022" (herein referred to as the "Bond"). The Bond shall be issued in the single denomination in an amount not to exceed \$1,006,636. The Bond shall be dated as of the date of its delivery ("Dated Date"). The Bond

shall bear interest from the Dated Date until maturity (or earlier redemption) at the rate of five percent (5.00%) per annum. The principal of the Bond shall become due upon the earlier of the January 1 following the date that all excess ad valorem real estate taxes for the final phase of the Project have been divided and collected in conformance with Section 18-2147 of the Act, or January 1, 2044, provided that such principal amount shall be subject to mandatory redemption from "Available Funds" as described in Section 5 below on June 1 and December 1 of each year. All interest upon the Bond shall be payable on June 1, 2023, and semiannually thereafter on June 1 and December 1 of each year.

The Bond shall be issued in fully registered form. The Agency's Treasurer (the City Treasurer of the City of Columbus) is hereby designated as paying agent and registrar for the Bond (the "Agent"). The Agent shall serve in such capacities pursuant to the terms of this Resolution. The interest due on each interest payment date prior to maturity shall be payable to the registered owner of record as of the last business day of the calendar month immediately preceding the calendar month in which such interest payment date occurs (the "Record Date"), subject to the provisions of Section 4 hereof. Payments of interest due on the Bond, except for payments due on final maturity date, or other final payment, shall be made by the Agent by mailing or delivering a check or draft in the amount then due for interest on the Bond to the registered owner of the Bond, as of the Record Date for such interest payment date, to such owner's registered addresses as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal and interest due at final maturity or other final payment shall be made by the Agent to the registered owner upon presentation and surrender of the Bond to the Agent at the Agency's offices at City Hall in the City of Columbus, Nebraska. The Agency and the Agent may treat the registered owner of the Bond as the absolute owner of the Bond for the purpose of making payments thereon and for all other purposes and neither the Agency nor the Agent shall be affected by any notice or knowledge to the contrary, whether the Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of the Bond in accordance with the terms of this Resolution shall be valid and effectual and shall be a discharge of the Agency and the Agent, in respect of the liability upon the Bond or claims for interest to the extent of the sum or sums so paid. Notwithstanding anything in this Resolution or the Redevelopment Contract to the contrary, the Agent shall not disburse any amounts toward payment on the Bond unless and until Redeveloper has provided the Agency with certifications of Eligible Costs (as defined in the Redevelopment Contract) pursuant to Section 2 of the Redevelopment Contract. If Redeveloper fails to submit certifications of Eligible Cost in an amount equal to or greater than the principal amount on the Bond upon completion of the Project, the principal and outstanding interest on the Bond shall be adjusted to reflect the aggregate total of the certified Eligible Costs.

Section 3. The Agent shall keep and maintain for the Agency books for the registration and transfer of the Bond at the Agency's offices at City Hall in Columbus, Nebraska. The name and registered address of the registered owner of the Bond shall at all times be recorded in such books. The Bond may be transferred pursuant to its provisions at the Agency's offices by surrender of such Bond for notation of transfer, accompanied by a written instrument of transfer, in form satisfactory to the Agent, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Agent on behalf of the Agency will register such transfer upon its books and make notation thereof on the Bond and deliver the Bond at its office to the transferee owner (or send it by registered mail to the transferee owner thereof at such transferee owner's expense). Any transfers of the Bond shall be upon the basis of a

private placement and each proposed transferee registered owner shall furnish the Agent with assurances in form satisfactory to the Agent that such Bond is being purchased for investment purposes only, without view to redistribution and upon the independent credit judgment and investigation of the proposed transferee. The Agency and the Agent shall not be required to transfer the Bond during any period from any Record Date until its immediately following interest payment date or to transfer the Bond when called for redemption, in whole or in part, for a period of 15 days next preceding any date fixed for redemption or partial redemption.

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

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

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

**UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF PLATTE**

**TAX INCREMENT REVENUE BOND OF
THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS,
NEBRASKA (SERC, LLC, REDEVELOPMENT PROJECT)
SERIES 2022**

Dated Date: _____, 2022

Principal Amount

Interest Rate Per Annum

\$1,006,636.00

5.00%

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Columbus, Nebraska (the "Agency"), hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to the registered owner designated on the reverse hereof, or registered assigns, the principal sum shown above in lawful money of the United States of America with such principal sum to become due on the maturity date set forth below, with interest on the unpaid balance from date of delivery hereof until maturity or earlier redemption at the rate per annum set forth above. Said interest shall be payable on June 1, 2023, and semiannually thereafter on June 1 and December 1 of each year. The maturity of this bond shall be the earlier of the January 1 following the date that all excess ad valorem real estate taxes for the final phase of the Project (as defined in the Resolution) have been divided and collected in conformance with Section 18-2147 of the Nebraska Community Development Law, Sections 18-2101 et. seq., of the Nebraska Revised Statutes, as amended or replaced (the "Act"), or January 1, 2044, subject to the terms herein..

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

This bond is the sole bond of its series of the total principal amount of One Million Six Thousand Six Hundred Thirty Six Dollars (\$1,006,636) issued by the Agency for the purpose of paying a portion of the costs of redevelopment of certain real estate as described in the Redevelopment Contract (as defined in the Resolution) and as designated in that Redevelopment Plan recommended by the Agency and approved by the Mayor and Council of the City of Columbus, Nebraska, on December 3, 2018 (the "Plan"), all in compliance with the Nebraska Community Development Law, Article 21 of Chapter 18, Reissue Revised Statutes of Nebraska (the "Act"), and has been duly authorized by resolution passed and approved by the Council of the City of Columbus, acting as the governing body of the Agency (the "Resolution").

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

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

A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. THE REGISTERED OWNER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH REGISTERED OWNER 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 PAYING AGENT AND REGISTRAR IN THE MANNER PROVIDED IN THE RESOLUTION.

This bond constitutes a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in Section 18-2147 of the Act, as levied, collected and apportioned from year to year with respect to certain real estate described in the Redevelopment Contract and located within the "Project Area" (as defined in the Resolution) for all taxes received by the Agency's Treasurer attributable to the Project Area which are received by said Treasurer as of and from and after January 1, 2023, with respect to the first phase of the Project, and the January 1 of the year following the "effective date" (as defined in the Act) for each subsequent phase of the Project, and which are attributable to valuation increases of the real estate described in the Redevelopment Contract and within the Project Area based on any increase in the taxable value determined as of January 1, 2021, with respect

to the first phase of the Project, and the January 1 of the year prior to the effective date for each subsequent phase of the Project.

Pursuant to the Resolution and Sections 18-2124 and 18-2150 of the Act, said portion of taxes has been pledged for the payment of this bond, both principal and interest as the same fall due or become subject to mandatory redemption. This bond shall not constitute a general obligation of the Agency and the Agency shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. **This bond shall not constitute an obligation of the State of Nebraska or of the City of Columbus (except for such receipts as have been pledged pursuant to said Sections 18-2124 and 18-2150 of the Act) and neither the State of Nebraska 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 bond shall be liable personally on this bond by reason of the issuance hereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this bond for notation of transfer as provided on the reverse hereof and subject to the conditions provided for in the Resolution. The Agency, the Paying Agent and Registrar and any other person may treat the person whose name this bond is registered as the absolute owner hereof for the purposes of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not. THIS BOND, UNDER CERTAIN TERMS SET FORTH IN THE RESOLUTION AUTHORIZING ITS ISSUANCE, MAY ONLY BE TRANSFERRED TO PERSONS OR ENTITIES DELIVERING AN INVESTMENT LETTER TO THE PAYING AGENT AND REGISTRAR CONFORMING TO REQUIREMENTS SET FORTH IN SAID RESOLUTION.

NOTWITHSTANDING ANYTHING IN THIS BOND, THE RESOLUTION OR THE REDEVELOPMENT CONTRACT TO THE CONTRARY, THE AGENT SHALL NOT DISBURSE ANY AMOUNTS TOWARD PAYMENT ON THIS BOND UNLESS AND UNTIL REDEVELOPER HAS PROVIDED THE AGENCY WITH CERTIFICATIONS OF ELIGIBLE COSTS (AS DEFINED IN THE REDEVELOPMENT CONTRACT) PURSUANT TO SECTION 2 OF THE REDEVELOPMENT CONTRACT. IF REDEVELOPER FAILS TO SUBMIT CERTIFICATIONS OF ELIGIBLE COST IN AN AMOUNT EQUAL TO OR GREATER THAN THE INITIAL PRINCIPAL AMOUNT ON THIS BOND UPON COMPLETION OF THE PROJECT, THE PRINCIPAL AND OUTSTANDING INTEREST ON THIS BOND SHALL BE ADJUSTED TO REFLECT THE AGGREGATE TOTAL OF THE CERTIFIED ELIGIBLE COSTS.

INTEREST ON THIS BOND 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.

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

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

IN WITNESS WHEREOF, the Council of the City of Columbus, Nebraska, as the governing body of the Community Development Agency of the City of Columbus, Nebraska have caused this bond to be executed on behalf of said Agency by being signed by the Chairperson (Council President) and Secretary (City Clerk), all as of the Dated Date shown above.

Dated this ____ day of _____, 20__.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS

ATTEST:

By: _____
(Sample – Do Not Sign)
Chairperson (Council President)

(Sample – Do Not Sign)
Secretary (City Clerk)

PROVISION FOR REGISTRATION

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

Date of Registration	Name of Registered Owner	Signature of Paying Agent and Registrar
_____, 20__	_____	(Sample – Do Not Sign)

Section 7. This Resolution sets forth January 1, 2022, with respect to the first phase of the Project, and January 1 of the year that a notice of divide is filed with respect to any subsequent phase of the Project, as the "effective date" (as defined in the Act) after which ad valorem taxes on real property located within the Project Area encompassing such phase are to be apportioned pursuant to Section 18-2147 of the Act. As of and from and after January 1, 2023, with respect to the first phase of the Project, and the January 1 following the effective date of any subsequent phase of the Project, that portion of the ad valorem taxes on the real estate located within the Project Area which is described in subdivision (1)(b) of Section 18-2147 of the Act, and which ad valorem taxes received by the Agency's Treasurer attributable to the Project Area which are attributable to valuation increases determined as of January 1, 2021, with respect to the first phase of the Project, and the January 1 prior to the effective date of any subsequent phase of the Project (the "Project Area Tax Receipts"), shall be paid into a special fund of the Agency to be designated as the "Community Development Agency — SERC, LLC, Redevelopment Project Fund" (the "Bond Fund") to be held by the Agent for application to payments on the Bond.

The Agency hereby pledges for the payment of the Bond both principal and interest as the same fall due, equally and ratably, all Project Area Tax Receipts associated with the real estate described in the Redevelopment Contract and so paid into the Bond Fund as a prior and first lien upon said receipts for the security and payment of the Bond. Monies held in the Bond Fund shall be invested to the extent practicable and investment earnings on such monies shall be applied in the same manner as all other funds held in the Bond Fund.

Section 8. The Bond shall be executed on behalf of the Agency by the Chairperson (Council President) and Secretary (City Clerk). Upon execution, the Bond shall be registered by the Agent in the name of the Redeveloper or its designee as the initial registered owner and shall be delivered in consideration of the performance by the Redeveloper in accordance with the Redevelopment Contract and Plan. The Redeveloper may request notation of a pledge interest in the Bond on the records of the Agent. The initial purchaser (and any pledgee) of the Bond shall be required to deliver an investment representation letter to the Agent. Such letter shall be satisfactory in form to the officers of the Agency, or any one or more of them, as advised by the Agency's attorneys.

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

Section 10. The Secretary of the Agency shall make and certify one or more copies of the transcripts of the proceedings of the Agency precedent to the issuance of the Bond one of which copies shall be delivered to the Agency.

Section 11. The Chairperson (Council President) and Secretary (City Clerk) or any one of them are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Resolution.

Section 12. The authorization for the Bond provided for in this Resolution is based upon

expectations as to completion of construction, valuation and proposed tax rates suggested by and/or agreeable to the Redeveloper. The Agency has given and hereby gives no assurances that such expectations will in fact be fulfilled.

Section 13. Interest on the Bond 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 Code.

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

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

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS _____ DAY OF _____, 2022.

COUNCIL PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



SPECIAL CITY ATTORNEY

Exhibit "A"
Legal Description of the Project Area

Lots 1 through 8, Augustine 4th Subdivision, a Minor Subdivision of Lots 1-4, Block A, Augustine 3rd Subdivision to the City of Columbus, Platte County, Nebraska.

AND

Lots 1 through 6, Augustine 5th Subdivision, a Minor Subdivision of Lots 1-3, Block C, Augustine 3rd Subdivision to the City of Columbus, Platte County, Nebraska.

AND

Lots 1 through 6, Augustine 6th Subdivision, a Minor Subdivision of Lots 4-6, Block C, Augustine 3rd Subdivision to the City of Columbus, Platte County, Nebraska.

AND

Lots 1 through 6, Augustine 7th Subdivision, a Minor Subdivision of Lots 1-3, Block D, Augustine 3rd Subdivision to the City of Columbus, Platte County, Nebraska.

Exhibit "B"
Redevelopment Contract

(See attached)

RESOLUTION NO. R18-168

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 AGREEMENT FOR A REDEVELOPMENT PROJECT UNDERTAKEN BY SERC, LLC, AS SET FORTH IN THE "REDEVELOPMENT PLAN FOR THE SOUTHEAST REDEVELOPMENT AREA (SERC, LLC, REDEVELOPMENT PROJECT AREA 8)".

WHEREAS, the Mayor and Council of the City of Columbus, Nebraska (the "City"), previously approved a redevelopment plan entitled "Redevelopment Plan for the Southeast Redevelopment Area (SERC, LLC, Redevelopment Project)", as hereafter may be supplement and amended (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 Agreement by and between SERC, LLC, as redeveloper, and the Agency, with respect to a redevelopment project specified in the Plan (the "Redevelopment Agreement").

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, that the Redevelopment Agreement by and between SERC, LLC, a Nebraska limited liability company, as redeveloper, and the Community Development Agency of the City of Columbus, Nebraska, in the form presented, is hereby acknowledged and approved. The Council President and City Clerk are hereby authorized to execute said Redevelopment Agreement 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 Agreement, or any such documents, instruments, agreements or certifications relating to such matters contained in the Redevelopment Agreement, shall conclusively establish their authority with respect thereto and the authorization and approval thereof.

INTRODUCED BY COUNCIL MEMBER _____



PASSED AND ADOPTED THIS 3 DAY OF December, 2018.



COUNCIL PRESIDENT

ATTEST:

Janelle Heine
CITY CLERK

APPROVED AS TO FORM:

Michael Saut
SPECIAL CITY ATTORNEY



EXHIBIT "A"
Redevelopment Agreement

(See attached)

**REDEVELOPMENT AGREEMENT
FOR THE
CITY OF COLUMBUS
REDEVELOPMENT PLAN FOR THE
SOUTHEAST REDEVELOPMENT AREA
(SERC, LLC, REDEVELOPMENT PROJECT)**

This Redevelopment Agreement ("**Redevelopment Agreement**") is made and entered into as of the 3 day of December, 2018, by and between the Community Development Agency of the City of Columbus, Nebraska (the "**Agency**") and SERC, LLC, a Nebraska limited liability company ("**Redeveloper**"). The Agency and/or Redeveloper may be referred to hereinafter as the "**Party**" or collectively as the "**Parties**".

WITNESSETH:

WHEREAS, pursuant to Sections 18-2101, et. seq., of the Nebraska Revised Statutes (the "**Act**"), the Mayor and Council of the City of Columbus, Nebraska (the "**City**") has adopted and approved a redevelopment plan entitled "City of Columbus Redevelopment Plan for the Southeast Redevelopment Area (SERC, LLC, Redevelopment Project)," as may be amended and supplemented (the "**Plan**"), for the real estate described on Exhibit "A" hereto attached and by such reference incorporated herein (the "**Redevelopment Project Area**"), which is located in the City, and which has previously been declared blighted and substandard or otherwise eligible for redevelopment by the Mayor and Council of the City; and

WHEREAS, the Agency has encouraged and induced Redeveloper to engage in certain development activities and construct improvements in the Redevelopment Project Area and Redeveloper is not willing to incur the substantial investment necessary for such redevelopment of the Redevelopment Project Area without the assistance of tax-increment financing ("**TIF**") provided by the Agency to Redeveloper in this Redevelopment Agreement; and

WHEREAS, Redeveloper pursuant to the Plan is undertaking a phased redevelopment project in the Redevelopment Area consisting of sixteen duplex lots (with thirty two single-family attached townhome structures) and one single-family detached home (collectively, the "**Redevelopment Project**"), all as more particularly described in the Plan (collectively, said improvements are referred to in this Redevelopment Agreement as the "**Redevelopment Project**"); and

WHEREAS, the Redevelopment Project includes the construction of single-family attached townhomes and a single-family detached residence in annual phases ("**Annual Phases**") of up to 9 years, depending on market conditions, all as more particularly described in the Plan, attached hereto and incorporated herein as Exhibit "B"; and

WHEREAS, the real property within the Redevelopment Project Area, other than easements for public utilities, is to be privately owned by Redeveloper with the residences to be sold to the public; and

WHEREAS, the Agency proposes to authorize the issuance of a tax increment revenue bond (the “**Bond**”), to provide for eligible costs relating to the Annual Phases of redevelopment of the Redevelopment Project Area, as shall be more specifically described in a resolution to be adopted by the governing body of the Agency (the “**Resolution**”), and under the Resolution shall designate the Agency's Treasurer (being the City Treasurer of the City) to act as Paying Agent and Registrar (the “**Agent**”) for the Bond pursuant to the Resolution; and

WHEREAS, Redeveloper 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 Bond as provided in the Resolution;

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

Section 1. Representations, Warranties and Covenants of Redeveloper.

Redeveloper hereby represents, covenants and warrants as follows:

- (a) Redeveloper is a Nebraska limited liability company duly organized and existing under the laws of the State of Nebraska, is not in violation of any provisions of its Articles of Organization or operating agreement(s), is authorized to enter into and perform its obligations under this Redevelopment Agreement and, to the best of the knowledge of Redeveloper, is not in violation of the laws of the State of Nebraska.
- (b) Throughout the term of this Redevelopment Agreement, Redeveloper will reasonably endeavor to construct, operate and maintain the Redevelopment Project in accordance with the terms of this Redevelopment Agreement 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). Throughout the term of this Redevelopment Agreement and subject to the provisions of Section 19 of this Redevelopment Agreement, in the event of any casualty damage to the Redevelopment Project, as and to the extent owned by Redeveloper, Redeveloper agrees to repair and reconstruct such damaged portion or portions of the Redevelopment Project so that such reconstructed real property has a taxable value at least equal to the value as most recently determined prior to the event or events of casualty loss. Redeveloper agrees to substantially effect such repair and reconstruction whether or not insurance proceeds are sufficient or available for such purposes.
- (c) Redeveloper shall endeavor in good faith to complete the infrastructure portion of the Redevelopment Project and commence construction on residences on or before December 31, 2019.

- (d) Redeveloper shall endeavor in good faith to complete all Annual Phases on or before December 31, 2027, at an estimated cost for all Annual Phases of \$6,970,000 for residential construction and \$1,376,636 in related TIF-eligible Redevelopment Project costs.
- (e) Redeveloper has not received notices or communications from any local, state or federal official or body that the activities of Redeveloper respecting the Redevelopment Project Area or the construction of the Redevelopment Project thereon may be or will be in violation of any law or regulation.
- (f) Redeveloper will use its best efforts to obtain or to cause others to obtain, in a timely manner, all required permits, licenses and approvals and to meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met for the Redevelopment Project to be lawfully constructed, occupied or operated.
- (g) The execution and delivery of this Redevelopment Agreement, the consummation of the transactions contemplated hereby and the fulfillment of or compliance with the terms and conditions of this Redevelopment Agreement are not prevented or limited by and will not conflict with or result in a breach (i) of any provision of any evidence of indebtedness, agreement or instrument of whatever nature to which Redeveloper is now a party or by which it is bound; or (ii) of any past, pending or threatened litigation, court order, or administrative proceeding, by which Redeveloper is or might become bound.
- (h) To the best of the knowledge of Redeveloper, Redeveloper is not aware of any hazardous waste or other significant environmental pollution condition or hazard existing on or within the Redevelopment Project Area.
- (i) Redeveloper acknowledges and agrees that neither the Agency nor the City shall be obligated to pay any costs related to the Redevelopment Project other than costs to be paid from available TIF revenues, if any, and Redeveloper hereby undertakes and agrees to pay any and all such cost. All costs (both public and private) of the Redevelopment Project shall be paid in full and there are and shall be no construction liens unpaid against the Redevelopment Project Area or any of the improvements thereon. Redeveloper agrees to provide for the construction of both the Redevelopment Project public and private improvements located within the Redevelopment Project Area as described in the Plan or as described in this Redevelopment Agreement, except to the extent that the Agency or the City shall agree otherwise by separate written agreement with Redeveloper.
- (j) Redeveloper agrees and covenants for itself, its successors and assigns that as long as the Bond is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the

Redevelopment Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Redevelopment Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Redevelopment Project.

- (k) Redeveloper agrees that, while under the ownership of Redeveloper, any contractor providing services related to the construction of the Redevelopment Project will utilize the federal immigration verification system, as defined in Section 4-114, *Neb. Rev. Stat. 2012*, to determine the work eligibility status of new employees physically performing services on the Redevelopment Project.
- (l) Redeveloper owns or has contracted to purchase the Redevelopment Project Area, in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Agreement by Redeveloper.
- (m) Any general contractor chosen by Redeveloper or Redeveloper itself shall obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and a penal bond as required by the Act and section 9 of this Redevelopment Agreement. The Agency, the City and Redeveloper shall be named as additional insureds on each such policy. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Redevelopment 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 Redeveloper shall also carry insurance on all stored materials. The contractor or Redeveloper, as the case may be, shall furnish the Agency and the City with a certificate of insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Agency and the City prior written notice in the event of cancellation of or material change in any of the policies.
- (n) At all times during the term of this Redevelopment Agreement, Redeveloper shall maintain policies insuring the improvements located within the Redevelopment Project Area, owned by the Redeveloper, in an amount equal to at least ninety percent (90%) of their full insurable value.
- (o) Upon full execution of this Redevelopment Agreement, Redeveloper shall reimburse the Agency for special counsel fees in the amount of \$6,250 (less any amounts already paid by Redeveloper to Agency), payable to the Agency or Agency's special counsel, for fees incurred in relation to the Plan and this Redevelopment Agreement. Special counsel fees incurred by the Agency in relation to the Bond shall be reimbursed in the manner prescribed under Section 8.

- (p) The Redeveloper has not filed and does not intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act related to a project in the redevelopment project area. In as much as no such application has been filed, none has been approved.
- (q) No application has been filed with the Department of Revenue requesting a refund of any local option sales tax related to a project in the redevelopment project area.

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

This Redevelopment Agreement hereby incorporates the Plan by this reference. The Agency and Redeveloper anticipate that the Redevelopment Project and related construction will be undertaken and constructed in up to nine (9) Annual Phases. The Parties anticipate that a total of one (1) bond will be issued for the Redevelopment Project (i.e., one bond encompassing all Annual Phases). Each Annual Phase of the Redevelopment Project will specifically identify the specific lots within the Redevelopment Project Area developed in that Annual Phase. Each Annual Phase will have a different "**effective date**" (as defined in the Act) for the division of ad valorem taxes along with a new increment period. The increment for each Annual Phase will end after the applicable 15 year period or at the maturity date of the Bond, whichever occurs first. The applicable effective dates will be established by Redevelopment Agreement Amendments (defined below).

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Agency hereby provides that any ad valorem tax on any lot or lots located in the Redevelopment Project Area which is/are properly identified annually by the Redeveloper (such lot or lots being referred to herein as an Annual Phase) for the benefit of any public body be divided as set forth below. The Redeveloper shall identify such lot or lots in the form of a written notice from the Redeveloper to the Agency in substantially the form attached hereto as Exhibit "D" (each, a "**Redevelopment Agreement Amendment Notice**"). The applicable ad valorem tax shall be divided for a period of fifteen (15) years (for each Annual Phase), or less as set forth herein and/or in such notice, after the effective date set forth in the applicable Redevelopment Agreement Amendment Notice and reflected in a Redevelopment Agreement Amendment, consistent with the Redevelopment Plan.

In order to provide for payment of some of the public improvements for the Redevelopment Project set forth in the Plan and this Redevelopment Agreement, as described in Exhibit "C", attached hereto and incorporated herein (the "**Public Improvements**" and/or "**Eligible Costs**"), the Agency shall proceed to issue the Bond on a form approved by the Agency, in the principal amount not to exceed One Million Six Thousand Six Hundred Thirty Six Dollars (\$1,006,636), under the Resolution with such terms and conditions as the Agency reasonably determines appropriate under the circumstances to be set forth in the Resolution.

The Bond shall constitute a limited obligation of the Agency payable exclusively from that portion of the incremental ad valorem real estate taxes generated from the Redevelopment Project pursuant to section 18-2147 of the Act and collected for a period not to exceed fifteen (15) years from the effective date of each Annual Phase. Upon receipt, the Agency shall deposit the proceeds of the Bond with the City Treasurer of the City, pursuant to the Resolution, and said

Treasurer shall disburse said proceeds to the holder of the Bond (but only from available TIF revenues) to provide for reimbursement of all or a portion of the Eligible Costs, to the extent paid by Redeveloper, as evidenced by paid invoices or other evidence acceptable to the Agency; each such reimbursement shall be and constitute a grant to Redeveloper made under the terms of this Redevelopment Agreement and the Act. Unless otherwise specified in the Resolution, the Treasurer shall disburse the TIF Revenues in the manner set forth below:

- (a) There shall be submitted to the Agency a grant disbursement request (the "Disbursement Request") in a form acceptable to the Agency, executed by Redeveloper, (i) certifying that a portion of the Redevelopment Project has been substantially completed and (ii) certifying the actual costs incurred by the Redeveloper in the completion of such portion of the Redevelopment Project, as evidenced by paid invoices or other evidence acceptable to the Agency.
- (b) If the costs requested for reimbursement under the Disbursement Request are Eligible Costs under Exhibit "C" of this Redevelopment Agreement and the Act, the Agency shall evidence such allocation in writing and inform the owner of the Bond of any amounts allocated to the Bond.
- (c) Upon notification from the Agency as described in Section 2(b), the Treasurer, as paying agent, shall make disbursements to the holder of the Bond in the manner provided in the Resolution.

Unless otherwise determined by the governing body of the Agency, the proceeds of the Bond shall be applied to the costs described above. Unless otherwise determined appropriate by the Agency, the Bond shall be issued on the basis of interest which is includable in income for both federal and Nebraska State income taxes.

Provided that Redeveloper is then in compliance with the terms and conditions of this Redevelopment Agreement and applicable law, the Agency shall be obligated to execute the appropriate Redevelopment Agreement Amendments and otherwise comply with the terms of this Section for the capture of the tax increment for the applicable portion of the Redevelopment Project Area. Specifically, provided a Redevelopment Agreement Amendment Notice (together with a Redevelopment Agreement Amendment) is delivered to the Agency no later than July 1 of the calendar year of the effective date of such Annual Phase (or later if allowed in the sole discretion of the Agency; but in no event later than July 20th of such year), the Agency shall: (a) execute the Redevelopment Agreement Amendment, and (b) file before August 1 of such year a "Notice to Divide Tax for Community Redevelopment Project" for such Annual Phase with the office of the Platte County Assessor, without requirement of additional hearings or public notice.

A "**Redevelopment Agreement Amendment**" shall mean an amendment to this Redevelopment Agreement, in form and substance acceptable to the Agency, executed pursuant to a Redevelopment Agreement Amendment Notice delivered by the Redeveloper as provided above, all prepared in accordance with this Redevelopment Agreement and the Act, establishing the legal description of the lots in such Annual Phase, and including the effective date for such

Annual Phase, the base year valuation, and such other provisions as may be deemed necessary by the Agency including usual and customary representations.

Section 3. Covenants With Respect to Taxation of Redevelopment Project Area.

Redeveloper agrees with respect to the Redevelopment Project as follows:

- (a) Until the termination of this Redevelopment Agreement (as described in Section 18 hereof), the Redevelopment Project shall be operated for the use substantially similar to that contemplated in the Plan and no sale or conveyance of such property shall be made to any person or entity for ownership or use which would cause the real property within the Redevelopment Project Area to be eligible for exemption from ad valorem taxes under Section 77-202 R.R.S. Neb. 2009, as now existing or hereafter amended, or any successor provision thereto, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any lot.
- (b) Redeveloper intends to create a taxable real property valuation of the Redevelopment Project Area of not less than \$6,970,000 by December 31, 2027, with minimum valuations for each lot containing a single-family home of at least \$210,000, each three-bedroom single-family attached townhouse unit (with basement) of at least \$240,000, each three-bedroom single-family attached townhouse unit (without basement) of at least \$200,000, and each two-bedroom single-family attached townhouse unit of at least \$185,000 (the valuation associated with each such lot or unit, a “**Minimum Lot Valuation**”) no later than as of the effective date for each Annual Phase comprised of such lots or units. During the period of this Redevelopment Agreement and upon completion of each Annual Phase, Redeveloper, its successors and assigns, excluding subsequent purchasers of residential properties within the Redevelopment Area, will: (1) not protest a real estate property valuation of any lot or unit included in such Annual Phase to a sum less than or equal to the Minimum Lot Valuation; and (2) not convey the Redevelopment Project Area, any lot or unit in the Redevelopment Project Area, or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes. Redeveloper acknowledges that any shortfall in TIF revenues resulting from a failure of a subsequent purchaser to adhere to this subsection shall be subject to subsection 3(c) below, and neither the City nor Agency shall have any obligation or liability with respect to such shortfall except as provided in subsection 3(c).
- (c) If Redeveloper has monetized the Bond by pledging it to its lender, Redeveloper shall solely be responsible for all payments due to such lender regardless of any shortfall in TIF revenues collected for payment toward the Bond; or if Redeveloper is the holder of the Bond, in the event of a shortfall of annual incremental taxes, Redeveloper agrees to defer receipt of any such shortfall. If Redeveloper is required to defer the receipt of any such shortfall amounts, Redeveloper shall be entitled to receive reimbursement of any such shortfall

payment to the extent incremental ad valorem taxes later become available during the fifteen (15) year period prescribed by the Act (for each Annual Phase) in an amount in excess of the amount necessary to meet the current debt service payments. Redeveloper shall forgive any such shortfall amounts not reimbursed at the end of the fifteen (15) year period prescribed by the Act (for each Annual Phase).

- (d) Redeveloper, its successors and assigns, including subsequent purchasers of land within the Redevelopment Project Area, until the termination of this Redevelopment Agreement as described in section 18 hereof, further agree as follows:
- (i) to pay all local ad valorem real estate taxes for the Redevelopment Project Area as levied and assessed before the same become delinquent; and
 - (ii) not to seek any administrative review or judicial review of the applicability or validity of any tax statute relating to taxation of the Redevelopment Project or to raise such inapplicability or invalidity as a defense in any administrative or judicial proceedings; and
 - (iii) not to seek any tax deferral or tax abatement with respect to local ad valorem taxes, either as presently or prospectively authorized under any law of the State of Nebraska or federal law with respect to the Redevelopment Project; and
 - (iv) to pay or cause to be paid, when due and before any fine, penalty, interest or cost may be added thereto for the non-payment thereof, all water and sewer rates and charges, occupancy tax, special assessments and other governmental levies and charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, which are assessed, levied, confirmed, imposed or become payable with respect to the Redevelopment Project; provided, however, that any special assessments levied for water, sewer or paving improvements shall be permitted to be paid as the same fall delinquent and may bear interest from the date of levy or other appropriate date set by the levying body; and
 - (v) to retain copies of all supporting documents (as defined under section 18-2119(4) of the Act) actually generated and received by Redeveloper in relation to the Redevelopment Project or Plan until the expiration of three years following the end of the last fiscal year in which ad valorem taxes were divided in relation to the Redevelopment Project. PROVIDED HOWEVER, this subsection (v) shall not impose any duty on any subsequent purchaser of a residence in the Redevelopment Project.

Section 4. Release and Indemnification.

Redeveloper hereby releases from and covenants and agrees that the Agency and the City, together with their governing body, officers, agents, including their independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purpose of this Section 4, collectively the “**Indemnified Parties**”) shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect arising from the Redevelopment Project or within the Redevelopment Project Area. Provided, however, such release shall not be deemed to include such liability actions as arise directly out of the willful misconduct of the Agency or the City.

Additionally, the Indemnified Parties shall not have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the Indemnified Parties on the Bond or any indebtedness contemplated hereunder shall be limited solely to the incremental ad valorem taxes generated from the Redevelopment Project pledged as security for such indebtedness. Specifically, but without limitation, the Indemnified Parties shall not be liable to Redeveloper or any other third party for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder.

Section 5. Covenants to Run with the Land; Easement; Recording of Redevelopment Agreement.

Redeveloper and Agency agree and acknowledge that this Redevelopment Agreement and the undertakings of Redeveloper and the Agency as herein provided for shall be considered as and constitute covenants running with the land binding upon Redeveloper and the Agency and their successors and assigns and upon each successive owner of the Redevelopment Project Area or any portion thereof. Redeveloper hereby acknowledges and agrees that by the terms of this Redevelopment Agreement it is binding and obligating any and all of its interest in the Redevelopment Project Area, now or hereafter acquired, and hereby covenants and warrants for the benefit of the Agency and the registered owner of the Bond that Redeveloper shall defend such interest in the Redevelopment Project Area against the claims and interests of any and all persons. Redeveloper and the Agency agree and acknowledge that a memorandum of this Redevelopment Agreement, in substantially the same form attached as Exhibit "E", shall be recorded at the expense of Redeveloper against all real estate located in the Redevelopment Project Area and shall remain of record until the Bond has been paid in full or matured. The Agency shall have the authority to execute such memorandum(s) without additional public determinations or meetings. As and to the extent that this Redevelopment Agreement does not have priority by order of recording over each and every mortgage or other instrument securing indebtedness of Redeveloper, Redeveloper hereby agrees to obtain the written agreement in recordable form from each mortgagee or other encumbrancer having any such priority, which written form acknowledges and agrees to the terms of this Redevelopment Agreement. Redeveloper agrees to provide the Agency with a title report or other evidence as to the status of title to the Redevelopment Project Area after the recording of this Redevelopment Agreement and before the issuance of the Bond. After the Bond has been paid in full, Redeveloper or any successor or assign of Redeveloper shall have the right to request in writing and the Agency

shall, upon such request, execute and deliver an appropriate instrument evidencing the termination of this Redevelopment Agreement and of the covenants and undertakings herein provided. The Agency shall have the right, from time to time in its sole and reasonable discretion, to release specific parcels or lots located within the Redevelopment Project Area from any or all of the specific provisions of this Redevelopment Agreement.

Section 6. Default and Remedies upon Default.

Redeveloper and Agency agree with respect to any defaults or failures of performance by Redeveloper (but not any subsequent purchaser of a residence within the Redevelopment Project) or Agency as follows:

- (a) The following shall constitute “**Events of Default**” under the terms of this Redevelopment Agreement:
 - (i) failure by Redeveloper or Agency to observe timely or perform timely any covenant, condition, obligation or agreement on its part to be observed or performed under this Redevelopment Agreement;
 - (ii) any representation or warranty made herein by Redeveloper or Agency proves untrue in any respect reasonably deemed to be material by the Agency or Redeveloper;
 - (iii) an event of default or material breach by or attributable to Redeveloper or Agency relating to the Redevelopment Project or any portion thereof, including, without limitation, breach of the terms of any agreement or other instrument relating to the financing or construction thereof; or
 - (iv) Redeveloper makes an assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt or petitions for an order for relief, petitions or applies to any tribunal for the appointment of any receiver or any trustee or a debtor in possession of Redeveloper or any part of its property or commences any proceeding related to Redeveloper under any reorganization, arrangement, readjustment of debt, dissolution or liquidation act, code, law or statute of any jurisdiction, whether now or hereafter in effect, or if there is commenced against Redeveloper any such proceedings and Redeveloper by any act indicates its consent or approval of or acquiescence in any such proceeding or the appointment of any receiver or any trustee or debtor in possession for Redeveloper or any part of its property or suffers any such receivership or trusteeship.
- (b) Whenever an Event of Default occurs, in addition to all other remedies available to the Agency or Redeveloper at law or in equity, the Agency or Redeveloper may take such action at law or in equity as the Agency or Redeveloper reasonably deem appropriate, including specific performance or injunction to enforce or

compel performance of the provisions of this Redevelopment Agreement; provided that the remedy of specific performance against Redeveloper shall not include or be construed to include the covenant to build or construct private improvements, Public Improvements, or the Redevelopment Project.

- (c) If at any time during the term of this Redevelopment Agreement an Event of Default shall occur and remain continuing and uncured for a period of more than thirty (30) days after written notice from the Agency to Redeveloper of such Event of Default, the City or Agency shall have the right, but not the obligation, to cure such breach on behalf of Redeveloper with respect to the construction of the TIF-eligible Public Improvements. If the City or Agency elects to cure a breach of Redeveloper, Redeveloper shall reimburse the City or Agency for the documented and reasonable costs of curing Redeveloper's breach within 30 days of demand from City or Agency given to Redeveloper. If Redeveloper's breach can be cured by the payment of Eligible Costs, the City or Agency may cure such defect and obtain reimbursement, without notice to Redeveloper, via a set off to the principal amount of the Bond equal to the Eligible Costs expended by the City or Agency. The Eligible Costs expended by the City or Agency must be certified by the City or Agency to the holder of the TIF revenues and all subsequent distributions of TIF revenues shall be distributed to the City or Agency, as applicable, until such Eligible Costs expended by the City or Agency have been reimbursed in full. Interest shall accrue on the amount expended by the City or Agency at the rate provided in the Bond and such interest shall commence from the date that the Agency gives notice to Redeveloper of Redeveloper's Event of Default.
- (d) If at any time during the term of this Redevelopment Agreement an Event of Default shall occur and remain continuing and uncured for a period of more than sixty (60) days after written notice from the Agency to Redeveloper of such Event of Default, the aggregate amount of all TIF Revenues and grants paid to Redeveloper (including principal and interest) for improvements shall stand forfeited and Redeveloper shall be required to repay the same to the Agency within thirty (30) days' written demand thereof.
- (e) No remedy herein conferred upon or reserved to the Agency or the registered owner of the Bond is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Redevelopment Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
- (f) If any provision of this Redevelopment Agreement is breached by a Party and thereafter waived by the other Party, such waiver shall be limited to the particular

breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

- (g) Anything in this Section 6 to the contrary notwithstanding, none of the events described in subsection 6(a)(iv) above shall constitute an Event of Default after Redevelopment Project has been completed and the proceeds of the Bond have been disbursed in full.
- (h) Subject to Section 3(b) of this Redevelopment Agreement, failure of a subsequent purchaser of a residence in the Redevelopment Project Area to timely pay taxes and liens or otherwise adhere to the obligations of Redeveloper under this Redevelopment Agreement shall not be deemed a default by the Redeveloper.

Section 7. Status of Agency and City.

Neither the Agency nor the City is or shall be regarded as the partner, joint venturer or other jointly acting party with Redeveloper for any purpose whatsoever and the undertakings and agreements on the part of the Agency herein provided for are undertaken solely pursuant to the provisions of sections 18-2101 to 18-2150 of the Act and for the limited governmental purposes of promoting and encouraging redevelopment of a blighted and substandard area. Redeveloper acknowledges that Redeveloper or its successors and assigns are and shall remain in control of the Redevelopment Project for all purposes provided that Redeveloper acknowledges and agrees that the City is and shall be the owner of and shall be in control of all public street, sewer and water improvements constituting a part of or serving the Redevelopment Project.

Section 8. Manner of Sale of Bond.

Redeveloper agrees either to purchase the Bond for the principal amount thereof or to find a purchaser for the Bond upon terms and conditions acceptable to the Agency. Neither the Agency nor the City under the terms of this Redevelopment Agreement undertakes any responsibility with respects to the sale or placement of the Bond. Any such sale or placement of the Bond shall be by means of a private placement to a financial institution or other institutional buyer capable of evaluating the risks of investment in the Bond or to Redeveloper. Any such purchaser, including Redeveloper, shall provide to the Agency an investment letter setting forth the understanding as to purchase for investment and not for any further distribution, in substantially the same form as Exhibit "F". The grant to be accomplished by this section, and the obligation of the Agency to remit the TIF revenues for the Redevelopment Project as debt service on the Bond, may be accomplished by offset so that no bankable currency is exchanged between the Parties at closing of the Bond, notwithstanding other payments required hereunder. If the Agency so requests, Redeveloper shall, from time to time, furnish the Agency with satisfactory evidence as to the use and application of the TIF revenues.

Prior to issuance of the Bond, Redeveloper shall reimburse the Agency for its legal fees incurred in relation to the Redevelopment Project in the amount of \$12,500, less any such payments previously made by Redeveloper to the Agency or its special counsel. Such

reimbursement shall be payable directly to the Agency or Agency's special counsel, at the direction of the Agency.

Section 9. Indemnification and Penal Bond

Redeveloper hereby agrees to indemnify and save the Agency and City harmless for any payment or liability to which the Agency or City may become subject for carrying out of any contract entered into by Redeveloper with respect to the Redevelopment Project. Redeveloper agrees to provide to the Agency evidence that there is in effect a bond for the payment costs as required under Section 18-2151 of the Act.

Section 10. Additional Parties Added as Redeveloper.

The Parties specifically agree that additional parties or entities may be admitted to and included within the meaning of the term "Redeveloper" upon the mutual written consent of both Parties.

Section 11. Redevelopment Agreement Binding Upon Successors and Assigns.

This Redevelopment Agreement is made for the benefit of Redeveloper, the Agency and the registered owners from time to time of the Bond as third party beneficiaries. This Redevelopment Agreement shall be binding upon the Agency and Redeveloper, and any successors or assigns thereof. Redeveloper may assign its interest in the Redevelopment Project only upon receipt of prior written consent from the Agency. The Agency and Redeveloper acknowledge and agree that, in the event Redeveloper assigns its rights and obligations under this Redevelopment Agreement, in whole or in part, to any assignee, Redeveloper and the assignee shall both be bound by the terms of the Plan and this Redevelopment Agreement (as and to the extent of any such assignment with respect to the Assignee). No assignment by Redeveloper to the Assignee shall be effective until a written instrument binding the Assignee under the terms of the Plan and this Redevelopment Agreement (as and to the extent of such assignment), duly acknowledged and in recordable form, has been executed and delivered by the Assignee and recorded in the real estate records of Platte County, Nebraska, with respect to the Redevelopment Project Area.

Section 12. Titles of Sections.

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

Section 13. Notices.

Except as otherwise specified herein, all notices hereunder shall be in writing and shall be given to the relevant Party at its address set forth below, or such other address as such Party may hereafter specify by notice to the other given by United States mail or by other

telecommunication device capable of creating a written record of such notice and its receipt. Notices hereunder shall be addressed:

- (a) in the case of Redeveloper, if mailed to or delivered personally to:

SERC, LLC
2154 East 32nd Avenue
Columbus, NE 68601

With a copy to:

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

- (b) in the case of Agency, if mailed to or delivered personally to:

Columbus City Clerk
P.O. Box 1677
Columbus, NE 68602-1677

With a Copy to:

Columbus City Attorney
P.O. Box 1677
Columbus, NE 68602-1677

Each such notice, request or other communication shall be effective (i) if given by mail, five (5) days after such communication is deposited in the mail, certified or registered with return receipt requested, addressed as aforesaid or (ii) if given by any other means, when delivered at the addresses specified in this Section 13 or at any such other address with respect to any such Party as that Party may, from time to time, designate in writing and forward to the other Party as provided in this section.

Section 14. Severability.

If any provision of this Redevelopment Agreement 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 Agreement shall not affect the remaining portions of this Redevelopment Agreement or any part thereof.

Section 15. Counterparts.

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

Section 16. Law Governing.

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

Section 17. Time of the Essence.

Time shall be of the essence of this Redevelopment Agreement.

Section 18. Termination.

This Redevelopment Agreement shall commence as of the date first above written and shall terminate upon the earlier of fifteen years after the effective date for the final Annual Phase of the Redevelopment Project as set forth in Section 2 of this Redevelopment Agreement or payment of all principal and interest owed toward the Bond.

Section 19. Force Majeure Event.

Neither Redeveloper 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 Agreement 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 Redeveloper 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 Redeveloper and the Agency; provided, that Redeveloper or the Agency, as the case may be, shall, within twenty (20) days after the beginning of any such enforced delay, have notified Redeveloper 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 20. Effect of Redevelopment Agreement.

This Redevelopment Agreement (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 Agreement shall be of any force and effect.

(The remainder of this page is intentionally left blank)

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

COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA

By: Charlie Bahr
Chairperson

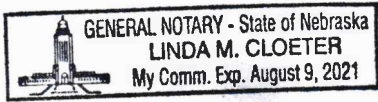
ATTEST:

Janelle Kline
Secretary



STATE OF NEBRASKA)
) ss.
COUNTY OF PLATTE)

The foregoing instrument was acknowledged before me this 4th day of December, 2018, by Charlie Bahr, Chairperson, and Janelle Kline, Secretary, of the governing body of the Community Development Agency of the City of Columbus, Nebraska on behalf of such agency.



Linda M. Cloeter
Notary Public

Exhibit "A"
Redevelopment Project Area

Legal Description:

A tract of land located in SW1/4NE1/4, Section 29, Township 17 North, Range 1 East of the 6th P.M., Platte County, Nebraska, more particularly described as follows: referring to the Northeast corner of said SW1/4 NE1/4; thence S00°00'00"W (assumed bearing), 330.00 feet on the East line of said SW1/4NE1/4 to the point of beginning; thence continuing S00°00'00"W, 538.46 feet on the East line of said SW1/4NE1/4; thence N89°54'17"W, 460.00 feet on the North line of Laska Addition to the City of Columbus to the Southeast corner of Augustine Subdivision to the City of Columbus; thence N00°00'00"E, 269.50 feet on the East line of said Augustine Subdivision to the Northeast corner thereof; thence N27°38'52"W, 83.65 feet on the Northeast line of Lot 1, Augustine 2nd Subdivision to the City of Columbus to the Northeast corner thereof; thence Westerly and Northerly 188.50 feet on a 60.00 foot radius curve concaved to the East on the Northeast line of said Lot 1 and its extension thereof (direct measure N02°21'08"E, 120.00 feet); thence N02°21'08"E, 75.10 feet; thence S89°54'17"E, 490.81 feet to the point of beginning.

Exhibit "B"
Redevelopment Plan

(See attached)

Exhibit "C"

Redevelopment Project Description and Projected TIF Sources and Uses

Redevelopment Project will consist of the construction of approximately 16 duplexes (comprised of 32 single-family attached townhomes) and one single-family detached home.

The project will be constructed in up to nine (9) Annual Phases.

All Annual Phases will require the construction of Public Improvements detailed below, as shown in the Plan.

Estimated 2019 assessed value	\$ 36,000
Estimated after all Annual Phases assessed value	\$ 6,970,000
Tax Levy	1.905293
Increment value	\$ 6,934,000
Annual Increment	\$ 130,791
TIF Bond issue	\$ 1,006,680

* The above figures are projections and subject to change.

Sources and Uses of Funds

Sources of Funds:

TIF Grant	\$1,006,680
<u>Loan, Grants and Equity</u>	<u>\$5,963,320</u>
Total	\$6,970,000

Eligible Costs/Public Improvements:

Site Preparation	\$ 200,000
Paving, water and sanitary sewer	\$ 599,763
Electrical	\$ 90,000
Contingency	\$ 60,000
Engineering/ Architecture	\$ 150,000
Sidewalks	\$ 87,000
Capitalized Interest	\$ 149,873

Legal and Planning	\$ 40,000
<u>Private Improvements</u>	<u>\$5,593,364</u>
Total	\$6,970,000

* The above figures are only estimates of the Eligible Costs and other costs, and such actual costs will be reflected in the cost certifications required under Section 2 of the Redevelopment Agreement.

** Eligible Costs are projected to be in excess of \$1,006,636, but the Bond is limited to \$1,006,636, which is approximately the sum generated by the projected incremental ad valorem real property taxes collected in relation to the Redevelopment Project excluding interest paid on the Bond. Under no circumstances shall the principal and interest paid on the Bond exceed the Eligible Costs actually expended and evidenced by Redeveloper.

*** All Eligible Costs contemplated in the Plan and not otherwise specified herein shall be included as Eligible Costs for purposes of this Redevelopment Agreement under this Exhibit "C".

Exhibit "D"
Form of Redevelopment Agreement Amendment Notice

Notice is hereby given by SERC, LLC, a Nebraska limited liability company ("Redeveloper"), to the Community Development Agency of the City of Columbus, Nebraska ("Agency"), pursuant to Section 2 of that certain Redevelopment Agreement between Redeveloper and Agency dated _____, 2018 ("Redevelopment Agreement") as follows:

Amendment: Redeveloper hereby presents to Agency a proposed amendment to the Redevelopment Agreement ("Redevelopment Agreement Amendment"), which is attached hereto and incorporated herein by this reference.

Notice: As required in the Redevelopment Agreement, Redeveloper hereby gives notice to Agency of the following information related to such Redevelopment Agreement Amendment (capitalized terms used herein and not defined have the same meaning as set forth in the Redevelopment Agreement):

(a) The Redevelopment Agreement Amendment incorporates a new Annual Phase of the Redevelopment Project which shall include the following lot(s) in the Redevelopment Project Area:

[identification of such lot(s) including the legal description and Minimum Lot Valuation of each]

- (b) The effective date of the Redevelopment Agreement Amendment shall be _____, 20__;
- (c) The effective date for the applicable Annual Phase shall be _____, 20__; and a proposed Notice to Divide Taxes, on Form No. 96-252-2006 of the Nebraska Department of Revenue, is attached hereto and incorporated herein by this reference.
- (d) The base year valuation for such Annual Phase shall be the year 20__.

SERC, LLC, a Nebraska limited liability company

By: _____

Name: _____

Title: _____

Exhibit "D"

Exhibit "E"
Form of Redevelopment Agreement Memorandum for Recording

MEMORANDUM OF REDEVELOPMENT AGREEMENT

This Memorandum of Redevelopment Agreement ("Memorandum") is made this ____ day of _____, 2018, by and between the Community Development Agency of the City of Columbus, Nebraska ("Agency") and SERC, LLC, a Nebraska limited liability company ("Redeveloper").

1. **Redevelopment Agreement.** Agency and Redeveloper have entered into that certain Redevelopment Agreement dated as of _____, 2018 ("Redevelopment Agreement"), describing the public and private improvements being made by the Redeveloper in the Redevelopment Project Area, including the real property owned by Redeveloper and legally described as:

A tract of land located in SW1/4NE1/4, Section 29, Township 17 North, Range 1 East of the 6th P.M., Platte County, Nebraska, more particularly described as follows: referring to the Northeast corner of said SW1/4 NE1/4; thence S00°00'00"W (assumed bearing), 330.00 feet on the East line of said SW1/4NE1/4 to the point of beginning; thence continuing S00°00'00"W, 538.46 feet on the East line of said SW1/4NE1/4; thence N89°54'17"W, 460.00 feet on the North line of Laska Addition to the City of Columbus to the Southeast corner of Augustine Subdivision to the City of Columbus; thence N00°00'00"E, 269.50 feet on the East line of said Augustine Subdivision to the Northeast corner thereof; thence N27°38'52"W, 83.65 feet on the Northeast line of Lot 1, Augustine 2nd Subdivision to the City of Columbus to the Northeast corner thereof; thence Westerly and Northerly 188.50 feet on a 60.00 foot radius curve concaved to the East on the Northeast line of said Lot 1 and its extension thereof (direct measure N02°21'08"E, 120.00 feet); thence N02°21'08"E, 75.10 feet; thence S89°54'17"E, 490.81 feet to the point of beginning.

(the "Redevelopment Project Area")

Notwithstanding the above legal description, Redeveloper intends to replat the Redevelopment Project Area as part of the Redevelopment Project. The legal description(s) for the Redevelopment Project Area derived from any such replat approved by the City of Columbus, Nebraska, shall supersede the legal description provided above.

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the tax-increment financing ("TIF") revenues by the Agency of the improvements to be made by the Redeveloper for a period not to exceed fifteen (15) years after the effective date (as defined in the Nebraska Community Development Law) of each Annual Phase of the Redevelopment Project. The TIF revenues so captured by the Agency shall be used to reimburse Redeveloper for construction of the Public Improvements described in the Redevelopment Agreement via debt service payments on a TIF Bond issued by the Agency.

Exhibit "E"

3. **Minimum Lot Valuation.** The Redevelopment Agreement establishes a minimum taxable real property valuation for each lot or unit as follows: minimum valuations for each lot containing a single family home of at least \$210,000, each three-bedroom single-family attached townhouse unit (with basement) of at least \$240,000, each three-bedroom single-family attached townhouse unit (without basement) of at least \$200,000, and each two-bedroom single-family attached townhouse unit of at least \$185,000 (the valuation associated with each such lot or unit, a "Minimum Lot Valuation"). The Redevelopment Agreement further provides that Redeveloper, and its successors and assigns, excluding subsequent purchasers of such lots or units, shall not: (a) protest the real property valuation of any lot or unit in the Redevelopment Project Area to a sum less than the Minimum Lot Valuation; or (b) convey the Redevelopment Project Area, any lot in the Redevelopment Project Area, or any structures or units thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

4. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in full. All capitalized terms in this Memorandum that are not otherwise defined herein shall have the same meaning as set forth in the Redevelopment Agreement. A full and correct copy of the Redevelopment Agreement may be inspected at the Agency offices in Columbus, Nebraska.

5. **Termination of Memorandum.** Unless terminated sooner in accordance with the terms of the Redevelopment Agreement, this Memorandum shall be deemed to automatically terminate and be released from the above-described real property upon the payoff or maturity of the Bond.

(Signatures on following page)

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 _____, 2018, by _____ and _____, the Chairperson and Secretary, respectively, of the Community Development Agency of the City of Columbus, Nebraska, on behalf of said agency.

(S E A L)

Notary Public

SERC, LLC, a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by _____, the _____ of SERC, LLC, a Nebraska limited liability company, on behalf of the company.

(S E A L)

Notary Public

Exhibit "F"
Form of Investor Letter

_____, 20__

Community Development Agency
Offices of the City of Columbus
Attention: City Treasurer
309 N 5th St
Columbus, NE 68701

Re: Tax Increment Revenue Bond (SERC, LLC), Series 20__

Ladies and Gentlemen:

The undersigned is the initial registered owner of the above Bond issued by the Community Development Agency of the City of Columbus, Nebraska (the "Agency"). The representations and statements made in this letter are made as an inducement to the Agency in connection with the issuance of the above Bond (the "Bond"). The undersigned acknowledges and represents that it has been advised that the Bond is not registered under the Securities Act of 1933, as amended, and that the Agency is not presently required to register under Section 12 of the Securities and Exchange Act of 1934. The undersigned therefore recognizes that if and when the undersigned may wish to resell the Bond as held by it there may not be any available current business and financial information about the Agency or the project being financed by the Bond. Further the undersigned realizes that no trading market presently exists or is expected to exist for the Bond. The undersigned understands that it may need to bear the risks of an investment in the Bond for an indefinite period of time, since any sale prior to maturity of the Bond may not be possible or may be at a price below that which the undersigned is paying for the Bond.

It is understood that the undersigned has undertaken to verify the accuracy and completeness and truth of any statements made or omitted to be made concerning any of the material facts relating to the Bond and the project being financed and transactions relating thereto, including information regarding the operations and financial condition of redeveloper for said project (the "Redeveloper") and said project. The undersigned has conducted its own investigation and has had discussions with officials of the Agency and Redeveloper.

In connection with the purchase of the Bond, the undersigned hereby acknowledges and represents that the undersigned is acquiring the Bond for its own account for investment and not with a view to the resale or distribution. The undersigned has sufficient knowledge and

Exhibit "F"

experience in financial and business matters to be able to evaluate the risks and merits of the investment represented by the purchase of the Bond, has financial resources sufficient to sustain the risks related to holding the Bond and is aware of the intended use of the proceeds and risks involved therein.

THE UNDERSIGNED UNDERSTANDS THAT THE BOND IS A LIMITED OBLIGATION OF THE AGENCY 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 THE RESOLUTION AUTHORIZING THE BOND. THE UNDERSIGNED UNDERSTANDS THAT THE BOND IS NOT AN OBLIGATION OF THE CITY OF COLUMBUS, NEBRASKA, EXCEPT AS TO ITS COMMUNITY DEVELOPMENT AGENCY OF WHICH IT IS A LIMITED OBLIGATION, THAT THE BOND IS NOT AN OBLIGATION OF THE STATE OF NEBRASKA OR ANY POLITICAL SUBDIVISION OF THE STATE OF NEBRASKA OR TAXING AUTHORITY THEREOF, OTHER THAN OF SUCH AGENCY, AND THAT NO RIGHT EXISTS TO HAVE TAXES LEVIED BY THE CITY OF COLUMBUS OR THE STATE OF NEBRASKA OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF PRINCIPAL OF OR INTEREST ON SAID BOND, OTHER THAN SAID TAX INCREMENT REVENUES.

The undersigned acknowledges that it has made its own investigation and inquiry concerning the due corporate authorization and execution of all documents executed and delivered by SERC, LLC, a Nebraska limited liability company, as Redeveloper, related to the Bond and has not relied upon the City or its counsel or special bond counsel concerning any such matters.

The undersigned acknowledges that the amount of the Bond has been established based upon estimated costs of development under the terms of an agreement between Redeveloper and the Agency. Such estimates have been established in order to assure the initial registered owner of the Bond with the fullest anticipated potential benefits related to tax increment revenues and the principal amount and interest thereon as set may not prove payable from such revenues. The undersigned acknowledges that the Agency has not undertaken or contracted in any way that such redevelopment will be commenced or completed and that such undertaking is the sole responsibility of Redeveloper.

The undersigned acknowledges further that the principal amount and interest rate on the Bond have also been established with respect to taxable valuations which are expected to be related to estimated costs and that the final assessment and taxable valuations determined by the appropriate assessing officials may be materially different from such projected assessment and

that such principal amount and interest have also been established based upon estimated taxing rates to apply in the future and that such taxing rates could also be materially different from such estimated rates.

The undersigned acknowledges that it has been advised that interest on the Bond is not exempt from Nebraska state or federal income taxes, and that the City of Columbus, Nebraska, and Agency have not provided any assurances with respect to the tax consequences to the undersigned with respect to the transaction described herein. The undersigned further acknowledges that any future transfer of the Bond may only be made to a subsequent transferee registered owner who is able to execute and does execute a letter similar in form and substance to this investment letter, a copy of which shall have been delivered to the Agency.

Very truly yours,

SERC, LLC, a Nebraska limited liability company

By: _____

Name: _____

Title: _____

4. **Resolution No. R22-85 authorizing issuance of Tax Increment Revenue Bond in an amount not to exceed \$13,250,000 for Convergence, LLC.**

RESOLUTION NO. R22-85

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, ADOPTED BY THE CITY COUNCIL OF THE CITY OF COLUMBUS, ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA; AUTHORIZING THE ISSUANCE OF A TAX INCREMENT REVENUE BOND FOR THE "REDEVELOPMENT PLAN FOR CONVERGENCE, L.L.C., REDEVELOPMENT PROJECT"; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND; AND PLEDGING REVENUES OF THE AGENCY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW.

BE IT RESOLVED by the City Council of the City of Columbus, Nebraska ("City Council"), acting as the governing body of the Community Development Agency of the City of Columbus, Nebraska (the "Agency"), as follows:

Section 1. The City Council hereby finds and determines:

(a) that, pursuant to the Nebraska Community Development Law, Article 21 of Chapter 18, Reissue Revised Statutes of Nebraska (the "Act"), the Agency has been duly created by ordinance for purposes of assisting with redevelopment of blighted and substandard real estate located within the City of Columbus, Nebraska (the "City"); that the Agency has and may exercise all of the powers of a redevelopment authority provided for under the Community Development Law of the State of Nebraska; that there has been prepared a redevelopment plan, entitled "Redevelopment Plan for Convergence, L.L.C., Redevelopment Project" (the "Plan") for the redevelopment of the real estate described and referred to in Exhibit A (hereinafter in this Resolution referred to as the "Redevelopment Project Area");

(b) that prior to the recommendation or approval of the Plan an area which includes the Redevelopment Project Area was declared blighted and substandard by action of the Mayor and City Council of the City;

(c) that the City has had in effect its general plan for the development of the City from the time prior to the preparation of the Plan;

(d) that the Plan was submitted to the City Planning Commission of the City and thereafter recommended by the Planning Commission to the Mayor and City Council, as and to the extent required by the Act;

(e) that on the 22nd day of February, 2022, the Mayor and City Council held a public hearing on the Plan, for which notice was given by publication prior to such hearing in conformance with the Act, and, after such hearing, the Mayor and City Council approved the Plan;

(f) that the Plan, among other things, calls for the construction of entertainment and gaming facilities consisting of a horse track, casino, hotel and related amenities, together with such public improvements associated therewith, within the Redevelopment Project Area, all as more particularly described in the Plan (referred

to herein as the "Redevelopment Project");

(g) that Convergence, L.L.C., a Nebraska limited liability company, (hereafter in this Resolution referred to as the "Redeveloper") has undertaken or will undertake the redevelopment of the real estate constituting a portion of the Redevelopment Project Area by constructing the Redevelopment Project as described in the redevelopment contract between the Agency and Redeveloper, attached hereto and incorporated herein as Exhibit B (the "Redevelopment Contract"), and the City and the Agency have previously communicated willingness to assist such redevelopment in order to encourage employment and economic development of the City as well as for the redevelopment of a blighted and substandard area of the City;

(h) that Redeveloper and/or other developers partnering with Redeveloper have incurred and are expected to incur costs in excess of \$89,039,538 relating to redevelopment of the Redevelopment Project Area pursuant to the Plan and the Redevelopment Contract, and Redeveloper intends to complete or has completed the Redevelopment Project prior to December 31, 2024;

(i) that the Agency, upon the written request of Redeveloper as prescribed in the Redevelopment Contract, shall timely file one or more "Notice(s) to Divide Tax" (as prescribed under section 18-2147(5) of the Act), for the Redevelopment Project with the county assessor for Platte County, Nebraska;

(j) that the Agency and the City have agreed to assist the Redeveloper with certain grants as set forth in the Redevelopment Contract and in consideration for undertaking the costs of the Redevelopment Project and for such purpose it is necessary for the Agency to authorize the issuance of its tax increment revenue bond in an amount not to exceed \$13,250,000.00;

(k) that the Redevelopment Contract between the Agency and the Redeveloper in the form presented provides that the Agency and the City will assist the Redeveloper with certain grant assistance and the issuance of the tax increment revenue bond as provided for in this Resolution;

(l) that all ad valorem taxes received by the Agency's Treasurer related to the Redevelopment Project Area shall be allocated to the tax increment revenue bond pursuant to the terms of said bond; and

(m) that all conditions, acts and things required by law to exist or to be done precedent to the authorizing of the Agency's tax increment revenue bond as provided for in this Resolution do exist and have been done as provided by the Act.

Section 2. A tax increment revenue bond in an amount not to exceed Thirteen Million Two Hundred Fifty Thousand & 00/100 Dollars (\$13,250,000.00), is hereby ordered issued in accordance with Section 18-2125 of the Act, by the Agency and shall be designated as its "Tax Increment Revenue Bond of the Community Development Agency for City of Columbus, Nebraska (Convergence, L.L.C., Redevelopment Project), Series 2022" (herein referred to as the "Bond"). The Bond shall be issued in the single denomination in an amount not to exceed \$13,250,000.00. The Bond shall be dated as of the date of its delivery ("Dated Date"). The

Bond shall bear interest from January 1 of the year following filing of a Notice to Divide Tax for the Redevelopment Project Area, or portion thereof, in relation to the Redevelopment Project, until maturity (or earlier redemption) at the rate of five percent (5.00%) per annum. The principal of the Bond shall become due on January 1 following the date that all excess ad valorem real estate taxes derived from the Redevelopment Project Area have been divided and collected in conformance with Section 18-2147 of the Act, provided that such principal amount shall be subject to mandatory redemption from "Available Funds" as described in Section 5 below on June 1 and December 1 of each year. All interest upon the Bond shall be payable on June 1 of the year following the "Effective Date" (as defined in Section 7 of this Resolution), and semiannually thereafter on June 1 and December 1 of each year.

The Bond shall be issued in fully registered form. The Agency's Treasurer (the City Treasurer of the City of Columbus) is hereby designated as paying agent and registrar for the Bond (the "Agent"). The Agent shall serve in such capacities pursuant to the terms of this Resolution. The interest due on each interest payment date prior to maturity shall be payable to the registered owner of record as of the last business day of the calendar month immediately preceding the calendar month in which such interest payment date occurs (the "Record Date"), subject to the provisions of Section 4 hereof. Payments of interest due on the Bond, except for payments due on final maturity date, or other final payment, shall be made by the Agent by mailing or delivering a check or draft in the amount then due for interest on the Bond to the registered owner of the Bond, as of the Record Date for such interest payment date, to such owner's registered addresses as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal and interest due at final maturity or other final payment shall be made by the Agent to the registered owner upon presentation and surrender of the Bond to the Agent at the Agency's offices at City Hall in the City of Columbus, Nebraska. The Agency and the Agent may treat the registered owner of the Bond as the absolute owner of the Bond for the purpose of making payments thereon and for all other purposes and neither the Agency nor the Agent shall be affected by any notice or knowledge to the contrary, whether the Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of the Bond in accordance with the terms of this Resolution shall be valid and effectual and shall be a discharge of the Agency and the Agent, in respect of the liability upon the Bond or claims for interest to the extent of the sum or sums so paid. Notwithstanding anything in this Resolution or the Redevelopment Contract to the contrary, the Agent shall not disburse any amounts toward payment on the Bond unless and until Redeveloper has provided the Agency with certifications of Eligible Costs (as defined in the Redevelopment Contract) pursuant to Section 2 of the Redevelopment Contract. If Redeveloper fails to submit certify Eligible Cost in an amount equal to or greater than the principal amount on the Bond upon completion of the Redevelopment Project, the principal and outstanding interest on the Bond shall be adjusted to reflect the aggregate total of the certified Eligible Costs.

Section 3. The Agent shall keep and maintain for the Agency books for the registration and transfer of the Bond at the Agency's offices at City Hall in Columbus, Nebraska. The name and registered address of the registered owner of the Bond shall at all times be recorded in such books. The Bond may be transferred pursuant to its provisions at the Agency's offices by surrender of such Bond for notation of transfer, accompanied by a written instrument of transfer, in form satisfactory to the Agent, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Agent on behalf of the Agency will register such transfer upon its books and make notation thereof on the Bond and deliver the Bond at its

office to the transferee owner (or send it by registered mail to the transferee owner thereof at such transferee owner's expense). Any transfers of the Bond shall be upon the basis of a private placement and each proposed transferee registered owner shall furnish the Agent with assurances in form satisfactory to the Agent that such Bond is being purchased for investment purposes only, without view to redistribution and upon the independent credit judgment and investigation of the proposed transferee. The Agency and the Agent shall not be required to transfer the Bond during any period from any Record Date until its immediately following interest payment date or to transfer the Bond when called for redemption, in whole or in part, for a period of 15 days next preceding any date fixed for redemption or partial redemption.

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

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

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

**UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF PLATTE**

**TAX INCREMENT REVENUE BOND OF
THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS,
NEBRASKA (CONVERGENCE, L.L.C., REDEVELOPMENT PROJECT)
SERIES 2022**

Dated Date: _____, 2022

Principal Amount

Interest Rate Per Annum

\$13,250,000.00

5.00%

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Columbus, Nebraska (the "Agency"), hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to the registered owner designated on the reverse hereof, or registered assigns, the principal sum shown above in lawful money of the United States of America with such principal sum to become due on the maturity date set forth below, with interest on the unpaid balance from January 1 of the year following filing of a "Notice to Divide Tax" (as defined in the Resolution) for the "Redevelopment Project Area" (as defined in the Resolution), or portion thereof, in relation to the "Redevelopment Project" (as defined in the Resolution). The maturity of this bond shall be the January 1 following the date that all excess ad valorem real estate taxes for each taxable lot within the Redevelopment Project Area have been divided and collected in conformance with Section 18-2147 of the Nebraska Community Development Law, Article 21 of Chapter 18, Reissue Revised Statutes of Nebraska (the "Act").

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

This bond is the sole bond of its series of the total principal amount of Thirteen Million Two Hundred Fifty Thousand & 00/100 Dollars (\$13,250,000.00), issued by the Agency for the purpose of paying a portion of the costs to construct the Redevelopment Project, as described in the Redevelopment Contract (as defined in the Resolution), and as designated in that Redevelopment Plan recommended by the Agency and approved by the Mayor and City Council of the City of Columbus, Nebraska, on February 22, 2022 (the "Plan"), all in compliance with the Act, and has been duly authorized by resolution passed and approved by the City Council of the City of Columbus, Nebraska, acting as the governing body of the Agency (the "Resolution").

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

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

A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. THE REGISTERED OWNER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH REGISTERED OWNER 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 PAYING AGENT AND REGISTRAR IN THE MANNER PROVIDED IN THE RESOLUTION.

This bond constitutes a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in Section 18-2147 of the Act, as levied, collected and apportioned from year to year with respect to the Redevelopment Project Area which are received by the Agency as of and from and after January 1 of the year following the "effective date" (as defined in the Act) for each taxable lot within the Redevelopment Project Area, and which are attributable to valuation increases of each such taxable lot within the Redevelopment Project Area in relation to the "redevelopment project valuation" (as defined in the Act) for the same.

Pursuant to the Resolution and Sections 18-2124 and 18-2150 of the Act, said portion of taxes has been pledged for the payment of this bond, both principal and interest as the same fall due or become subject to mandatory redemption. This bond shall not constitute a general obligation of the Agency and the Agency shall be liable for the payment thereof only out of said portion of taxes as described in this

paragraph. **This bond shall not constitute an obligation of the State of Nebraska or of the City of Columbus (except for such receipts as have been pledged pursuant to said Sections 18-2124 and 18-2150 of the Act) and neither the State of Nebraska 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 bond shall be liable personally on this bond by reason of the issuance hereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this bond for notation of transfer as provided on the reverse hereof and subject to the conditions provided for in the Resolution. The Agency, the Paying Agent and Registrar and any other person may treat the person whose name this bond is registered as the absolute owner hereof for the purposes of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not. **THIS BOND, UNDER CERTAIN TERMS SET FORTH IN THE RESOLUTION AUTHORIZING ITS ISSUANCE, MAY ONLY BE TRANSFERRED TO PERSONS OR ENTITIES DELIVERING AN INVESTMENT LETTER TO THE PAYING AGENT AND REGISTRAR CONFORMING TO REQUIREMENTS SET FORTH IN SAID RESOLUTION.**

NOTWITHSTANDING ANYTHING IN THIS BOND, THE RESOLUTION OR THE REDEVELOPMENT CONTRACT TO THE CONTRARY, THE AGENT SHALL NOT DISBURSE ANY AMOUNTS TOWARD PAYMENT ON THIS BOND UNLESS AND UNTIL REDEVELOPER HAS PROVIDED THE AGENCY WITH CERTIFICATIONS OF ELIGIBLE COSTS (AS DEFINED IN THE REDEVELOPMENT CONTRACT) PURSUANT TO SECTION 2 OF THE REDEVELOPMENT CONTRACT. IF REDEVELOPER FAILS TO SUBMIT CERTIFICATIONS OF ELIGIBLE COST IN AN AMOUNT EQUAL TO OR GREATER THAN THE INITIAL PRINCIPAL AMOUNT ON THIS BOND UPON COMPLETION OF THE REDEVELOPMENT PROJECT, THE PRINCIPAL AND OUTSTANDING INTEREST ON THIS BOND SHALL BE ADJUSTED TO REFLECT THE AGGREGATE TOTAL OF THE CERTIFIED ELIGIBLE COSTS.

INTEREST ON THIS BOND 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.

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

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

IN WITNESS WHEREOF, the City Council of the City of Columbus, Nebraska, as the governing body of the Community Development Agency of the City of Columbus, Nebraska have caused this bond to be executed on behalf of said Agency by being signed by the Chairperson (Council President) and Secretary (City Clerk), all as of the Dated Date shown above.

Dated this ____ day of _____, 20__.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS

ATTEST:

By: (Sample – Do Not Sign)
Chairperson (Council President)

(Sample – Do Not Sign)
Secretary (City Clerk)

PROVISION FOR REGISTRATION

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

Date of Registration	Name of Registered Owner	Signature of Paying Agent and Registrar
_____, 20__	_____	(Sample – Do Not Sign)

Section 7. The "Effective Date" (as defined in the Act), after which ad valorem taxes on real property located within the Redevelopment Project Area are to be apportioned pursuant to Section 18-2147 of the Act, shall be January 1 of the year a Notice to Divide Tax is filed, with respect to each taxable lot within the Redevelopment Project Area. As of and from and after January 1 of the year following filing of a Notice to Divide Tax for the Redevelopment Project Area, or portion thereof, in relation to the Redevelopment Project, that portion of the ad valorem taxes on the real estate located within the Redevelopment Project Area which is described in subdivision (1)(b) of Section 18-2147 of the Act, and which ad valorem taxes received by the Agency's Treasurer from the Redevelopment Project Area which are attributable to valuation increases over and above the "redevelopment project valuation" (as defined in the Act) (the "Redevelopment Project Area Tax Receipts"), shall be paid into a special fund of the Agency to be designated as the "Community Development Agency — Convergence, L.L.C., Redevelopment Project Fund" (the "Bond Fund") to be held by the Agent for application to payments on the Bond.

The Agency hereby pledges for the payment of the Bond both principal and interest as the same fall due, equally and ratably, all Redevelopment Project Area Tax Receipts associated with the real estate described in the Redevelopment Contract and so paid into the Bond Fund as a prior and first lien upon said receipts for the security and payment of the Bond. Monies held in the Bond Fund shall be invested to the extent practicable and investment earnings on such monies shall be applied in the same manner as all other funds held in the Bond Fund.

Section 8. The Bond shall be executed on behalf of the Agency by the Chairperson (Council President) and Secretary (City Clerk). Upon execution, the Bond shall be registered by the Agent in the name of the Redeveloper or its designee as the initial registered owner and shall be delivered in consideration of the performance by the Redeveloper in accordance with the Redevelopment Contract and Plan. The Redeveloper may request notation of a pledge interest in the Bond on the records of the Agent. The initial purchaser (and any pledgee) of the Bond shall be required to deliver an investment representation letter to the Agent. Such letter shall be satisfactory in form to the officers of the Agency, or any one or more of them, as advised by the Agency's attorneys.

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

Section 10. The Secretary of the Agency shall make and certify one or more copies of the transcripts of the proceedings of the Agency precedent to the issuance of the Bond one of which copies shall be delivered to the Agency.

Section 11. The Chairperson (Council President) and Secretary (City Clerk) or any one of them are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Resolution.

Section 12. The authorization for the Bond provided for in this Resolution is based upon

expectations as to completion of construction, valuation and proposed tax rates suggested by and/or agreeable to the Redeveloper. The Agency has given and hereby gives no assurances that such expectations will in fact be fulfilled.

Section 13. Interest on the Bond 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 Code.

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

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

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS _____ DAY OF _____, 2022.

COUNCIL PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



SPECIAL CITY ATTORNEY

Exhibit "A"

Legal Description of the Redevelopment Project Area

A subdivision of Lots 1 and 2, Terry Subdivision and part of the South 1/2 of the Southwest 1/4 of Section 11 and the Northwest 1/4 of Section 14, T17N, R1W of the 6th P.M., Platte County, Nebraska, more particularly described as follows:

Beginning at the Northwest corner of the South 1/2 of the Southwest 1/4 of Section 11, T17N, R1W of the 6th P.M., Platte County, Nebraska; thence N 88°16'56" E on the North line of said South 1/2, 2686.91 feet to the Northeast corner of said South 1/2; thence S 02°12'00" E on the East line of said South 1/2, 1319.48 feet to the Northeast corner of the North 1/2 of the Northwest 1/4 of Section 14, T17N, R1W of the 6th P.M., Platte County; thence S 01°58'03" E on the East line of said North 1/2, 1323.86 feet to the Southeast corner of said North 1/2; thence S 01°58'10" E on the East line of the South 1/2 of said Northwest 1/4, 870.43 feet to a point on the Northeasterly Right-of-Way line of U.S. Highway #81; thence N 51°05'52" W on said Northeasterly Right-of-Way line, 1410.68 feet; thence N 53°33'46" W on said Northeasterly Right-of-Way line, 1076.94 feet; thence N 53°07'56" W on said Northeasterly Right-of-Way line, 893.35 feet; thence N 03°33'13" W, 57.47 feet to a point on the North line of the North 1/2 of said Northwest 1/4; thence N 88°23'10" E on said North line, 502.67 feet; thence N 02°10'36" W, 551.36 feet; thence S 87°47'43" W, 503.36 feet; thence S 02°15'06" E, 413.60 feet to a point on said Northeasterly Right-of-Way line; thence N 66°02'54" W on said Northeasterly Right-of-Way line, 86.96 feet to a point on the West line of the South 1/2 of said Southwest 1/4; thence N 02°14'06" W on the West line of said South 1/2, 1145.18 feet to the Point of Beginning, containing 140.83 acres, more or less.

Exhibit "B"
Redevelopment Contract

(See attached)

RESOLUTION NO. R22-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, AS GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, APPROVING A REDEVELOPMENT CONTRACT FOR A REDEVELOPMENT PROJECT UNDERTAKEN BY CONVERGENCE, L.L.C., AS SET FORTH IN THE "REDEVELOPMENT PLAN FOR CONVERGENCE, L.L.C., REDEVELOPMENT PROJECT".

WHEREAS, the mayor and council of the City of Columbus, Nebraska (the "City"), previously approved a redevelopment plan entitled "Redevelopment Plan for Convergence L.L.C., Redevelopment 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 Convergence L.L.C., 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 city council of the City, as the governing body of the Agency, that the redevelopment contract by and between Columbus Realty Holdings, as redeveloper, and the Agency, 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.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS ____ DAY OF _____, 2022.

COUNCIL PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



SPECIAL CITY ATTORNEY

EXHIBIT "A"
Redevelopment Contract

(See attached)

REDEVELOPMENT CONTRACT
(Convergence, L.L.C., Redevelopment Project)

This Redevelopment Contract (“**Redevelopment Contract**”) is made and entered into as of the ____ day of _____, 2022, by and between the Community Development Agency of the City of Columbus, Nebraska (the “**Agency**”), and Convergence, L.L.C., a Nebraska limited liability company (“**Redeveloper**”). The Agency and/or Redeveloper may be referred to hereinafter as the “**Party**” or collectively as the “**Parties**”.

WITNESSETH:

WHEREAS, in conformance with the Nebraska Community Development Law, sections 18-2101 et. seq., of the Nebraska Revised Statutes (the “**Act**”), the Mayor and Council of the City of Columbus, Nebraska (the “**City**”) adopted and approved a plan entitled “Redevelopment Plan for Convergence, L.L.C., Redevelopment Project,” as hereafter may be amended and supplemented (the “**Plan**”), for the real estate described on Exhibit “A”, attached hereto and incorporated herein (the “**Redevelopment Project Area**”), which is located in the City, and which has previously been declared blighted and substandard or otherwise eligible for redevelopment by the Mayor and Council of the City; and

WHEREAS, the Agency has encouraged and induced Redeveloper to engage in certain redevelopment activities and construct improvements in the Redevelopment Project Area and Redeveloper is not willing to incur the substantial investment necessary for such redevelopment of the Redevelopment Project Area without the assistance of tax-increment financing (“**TIF**”) provided by the Agency to Redeveloper in this Redevelopment Contract; and

WHEREAS, Redeveloper pursuant to the Plan is undertaking, or causing to be undertaken, the phased construction of entertainment and gaming facilities consisting of a horse track, casino, hotel and related amenities, together with such public improvements associated therewith, within the Redevelopment Project Area, all as more particularly described in the Plan (collectively, said improvements are referred to in this Redevelopment Contract as the “**Redevelopment Project**”); and

WHEREAS, the “**Casino Phase**” of the Redevelopment Project includes the construction of the casino and horse track facilities, all as more particularly described in the Plan and Exhibit “B”, attached hereto and incorporated herein; and

WHEREAS, the “**Hotel Phase**” of the Redevelopment Project includes the construction of an approximately 100-room hotel located adjacent to the casino facilities, as more particularly described in the Plan and Exhibit “B”; and

WHEREAS, the “**Infrastructure Phase**” of the Redevelopment Project includes the construction of all other infrastructure and improvements for the Redevelopment Project that are not included within the Casino Phase or Hotel Phase, as more particularly described in the Plan and Exhibit “B”; and

WHEREAS, the real property within the Redevelopment Project Area, other than easements for public utilities, is to be privately owned by Redeveloper; and

WHEREAS, the Agency proposes to authorize the issuance of a tax increment revenue bond (the “**Bond**”), to provide for eligible costs relating to the Redevelopment Project, as shall be more specifically described in a resolution to be adopted by the governing body of the Agency (the “**Resolution**”); and

WHEREAS, the Casino Phase, Hotel Phase, and Infrastructure Phase will each occur on separate portions/lots within the Redevelopment Project Area, as shown on Exhibit "B", referred to herein as the “**Casino Phase Site**”, the “**Hotel Phase Site**”, and “**Infrastructure Phase Site**”, respectively; and

WHEREAS, the Casino Phase Site is comprised of “Outlot E”, the Hotel Phase Site is comprised of “Outlot F”, and the Infrastructure Phase Site is comprised of the remainder of the Redevelopment Project Area, all as labeled and/or shown on Exhibit “B”; and

WHEREAS, Redeveloper 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 Bond pursuant to the terms of this Redevelopment Contract and as provided in the Resolution.

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

Section 1. General Representations, Warranties and Covenants of Redeveloper.

Redeveloper hereby represents, covenants and warrants as follows:

- (a) Redeveloper is a Nebraska limited liability company duly organized and existing under the laws of the State of Nebraska, is not in violation of any provisions of its articles of organization or operating agreement(s), is authorized to enter into and perform its obligations under this Redevelopment Contract and, to the best of the knowledge of Redeveloper, is not in violation of the laws of the State of Nebraska.
- (b) Throughout the term of this Redevelopment Contract, Redeveloper will reasonably endeavor to construct, operate and maintain, or cause the construction, operation and maintenance of, the Redevelopment Project in accordance with the terms of this Redevelopment Contract and the Plan, or amendments thereof, all City approvals or other agreements or requirements pertaining to the Redevelopment Project, and all applicable local, state and federal laws and regulations (including, without limitation, environmental, zoning, building code and public health laws and regulations). Throughout the term of this Redevelopment Contract and subject to the provisions of Section 21 of this

Redevelopment Contract, in the event of any casualty damage to the Redevelopment Project, as and to the extent owned by Redeveloper, Redeveloper agrees to repair and reconstruct such damaged portion or portions of the Redevelopment Project so that such reconstructed real property has a taxable value at least equal to the value as most recently determined prior to the event or events of casualty loss. Redeveloper agrees to substantially effect such repair and reconstruction whether or not insurance proceeds are sufficient or available for such purposes.

- (c) Redeveloper shall endeavor in good faith to complete, or cause the completion of, the Redevelopment Project within eighteen (18) months after the issuance of all approvals and permits required for the development and operation of the Redevelopment Project, at an estimated cost of \$89,039,538.
- (d) Redeveloper has not received notices or communications from any local, state or federal official or body that the activities of Redeveloper respecting the Redevelopment Project Area or the construction of the Redevelopment Project thereon may be or will be in violation of any law or regulation.
- (e) Redeveloper will use its best efforts to obtain or to cause others to obtain, in a timely manner, all required permits, licenses and approvals and to meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met for the Redevelopment Project to be lawfully constructed, occupied or operated.
- (f) The execution and delivery of this Redevelopment Contract, the consummation of the transactions contemplated hereby and the fulfillment of or compliance with the terms and conditions of this Redevelopment Contract are not prevented or limited by and will not conflict with or result in a breach (i) of any provision of any evidence of indebtedness, agreement or instrument of whatever nature to which Redeveloper is now a party or by which it is bound; or (ii) of any past, pending or threatened litigation, court order, or administrative proceeding, by which Redeveloper is or might become bound.
- (g) To the best of the knowledge of Redeveloper, Redeveloper is not aware of any hazardous waste or other significant environmental pollution condition or hazard existing on or within the Redevelopment Project Area.
- (h) Redeveloper acknowledges and agrees that neither the Agency nor the City shall be obligated to pay any costs related to the Redevelopment Project other than costs to be paid from available TIF Revenues (defined below), if any, and Redeveloper hereby undertakes and agrees to pay any and all such cost. All costs (both public and private) of the Redevelopment Project shall be paid in full and there are and shall be no construction liens unpaid against the Redevelopment Project Area or any of the improvements thereon. Redeveloper agrees to provide for or cause the construction of both the Redevelopment Project public and

private improvements located within or near the Redevelopment Project Area as described in the Plan or as described in this Redevelopment Contract, except to the extent that the Agency or the City shall otherwise agree by separate written agreement with Redeveloper.

- (i) Redeveloper agrees and covenants for itself, its successors and assigns that as long as the Bond is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Redevelopment Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Redevelopment Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Redevelopment Project.
- (j) Redeveloper agrees that any contractor providing services related to the Redevelopment Project will utilize the federal immigration verification system, as defined in Section 4-114, *Neb. Rev. Stat.* 2012, to determine the work eligibility status of new employees physically performing services on the Redevelopment Project. The foregoing requirement shall apply only to Redeveloper and Redeveloper's general contractor and subcontractors.
- (k) Redeveloper owns or has contracted to purchase the Redevelopment Project Area, in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Contract by Redeveloper.
- (l) Any general contractor chosen by Redeveloper or Redeveloper itself shall obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and a penal bond as required by the Act and Section 11 of this Redevelopment Contract. The Agency, the City and Redeveloper shall be named as additional insureds on each such policy. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Redevelopment 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 Redeveloper shall also carry insurance on all stored materials. The contractor or Redeveloper, as the case may be, shall furnish the Agency and the City with a certificate of insurance evidencing policies as required above. The foregoing requirements shall apply only to Redeveloper and Redeveloper's general contractor.
- (m) At all times during the term of this Redevelopment Contract, Redeveloper shall maintain policies insuring the improvements located within the Redevelopment

Project Area in an amount equal to at least ninety percent (90%) of their full insurable value. The foregoing requirement shall apply only to Redeveloper.

- (n) The Redevelopment Project is not economically viable without the assistance of TIF and Redeveloper would not construct the Redevelopment Project without TIF.

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

This Redevelopment Contract hereby incorporates the Plan by this reference. The Agency and Redeveloper anticipate that the Redevelopment Project and related construction will be undertaken and constructed in three (3) phases. The Parties anticipate that a total of one (1) bond will be issued for the Redevelopment Project (i.e., one bond encompassing all phases). Each phase, or subphase thereof, of the Redevelopment Project will specifically identify the specific lots within the Redevelopment Project Area that will be developed in that phase or subphase. Each phase, or subphase thereof, will have a different "**effective date**" (as defined in the Act) for the division of ad valorem taxes along with a new increment period. The increment for each phase, or subphase thereof, will end after the applicable 15 year period or at the maturity date of the Bond, whichever occurs first. The applicable effective dates will be established by Redevelopment Contract Amendments (defined below).

In accordance with Section 18-2147 of the Act and the terms of the Resolution, the Agency hereby provides that any ad valorem tax on any lot or lots located in the Redevelopment Project Area which is/are properly identified from time to time by the Redeveloper (such Lot or Lots being referred to herein as a "**Phase**") for the benefit of any public body be divided as set forth below. Redeveloper shall identify such lot or lots in the form of amendment in substantially the form attached hereto and incorporated herein as Exhibit "D" (each, a "**Redevelopment Contract Amendment**"). The applicable ad valorem tax shall be divided for a maximum period of fifteen (15) years (for each Phase) after the effective date set forth in the applicable Redevelopment Contract Amendment, consistent with the Plan. Provided that Redeveloper is then in compliance with the terms and conditions of this Redevelopment Contract and applicable law, if Redeveloper delivers a Redevelopment Contract Amendment to the Agency no later than July 1 of the calendar year of the effective date of such Phase (or later if allowed in the sole discretion of the Agency; but in no event later than July 20th of such year), the Agency shall: (a) execute the Redevelopment Contract Amendment, and (b) file before August 1 of such year a "Notice to Divide Tax for Community Redevelopment Project" ("**Notice to Divide**") for such Phase with the office of the Platte County Assessor, without requirement of additional hearings or public notice.

In order to provide for payment of some of the TIF-eligible costs 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 the Bond on a form substantially similar to the one attached hereto and incorporated herein as Exhibit "F", in the principal amount not to exceed Thirteen Million Two Hundred Fifty Thousand & 00/100 Dollars (\$13,250,000.00), at a rate of interest not to exceed five percent

(5.00%), upon such terms and conditions as the Agency reasonably determines appropriate under the circumstances to be set forth in the Resolution.

The Bond shall constitute a limited obligation of the Agency payable exclusively from that portion of the incremental ad valorem real estate taxes generated from the Redevelopment Project (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 of each Phase. Upon receipt, the Agency shall deposit the proceeds of the Bond with the City Treasurer of the City, pursuant to the Resolution, and the Treasurer shall disburse said proceeds to the holder of the Bond, as debt service thereon, to provide for reimbursement of all or a portion of the costs of the Eligible Costs, to the extent paid by Redeveloper, the operator of the Casino Phase or the operator of the Hotel Phase, as evidenced by paid invoices or other evidence acceptable to the Agency. Provided there is no duplication of costs, the Agency acknowledges and agrees that the TIF Revenues derived from a particular Phase may be applied towards the Eligible Costs incurred within a different Phase, as all such phases and costs are a part of the single Redevelopment Project, and shall act as debt service on the single Bond.

Unless otherwise determined by the governing body of the Agency, the proceeds of the Bond shall be applied to the costs described above. The Bond shall be issued on the basis of interest which is includable in income for both federal and Nebraska State income taxes.

Section 3. Covenants With Respect to Taxation of Redevelopment Project Area.

Redeveloper agrees with respect to the Redevelopment Project as follows:

- (a) Until the termination of this Redevelopment Contract (as described in Section 20 hereof), the Redevelopment Project shall be operated for the use substantially similar to that contemplated in the Plan and this Redevelopment Contract, and no sale or conveyance of such property shall be made to any person or entity for ownership or use which would cause the real property within the Redevelopment Project Area to be eligible for exemption from ad valorem taxes under Section 77-202 R.R.S. Neb., as now existing or hereafter amended, or any successor provision thereto, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any lot.
- (b) Redeveloper intends to create a taxable real property valuation for the Redevelopment Project Area of not less than \$78,392,799 (the “**Project Minimum Valuation**”) within eighteen (18) months after the issuance of all approvals and permits required for the development and operation of the Redevelopment Project (the “**Valuation Date**”). It is Redeveloper’s intention that the Project Minimum Valuation shall be comprised of: (i) a taxable real property valuation for the Casino Phase Site of not less than \$65,849,951.16 by the Valuation Date (the “**Casino Minimum Valuation**”); and (ii) a taxable real property valuation for the Hotel Phase Site of not less than \$12,542,847.84 by the Valuation Date (the “**Hotel Minimum Valuation**”). During the period that the Bond is outstanding, Redeveloper, its successors and assigns, shall not, and shall

cause all persons or entities having a real property interest in the Redevelopment Project Area not to, protest a real estate property valuation, as determined by the appropriate assessing and taxing officials of Platte County, Nebraska, for purposes of local ad valorem real estate taxes: (y) to an amount below the Casino Minimum Valuation with respect to the Casino Phase Site; or (z) to an amount below the Hotel Minimum Valuation with respect to the Hotel Phase Site. Further, during the period that the Bond is outstanding, Redeveloper, its successors and assigns, shall not, and shall cause all persons or entities having a real property interest in the Redevelopment Project Area not to, protest a real estate property valuation, as determined by the appropriate assessing and taxing officials of Platte County, Nebraska, for purposes of local ad valorem real estate taxes, on any portion or lot within the Redevelopment Project Area, if such protest would result in a reduction to an amount below the Project Minimum Valuation for the entire Redevelopment Project Area. The prohibition in the preceding sentence shall apply to each the Casino Phase Site and Hotel Phase Site, individually, even if such sites are assessed at a valuation above the Casino Minimum Valuation and/or Hotel Minimum Valuation, respectively.

- (c) If Redeveloper has monetized the Bond by pledging it to its lender, Redeveloper shall solely be responsible for all payments due to such lender. If, during the period of this Redevelopment Contract and after the filing of a Notice to Divide, the Redevelopment Project Area is assessed at less than the Project Minimum Valuation, Redeveloper agrees to defer receipt of any shortfall in TIF Revenues caused thereby. If Redeveloper is required to defer the receipt of any such shortfall amounts, Redeveloper shall be entitled to receive reimbursement of any such shortfall payment to the extent TIF Revenues later become available during the fifteen (15) year period prescribed by the Act (for each Phase) in an amount in excess of the amount necessary to meet the current debt service payments. Redeveloper shall forgive any such shortfall amounts not reimbursed at the end of the fifteen (15) year period prescribed by the Act (for each Phase).
- (d) Redeveloper, its successors and assigns, including subsequent purchasers of land within the Redevelopment Project Area, further agree as follows:
 - (i) to pay all local ad valorem real estate taxes for the Redevelopment Project Area as levied and assessed before the same become delinquent; and
 - (ii) not to seek any administrative review or judicial review of the applicability or validity of any tax statute relating to taxation of the Redevelopment Project or to raise such inapplicability or invalidity as a defense in any administrative or judicial proceedings; and
 - (iii) not to seek any tax deferral or tax abatement with respect to local ad valorem taxes, either as presently or prospectively authorized under any law of the State of Nebraska or federal law with respect to the Redevelopment Project; and

- (iv) to pay or cause to be paid, when due and before any fine, penalty, interest or cost may be added thereto for the non-payment thereof, all water and sewer rates and charges, occupancy tax, special assessments and other governmental levies and charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, which are assessed, levied, confirmed, imposed or become payable with respect to the Redevelopment Project or Redevelopment Project Area; provided, however, that any special assessments levied for water, sewer or paving improvements shall be permitted to be paid as the same fall delinquent and may bear interest from the date of levy or other appropriate date set by the levying body; and
- (v) to retain copies of all supporting documents (as defined under section 18-2119(4) of the Act) actually generated and received by Redeveloper in relation to the Redevelopment Project or Plan until the expiration of three years following the end of the last fiscal year in which ad valorem taxes were divided in relation to the Redevelopment Project. The requirements of this Section 3(d)(v) shall survive termination of this Redevelopment Contract until the expiration of such 3-year period.

Section 4. Covenants with Respect to Construction of Certain Improvements.

In addition to the requirements set forth in this Redevelopment Contract, as well as any other requirements set forth in conjunction with a City approval or in any agreement between Redeveloper and the City or Agency, Redeveloper, or Redeveloper's successors and assigns, or other builders taking conveyance from Redeveloper, shall undertake the actions and construct the improvements detailed in Exhibit "H", attached hereto and incorporated herein, as part of the Redevelopment Project, prior to any of the commercial operations within the Redevelopment Project Area opening for business to the general public.

Section 5. Release and Indemnification.

Redeveloper hereby releases from and covenants and agrees that the Agency and the City, together with their governing body, officers, agents, including their independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purpose of this Section, collectively the "**Indemnified Parties**") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect arising from the Redevelopment Project or within the Redevelopment Project Area. Provided, however, such release shall not be deemed to include such liability actions as arise directly out of the gross negligence or willful misconduct of the Agency or the City, to the extent permitted by law.

The Indemnified Parties (other than the Agency and the City, as provided below) shall not have any pecuniary obligation or monetary liability under this Redevelopment Contract. The

obligation of the Indemnified Parties on the Bond or any indebtedness contemplated hereunder shall be limited solely to the TIF Revenues generated from the Redevelopment Project pledged as security for such indebtedness. Specifically, but without limitation, the Indemnified Parties (other than the Agency and the City, as provided in the preceding sentence) shall not be liable to Redeveloper or any other third party for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder.

Section 6. Covenants to Run with the Land; Easement; Recording of Redevelopment Contract.

Redeveloper and Agency agree and acknowledge that this Redevelopment Contract and the undertakings of Redeveloper and the Agency as herein provided for shall be considered as and constitute covenants running with the land binding upon Redeveloper and the Agency and their successors and assigns and upon each successive owner of the Redevelopment Project Area or any portion thereof. Redeveloper hereby acknowledges and agrees that by the terms of this Redevelopment Contract it is binding and obligating any and all of its interest in the Redevelopment Project Area, now or hereafter acquired, and hereby covenants and warrants for the benefit of the Agency and the registered owner of the Bond that Redeveloper shall defend such interest in the Redevelopment Project Area against the claims and interests of any and all persons. Redeveloper and the Agency agree and acknowledge that a memorandum of this Redevelopment Contract, in substantially the same form attached hereto and incorporated herein as Exhibit "E", shall be recorded at the expense of Redeveloper against all real estate located in the Redevelopment Project Area and shall remain of record until the Bond has been paid in full or matured. The Agency shall have the authority to execute such memorandum(s) without additional public determinations or meetings. As and to the extent that this Redevelopment Contract does not have priority by order of recording over each and every mortgage or other instrument securing indebtedness of Redeveloper, unless waived in writing by the Agency, Redeveloper hereby agrees to obtain the written agreement in recordable form from each mortgagee or other encumbrancer having any such priority, which written form acknowledges and agrees to the terms of this Redevelopment Contract. Redeveloper agrees to provide the Agency with a title report or other evidence as to the status of title to the Redevelopment Project Area after the recording of the memorandum of this Redevelopment Contract and before the issuance of the Bond. After the Bond has been paid in full, Redeveloper or any successor or assign of Redeveloper shall have the right to request in writing and the Agency shall, upon such request, execute and deliver an appropriate instrument in recordable form evidencing the termination of this Redevelopment Contract and of the covenants and undertakings herein provided. The Agency shall have the right, from time to time in its sole and reasonable discretion, to release specific parcels or lots located within the Redevelopment Project Area from any or all of the specific provisions of this Redevelopment Contract.

Section 7. Default and Remedies upon Default.

Redeveloper and Agency agree with respect to any defaults or failures of performance by Redeveloper or Agency as follows:

- (a) The following shall constitute “**Events of Default**” under the terms of this Redevelopment Contract:
- (i) failure by Redeveloper or Agency to observe timely or perform timely any covenant, condition, obligation or agreement on its part to be observed or performed under this Redevelopment Contract, or under any other agreement or instrument relating to the financing or construction of the Redevelopment Project, and such failure continues for more than thirty (30) days after written notice of such failure from the other party, or if such failure is of a nature requiring more than thirty (30) days to cure using reasonable diligence, Redeveloper or Agency fail to promptly commence such cure within such thirty (30) day period and thereafter diligently prosecute same to completion as soon as reasonably practicable;
 - (ii) any representation or warranty made herein by Redeveloper or Agency proves untrue in any respect reasonably deemed to be material by the Agency or Redeveloper, and such failure continues for more than thirty (30) days after written notice of such failure from the other party, or if such failure is of a nature requiring more than thirty (30) days to cure using reasonable diligence, Redeveloper or Agency fail to promptly commence such cure within such thirty (30) day period and thereafter diligently prosecute same to completion as soon as reasonably practicable;
or
 - (iii) Redeveloper makes an assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt or petitions for an order for relief, petitions or applies to any tribunal for the appointment of any receiver or any trustee or a debtor in possession of Redeveloper or any part of its property or commences any proceeding related to Redeveloper under any reorganization, arrangement, readjustment of debt, dissolution or liquidation act, code, law or statute of any jurisdiction, whether now or hereafter in effect, or if there is commenced against Redeveloper any such proceedings and Redeveloper by any act indicates its consent or approval of or acquiescence in any such proceeding, or the appointment of any receiver or any trustee or debtor in possession for Redeveloper or any part of its property or suffers any such receivership or trusteeship and, in each such case, such assignment, petition, judgment, proceeding or appointment is not dismissed within 90 days thereof.
- (b) Whenever an Event of Default occurs, in addition to all other remedies available to the Agency or Redeveloper at law or in equity, the Agency or Redeveloper may take such action at law or in equity as the Agency or Redeveloper reasonably deem appropriate, including specific performance or injunction to enforce or compel performance of the provisions of this Redevelopment Contract; provided that the remedy of specific performance against Redeveloper shall not include or

be construed to include the covenant to build or construct the Redevelopment Project.

- (c) In addition to the remedies under Section 7, the Agency shall have the following additional remedies upon an Event of Default by Redeveloper:
- (i) If at any time during the term of this Redevelopment Contract an Event of Default by Redeveloper shall occur and remain continuing, the City or Agency shall have the right, but not the obligation, to cure such breach on behalf of Redeveloper with respect to the construction of the improvements characterized as Eligible Costs. If the City or Agency elects to cure a breach of Redeveloper, Redeveloper shall reimburse the City or Agency for the documented and reasonable costs of curing Redeveloper's breach within 30 days of demand from City or Agency given to Redeveloper. If Redeveloper's breach can be cured by the payment of Eligible Costs, the City or Agency may cure such defect and obtain reimbursement, with notice to Redeveloper, via a set off to the principal amount of the Bond equal to the Eligible Costs reasonably expended by the City or Agency. The Eligible Costs expended by the City or Agency must be certified by the City or Agency to the holder of the grant proceeds and all subsequent distributions of TIF Revenues shall be distributed to the City or Agency, as applicable, until such Eligible Costs expended by the City or Agency have been reimbursed in full. Interest shall accrue on the amount expended by the City or Agency at the rate provided in the Bond and such interest shall commence from the date that the Agency gives notice to Redeveloper of Redeveloper's Event of Default.
 - (ii) If at any time during the term of this Redevelopment Contract an Event of Default by Redeveloper shall occur and remain continuing, following written notice from the Agency to Redeveloper of such Event of Default, the Agency may withhold any TIF Revenues received, and shall not be required to remit said TIF Revenues as debt service on the Bond unless and until Redeveloper cures the Event of Default.
 - (iii) If at any time during the term of this Redevelopment Contract an Event of Default by Redeveloper shall occur and remain continuing and uncured for a period of more than sixty (60) days after written notice from the Agency to Redeveloper of such Event of Default, unless Redeveloper has commenced to cure the same and is diligently prosecuting the same to completion, the aggregate amount of all grants paid to Redeveloper (including principal and interest) for improvements shall stand forfeited and Redeveloper shall be required to repay the same to the Agency within thirty (30) days' written demand thereof.

- (d) No remedy herein conferred upon or reserved to the Agency or the registered owner of the Bond is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Redevelopment Contract or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
- (e) If any provision of this Redevelopment Contract is breached by a Party and thereafter waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.
- (f) Anything in this Section to the contrary notwithstanding, none of the events described in subsection 7(a) above shall constitute an Event of Default after the Redevelopment Project has been completed and the Bond has matured or been paid in full.

Section 8. Status of Agency and City.

Neither the Agency nor the City is or shall be regarded as the partner, joint venturer or other jointly acting party with Redeveloper for any purpose whatsoever and the undertakings and agreements on the part of the Agency herein provided for are undertaken solely pursuant to the provisions of the Act and for the limited governmental purposes of promoting and encouraging redevelopment of a blighted and substandard area. Redeveloper acknowledges that Redeveloper or its successors and assigns are and shall remain in control of the Redevelopment Project for all purposes provided that Redeveloper acknowledges and agrees that the City is and shall be the owner of and shall be in control of all public street, public right-of-way, public sewer and water improvements constituting a part of or serving the Redevelopment Project.

Section 9. Manner of Sale of Bond.

Redeveloper agrees either to purchase the Bond for the principal amount thereof or to find a purchaser for the Bond upon terms and conditions acceptable to the Agency. Neither the Agency nor the City under the terms of this Redevelopment Contract undertakes any responsibility with respects to the sale or placement of the Bond. Any such sale or placement of the Bond shall be by means of a private placement to a financial institution or other institutional buyer capable of evaluating the risks of investment in the Bond or to Redeveloper. Any such purchaser, including Redeveloper, shall provide to the Agency an investment letter setting forth the understanding as to purchase for investment and not for any further distribution, in substantially the same form as Exhibit "F", attached hereto and incorporated herein. The loan to be accomplished by this Section, and the obligation of the Agency to remit the TIF Revenues for the Redevelopment Project as debt service on the Bond, may be accomplished by offset via Redeveloper's commitment to expend the Eligible Costs, so that no bankable currency is exchanged between the Parties at closing of the Bond, except such other payments required

hereunder. If the Agency so requests, Redeveloper shall, from time to time, furnish the Agency with satisfactory evidence as to the use and application of the TIF Revenues.

Section 10. Reimbursement of Agency and City Fees.

Upon the full execution of this Redevelopment Contract, Redeveloper shall reimburse the Agency for its legal fees incurred in relation to the Redevelopment Project in the amount of \$7,500. Such reimbursement shall be payable directly to the Agency's special counsel, at the direction of the Agency. Additionally, prior to or contemporaneously with issuance of the Bond, Redeveloper shall reimburse the Agency for all remaining and outstanding legal fees incurred in relation to the Redevelopment Project and/or issuance of the Bond, estimated to be \$7,500 (in addition to the fees detailed in the preceding sentence). Such reimbursement shall be payable directly to the Agency's special counsel, at the direction of the Agency.

Section 11. Indemnification and Penal Bond.

Redeveloper hereby agrees to indemnify and save the Agency and City harmless for any payment or liability to which the Agency or City may become subject for carrying out of any contract entered into by Redeveloper with respect to the Redevelopment Project. Redeveloper agrees to procure, through itself or its contractors, a bond (or bonds) for the payment of costs as required under Section 18-2151 of the Act. The City and Agency shall be included as co-obligees on any such bond (or bonds). Prior to undertaking any construction upon public lands or within a public right-of-way, Redeveloper shall provide a copy of such bond (or bonds) to the Agency, evidencing that the same is in effect in accordance with the requirements of this Section.

Section 12. Additional Parties Added as Redeveloper.

The Parties specifically agree that additional parties or entities may be admitted to and included within the meaning of the term "Redeveloper" upon the mutual written consent of the Redeveloper, the Agency and such additional parties.

Section 13. Redevelopment Contract Binding Upon Successors and Assigns.

This Redevelopment Contract is made for the benefit of Redeveloper, the Agency and the registered owners from time to time of the Bond as third party beneficiaries. This Redevelopment Contract shall be binding upon the Agency and Redeveloper, and any successors or assigns thereof. Redeveloper may assign its interest in the Redevelopment Project Area only upon receipt of prior written consent from the Agency, which consent shall not be unreasonably withheld, conditioned or delayed. The Agency and Redeveloper acknowledge and agree that, in the event Redeveloper assigns its rights and obligations under this Redevelopment Contract, in whole or in part, to any assignee (the "Assignee"), Redeveloper and the Assignee shall both be bound by the terms of the Plan and this Redevelopment Contract (as and to the extent of any such assignment with respect to the Assignee). No assignment by Redeveloper to the Assignee shall be effective until a written instrument binding the Assignee under the terms of the Plan and this Redevelopment Contract (as and to the extent of such assignment), duly acknowledged and

in recordable form, has been executed and delivered by Redeveloper and the Assignee and recorded in the real estate records of Platte County, Nebraska, with respect to the Redevelopment Project Area.

Section 14. 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 15. Notices.

Except as otherwise specified herein, all notices hereunder shall be in writing and shall be given to the relevant Party at its address set forth below, or such other address as such Party may hereafter specify by notice to the other given by personal delivery, by United States mail or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices hereunder shall be addressed:

- (a) in the case of Redeveloper, if mailed to or delivered personally to:

Convergence, L.L.C.
c/o Tom Jackson
27901 Woodside Drive
Columbus, NE 68601
Tjjack.son@outlook.com

With a copy to:

Kutak Rock LLP
c/o Rich Rosenblatt
1650 Farnam Street
Omaha, NE 68102
Richard.rosenblatt@kutakrock.com

- (b) in the case of the Agency, if mailed to or delivered personally to:

Community Development Agency
Offices of the City of Columbus, Nebraska
Attention: Columbus City Clerk
2424 14th St.
P.O. Box 1677
Columbus, NE 68602

Each such notice, request or other communication shall be effective (i) if given by mail, five (5) days after such communication is deposited in the mail, certified or registered with return receipt requested, addressed as aforesaid or (ii) if given by any other means, when delivered at

the addresses specified in this Section or at any such other address with respect to any such Party as that Party may, from time to time, designate in writing and forward to the other Party as provided in this Section.

Section 16. 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 17. Counterparts.

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

Section 18. Law Governing.

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

Section 19. Time of the Essence.

Time shall be of the essence of this Redevelopment Contract.

Section 20. Termination.

This Redevelopment Contract shall commence as of the date first above written and shall automatically terminate (if not otherwise terminated earlier pursuant to the terms of this Redevelopment Contract) upon the earlier of maturity of the Bond or payment of all principal and interest owed toward the Bond.

Section 21. Force Majeure Event.

Neither Redeveloper nor the Agency shall be considered in breach of, or in default in its obligations with respect to any obligation under this Redevelopment Contract in the event that it is delayed in the performance of such obligation due to a cause beyond its control and without its fault or negligence, including, without limitation, an act of God, war, insurrection, strike or lockout, an unforeseen inability to procure necessary materials, pandemic, abnormal and extraordinarily inclement weather, or imposition by any governmental authority of any law, regulation, order, or directive that was not enacted or reasonably contemplated as of the date hereof; it being the purpose and intent of this provision that in the event of the occurrence of any

such delay, the time or times for performance of the obligations of Redeveloper or the Agency, as the case may be, shall be extended for the period of such delay; provided, that Redeveloper or the Agency, as the case may be, shall, within twenty (20) days after the beginning of any such delay, have notified Redeveloper or the Agency (as applicable) in writing of the cause or causes thereof.

Section 22. Acts of Third Parties; Effect.

The Parties acknowledge that the construction of the Redevelopment Project, or portions thereof, and operation of the uses within the Redevelopment Project Area following construction, may be undertaken by third parties. With respect thereto, Redeveloper acknowledges that a failure by any such third party to carry out the obligations of Redeveloper under this Redevelopment Contract may result in Redeveloper's (or its successor's) default under this Redevelopment Contract. Any such breach of a third party shall be treated as a breach by Redeveloper (or its successor) under this Redevelopment Contract, and Redeveloper agrees to waive any claims or causes of action, both legal and equitable, as against the Agency and City resulting from such a default and/or the Agency's pursuit of remedies related thereto.

Section 23. Effect of Redevelopment Contract.

This Redevelopment Contract (including the Plan and Exhibits attached hereto, which are incorporated herein by this 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.

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Exhibit "A"
Redevelopment Project Area

Legal Description:

Wishbones Addition, a Subdivision of Part of the South 1/2 of the Southwest 1/4 of Section 11 and Part of the Northwest 1/4 of Section 14, Township 17 North, Range 1 West of the 6th P.M., Platte County, Nebraska.

Depiction:

(See Attached)

* The Casino Phase Site is comprised of “Outlot E”, the Hotel Phase Site is comprised of “Outlot F”, and the Infrastructure Phase Site is comprised of the remainder of the Redevelopment Project Area, as shown in the attached plat.

Exhibit "A"

Exhibit "B"
Redevelopment Project Conceptual Site Plans

(See Attached)

* The attached are preliminary site plans and are subject to change.

Exhibit "B"

Exhibit "C"
Redevelopment Project Description and Projected TIF Sources and Uses

Projected Sources and Assumptions*:

Base Tax Amount of Redevelopment Project Area	\$1,076,070
Post-Redevelopment Valuation	\$78,392,799**
Tax Levy	1.884353
TIF Revenues/Year (average)	\$1,312,538
Total Potential TIF Revenues	\$19,688,070
Bond Amount	\$13,250,000
Interest Rate on Bond	5.00%

* The above figures are projections and subject to change.

** It is anticipated that the assessed value of the Redevelopment Project Area will gradually increase over time. Accordingly, the above estimated final value is the estimated average for the assessed value of the Redevelopment Project Area over the course of the 15-year TIF period.

Projected TIF Uses:

Demolition	\$580,320
Site Preparation	\$2,857,488
Streets	\$8,761,451
Water	\$1,690,293
Sanitary Sewer	\$657,578
Electrical	\$300,000
Other Utilities	\$708,796
Public Spaces & Landscaping	\$1,556,189
Sidewalks	\$134,510
Lighting	\$1,185,747
TOTAL:	\$18,432,372

Other Eligible Costs:***

Land Acquisition	\$4,750,000
Architecture & Engineering	\$3,409,000
Façade Enhancements	\$300,000
Energy Efficiency Enhancements	\$400,000
Capitalized TIF Interest	\$451,735
Legal Fees	\$200,000
TOTAL:	\$9,510,735

TOTAL TIF-ELIGIBLE COSTS: \$27,943,107

* The above figures are only estimates of the Eligible Costs and such actual costs will be reflected in the cost certifications required under Section 2 of the Redevelopment Contract.

** Eligible Costs are projected to be in excess of \$13,250,000, but the Bond is limited to \$13,250,000, which is approximately the sum generated by the projected TIF Revenues collected in relation to the Redevelopment Project (including interest paid on the Bond). Under no circumstances shall the principal and interest paid on the Bond exceed the Eligible Costs actually expended and evidenced by Redeveloper.

*** While the Redevelopment Project includes additional Eligible Costs for reimbursement from TIF, it is the intent of Redeveloper, the Agency and the City that the sizing and allocation of TIF Revenues relates to site preparation, infrastructure, and public improvements – which are the basis of Redeveloper’s need for TIF and/or provide the most public benefit. Notwithstanding, it is the intent of this Redevelopment Contract that any of the Eligible Costs anticipated herein shall be eligible for reimbursement from TIF.

**** All Eligible Costs contemplated in the Plan and not otherwise specified herein shall be included as Eligible Costs for purposes of this Redevelopment Contract under this Exhibit "C".

Exhibit "D"
Form of Redevelopment Contract Amendment

(See Attached)

AMENDMENT TO REDEVELOPMENT CONTRACT
(CONVERGENCE, L.L.C., REDEVELOPMENT PROJECT)

This Redevelopment Contract Amendment (“**Amendment**”) is made and entered into as of the ____ day of _____, 20____, by and between the Community Development Agency of the City of Columbus, Nebraska (the “**Agency**”), and Convergence, L.L.C., a Nebraska limited liability company (“**Redeveloper**”). The Agency and Redeveloper may be referred to hereinafter as the “**Party**” or collectively as the “**Parties**”.

RECITALS

WHEREAS, Redeveloper and the Agency entered into that certain Redevelopment Contract dated _____, 2022, as approved by the Agency via Resolution No. _____ (the “**Redevelopment Contract**”); and

WHEREAS, pursuant to Section 2 of the Redevelopment Contract, the Parties wish to set forth an additional Phase via this Amendment.

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

1. **Recitals; Definitions.** The Parties hereby agree that the Recitals set forth above are true and correct and are incorporated herein by this reference. Capitalized terms not otherwise defined in this Amendment shall have the meanings assigned to them in the Redevelopment Contract.

2. **Amendment.** Pursuant to Section 2 of the Redevelopment Contract, the Redevelopment Contract shall be and hereby is amended and supplemented as follows:

(a) This Amendment incorporates a new Phase of the Redevelopment Project which shall include the following lot(s) in the Redevelopment Project Area:

[identification of such lot(s) including the legal description of each]

(the “**Lots**”)

(b) The “effective date” (as defined in the Act and the Redevelopment Contract) for the Lots shall be _____, 20____;

(c) The base year valuation for the Lots shall be the year 20____.

(d) The Agency shall file a Notice to Divide on and upon the Lots in conformance with the dates provided herein.

Exhibit "D"

3. **Miscellaneous.** Except as specifically set forth in this Amendment, all terms and conditions in the Redevelopment Contract shall remain in full force and effect and the Redevelopment Contract is hereby ratified by the Parties. This Amendment shall inure to the benefit of and be binding upon the parties to the Redevelopment Contract and their respective successors and assigns. The rights granted hereunder shall run with the land and burden the Redevelopment Project Area. This Amendment shall be construed under and in accordance with the laws of the State of Nebraska without regard to principles of conflicts of law. The Agency acknowledges that there has been no Event of Default under the Redevelopment Contract by Redeveloper. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the Parties hereto may execute this Amendment by signing any such counterpart.

(Signatures on following pages)

Exhibit "E"
Form of Redevelopment Contract Memorandum for Recording

(See Attached)

MEMORANDUM OF REDEVELOPMENT CONTRACT

This Memorandum of Redevelopment Contract (“**Memorandum**”) is made this ___ day of _____, 20___, by and between the **Community Development Agency of the City of Columbus, Nebraska** (“**Agency**”) and **Convergence, L.L.C., a Nebraska limited liability company** (“**Redeveloper**”).

1. **Redevelopment Contract.** Agency and Redeveloper have entered into that certain Redevelopment Contract dated as of _____, 2022 (“**Redevelopment Contract**”), describing the public and private improvements being made by the Redeveloper in the “**Redevelopment Project Area**”, legally described as:

Wishbones Addition, a Subdivision of Part of the South 1/2 of the Southwest 1/4 of Section 11 and Part of the Northwest 1/4 of Section 14, Township 17 North, Range 1 West of the 6th P.M., Platte County, Nebraska.

2. **Tax Increment Financing.** The Redevelopment Contract provides for the capture of TIF Revenues by the Agency of the improvements to be made, or caused to be made, by Redeveloper for a period not to exceed fifteen (15) years after the effective date (as defined in the Nebraska Community Development Law) of each Phase of the Redevelopment Project. The TIF Revenues so captured by the Agency shall be used to reimburse Redeveloper for the Eligible Costs described in the Redevelopment Contract via debt service payments on a TIF Bond issued by the Agency.

3. **Redevelopment Project Valuation.** The Redevelopment Contract establishes that Redeveloper intends to create a taxable real property valuation for the Redevelopment Project Area of not less than \$78,392,799 (the “**Project Minimum Valuation**”) within eighteen (18) months after the issuance of all approvals and permits required for the development and operation of the Redevelopment Project (the “**Valuation Date**”). It is Redeveloper’s intention that the Project Minimum Valuation shall be comprised of: (i) a taxable real property valuation for the Casino Phase Site of not less than \$65,849,951.16 by the Valuation Date (the “**Casino Minimum Valuation**”); and (ii) a taxable real property valuation for the Hotel Phase Site of not less than \$12,542,847.84 by the Valuation Date (the “**Hotel Minimum Valuation**”). During the period that the Bond is outstanding, Redeveloper, its successors and assigns, shall not, and shall cause all persons or entities having a real property interest in the Redevelopment Project Area not to, protest a real estate property valuation, as determined by the appropriate assessing and taxing officials of Platte County, Nebraska, for purposes of local ad valorem real estate taxes: (y) to an amount below the Casino Minimum Valuation with respect to the Casino Phase Site; or (z) to an amount below the Hotel Minimum Valuation with respect to the Hotel Phase Site. Further, during the period that the Bond is outstanding, Redeveloper, its successors and assigns, shall not, and shall cause all persons or entities having a real property interest in the Redevelopment Project Area not to, protest a real estate property valuation, as determined by the appropriate assessing and taxing officials of Platte County, Nebraska, for purposes of local ad valorem real estate taxes, on any portion or lot within the Redevelopment Project Area, if such protest would result in a reduction to an amount below the Project Minimum Valuation for the entire Redevelopment Project Area. The prohibition in the preceding sentence shall apply to each the

Form of Bond

(See Attached)

Exhibit "F"

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF PLATTE

TAX INCREMENT REVENUE BOND OF
THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS,
NEBRASKA (CONVERGENCE, L.L.C., REDEVELOPMENT PROJECT)

SERIES 20__

Dated Date: _____, 20__

Principal Amount

Interest Rate Per Annum

\$13,250,000

5.00%

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Columbus, Nebraska, hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to the registered owner designated on the reverse hereof, or registered assigns, the principal sum shown above in lawful money of the United States of America with such principal sum to become due on the maturity date set forth below, with interest on the unpaid balance from the "Effective Date" (as defined in the Resolution) until maturity or earlier redemption at the rate per annum set forth above. Said interest shall be payable on June 1, 20__ and semiannually thereafter on June 1 and December 1 of each year. The maturity of this bond shall be January 1 following the date that all excess ad valorem real estate taxes for the final "Phase" (as defined in the Resolution) of the "Redevelopment Project" (as defined in the Resolution) have been divided and collected in conformance with Section 18-2147 of the Nebraska Community Development Law, Sections 18-2101 et seq. of the Nebraska Revised Statutes, as amended or replaced (the "Act"), subject to the terms herein.

The payment of principal and interest due upon the final maturity is payable upon presentation and surrender of this bond to the Treasurer of said Agency, as Paying Agent and Registrar for said Agency, at the offices of the Community Development Agency of the City of Columbus, Nebraska, at City Hall, in Columbus, Nebraska. The payments of interest and of mandatory redemptions of principal on each interest payment date (other than at final payment) will be paid when due by a check or draft mailed or delivered by said Paying Agent and Registrar to the registered owner of this bond,

Exhibit "F"

as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the last business day of the calendar month immediately preceding the calendar month in which the interest payment date occurs, to such owner's address as shown on such books and records. Any payment of interest or mandatory redemption of principal not timely paid when due shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond on such special record date for payment of such defaulted interest or redemption price as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available.

This bond is the sole bond of its series of the total principal amount of Thirteen Million Two Hundred Fifty Thousand & 00/100 Dollars (\$13,250,000), issued by the Agency for the purpose of paying a portion of the costs of constructing the Redevelopment Project, as described in the "Redevelopment Contract" (as defined in the Resolution) and as designated in that Redevelopment Plan recommended by the Agency and approved by the Mayor and Council of the City of Columbus, Nebraska, on February 22, 2022 (the "Plan"), all in compliance with the Act, and has been duly authorized by Resolution ____, passed and approved by the Agency (the "Resolution").

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

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

A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. THE REGISTERED OWNER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH REGISTERED OWNER 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 PAYING AGENT AND REGISTRAR IN THE MANNER PROVIDED IN THE RESOLUTION.

Exhibit "F"

This bond constitutes a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in Section 18-2147 of the Act, as levied, collected and apportioned from year to year with respect to certain real estate described in the Redevelopment Contract and located within the "Redevelopment Project Area" (as defined in the Resolution) for all taxes received by the Agency's Treasurer attributable to the "Casino Phase Site", the "Hotel Phase Site", and the "Infrastructure Phase Site" (each, as defined in the Resolution), which are received by said Treasurer as of and from and after May 1 of the year following the effective date for each respective "Phase" (as defined in the Resolution), or subphase thereof, and which are attributable to valuation increases of the real estate within the Casino Phase Site, the Hotel Phase Site, and the Infrastructure Phase Site, as applicable, based on valuation increases in excess of the "redevelopment project valuation" under Section 18-2103(29) of the Act, determined as of January 1 of the year prior to the effective date for each such Phase, or subphase thereof.

Pursuant to the Resolution and Sections 18-2124 and 18-2150 of the Act, said portion of taxes has been pledged for the payment of this bond, both principal and interest as the same fall due or become subject to mandatory redemption. This bond shall not constitute a general obligation of the Agency and the Agency shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. **This bond shall not constitute an obligation of the State of Nebraska or of the City of Columbus (except for such receipts as have been pledged pursuant to said Sections 18-2124 and 18-2150 of the Act, and neither the State of Nebraska 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 bond shall be liable personally on this bond by reason of the issuance hereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this bond for notation of transfer as provided on the reverse hereof and subject to the conditions provided for in the Resolution. The Agency, the Paying Agent and Registrar and any other person may treat the person whose name this bond is registered as the absolute owner hereof for the purposes of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not. **THIS BOND, UNDER CERTAIN TERMS SET FORTH IN THE RESOLUTION AUTHORIZING ITS ISSUANCE, MAY ONLY BE TRANSFERRED TO PERSONS OR ENTITIES DELIVERING AN INVESTMENT LETTER TO THE PAYING AGENT AND REGISTRAR CONFORMING TO REQUIREMENTS SET FORTH IN SAID RESOLUTION.**

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

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

IN WITNESS WHEREOF, the Agency has caused this bond to be executed on its behalf by its Chairperson and Secretary, all as of the Dated Date shown above.

Dated this ____ day of _____, 20__.

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF COLUMBUS

ATTEST:

By: _____ (Sample – Do Not Sign)

Chairperson

(Sample – Do Not Sign)

Secretary

PROVISION FOR REGISTRATION

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

Date of Registration	Name of Registered Owner	Signature of Paying Agent and Registrar
_____, 20__	_____	(Sample – Do Not Sign)

Exhibit "G"
Form of Investor Letter

(See Attached)

_____, 20__

Community Development Agency
Offices of the City of Columbus, Nebraska
Attention: Columbus City Clerk
2424 14th St.
P.O. Box 1677
Columbus, NE 68602

Re: Tax Increment Revenue Bond of the Community Development Agency of
the City of Columbus, Nebraska (Convergence, L.L.C., Redevelopment
Project), Series 20__

Ladies and Gentlemen:

The undersigned is the initial registered owner of the above Bond issued by the Community Development Agency of the City of Columbus, Nebraska (the "Agency"). The representations and statements made in this letter are made as an inducement to the Agency in connection with the issuance of the above Bond (the "Bond"). The undersigned acknowledges and represents that it has been advised that the Bond is not registered under the Securities Act of 1933, as amended, and that the Agency is not presently required to register under Section 12 of the Securities and Exchange Act of 1934. The undersigned therefore recognizes that if and when the undersigned may wish to resell the Bond as held by it there may not be any available current business and financial information about the Agency or the project being financed by the Bond. Further the undersigned realizes that no trading market presently exists or is expected to exist for the Bond. The undersigned understands that it may need to bear the risks of an investment in the Bond for an indefinite period of time, since any sale prior to maturity of the Bond may not be possible or may be at a price below that which the undersigned is paying for the Bond.

It is understood that the undersigned has undertaken to verify the accuracy and completeness and truth of any statements made or omitted to be made concerning any of the material facts relating to the Bond and the project being financed and transactions relating thereto, including information regarding the operations and financial condition of Convergence, L.L.C., a Nebraska limited liability company, as redeveloper for said project (the "Redeveloper"), and said project. The undersigned has conducted its own investigation and has had discussions with officials of the Agency and Redeveloper.

In connection with the purchase of the Bond, the undersigned hereby acknowledges and represents that the undersigned is acquiring the Bond for its own account for investment and not with a view to the resale or distribution. The undersigned has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the

Exhibit "G"

investment represented by the purchase of the Bond, has financial resources sufficient to sustain the risks related to holding the Bond and is aware of the intended use of the proceeds and risks involved therein.

THE UNDERSIGNED UNDERSTANDS THAT THE BOND IS A LIMITED OBLIGATION OF THE AGENCY 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 THE RESOLUTION AUTHORIZING THE BOND. THE UNDERSIGNED UNDERSTANDS THAT THE BOND IS NOT AN OBLIGATION OF THE CITY OF COLUMBUS, NEBRASKA, EXCEPT AS TO ITS COMMUNITY DEVELOPMENT AGENCY OF WHICH IT IS A LIMITED OBLIGATION, THAT THE BOND IS NOT AN OBLIGATION OF THE STATE OF NEBRASKA OR ANY POLITICAL SUBDIVISION OF THE STATE OF NEBRASKA OR TAXING AUTHORITY THEREOF, OTHER THAN OF SUCH AGENCY, AND THAT NO RIGHT EXISTS TO HAVE TAXES LEVIED BY THE CITY OF COLUMBUS OR THE STATE OF NEBRASKA OR ANY POLITICAL SUBDIVISION THEREOF FOR THE PAYMENT OF PRINCIPAL OF OR INTEREST ON SAID BOND, OTHER THAN SAID TAX INCREMENT REVENUES.

The undersigned acknowledges that it has made its own investigation and inquiry concerning the due corporate authorization and execution of all documents executed and delivered by Redeveloper related to the Bond and has not relied upon the City or its counsel or special bond counsel concerning any such matters.

The undersigned acknowledges that the amount of the Bond has been established based upon estimated costs of development under the terms of an agreement between Redeveloper and the Agency. Such estimates have been established in order to assure the initial registered owner of the Bond with the fullest anticipated potential benefits related to tax increment revenues and the principal amount and interest thereon as set may not prove payable from such revenues. The undersigned acknowledges that the Agency has not undertaken or contracted in any way that such redevelopment will be commenced or completed and that such undertaking is the sole responsibility of Redeveloper.

The undersigned acknowledges further that the principal amount and interest rate on the Bond have also been established with respect to taxable valuations which are expected to be related to estimated costs and that the final assessment and taxable valuations determined by the appropriate assessing officials may be materially different from such projected assessment and that such principal amount and interest have also been established based upon estimated taxing

rates to apply in the future and that such taxing rates could also be materially different from such estimated rates.

The undersigned acknowledges that it has been advised that interest on the Bond is not exempt from Nebraska state or federal income taxes, and that the City of Columbus, Nebraska, and Agency have not provided any assurances with respect to the tax consequences to the undersigned with respect to the transaction described herein. The undersigned further acknowledges that any future transfer of the Bond may only be made to a subsequent transferee registered owner who is able to execute and does execute a letter similar in form and substance to this investment letter, a copy of which shall have been delivered to the Agency.

Very truly yours,

CONVERGENCE, L.L.C., a Nebraska limited liability company

By: _____

Name: _____

Title: _____

Exhibit "H"
Covenants with Respect to Construction of Certain Improvements

In addition to the requirements set forth in the Redevelopment Contract, as well as any other requirements set forth in conjunction with a City approval or in any agreement between Redeveloper and the City or Agency, Redeveloper shall complete, or cause to be completed, the following as part of the Redevelopment Project:

1. Traffic Flow, Street Layout and Street Grades:

- Construct paving for public ingress and egress from Highway 81 and 63rd Avenue.
- Construct internal roadways and parking areas. Parking areas must comply with all applicable parking requirements of the City.
- Pave all of 63rd Avenue between Highway 81 and Lost Creek Parkway, in addition to constructing and extending other utility infrastructure (water, sewer, storm sewer, etc.) below or along said area.
- Conduct a traffic study for the Redevelopment Project and future expected development in the area along Highway 81 and Lost Creek Parkway. The study area will include, from east to west, 48th Avenue & Highway 81, 48th Avenue & Lost Creek Parkway, 51st Avenue & Highway 81, 63rd Avenue & Highway 81, 63rd Avenue & Lost Creek Parkway, and the intersection of Highway 81 & Lost Creek Parkway. The study will also assess the viability of access from Highway 81.
- Address any traffic and street infrastructure concerns of the City or shown in the traffic study for the Redevelopment Project and future expected development in the area.
- Construct a 10-foot concrete trail in trail easement along Highway 81 and on east side of 63rd Avenue to northern-most property line of Redevelopment Project Area.
- Construct lighting for Highway 81 and Lost Creek Parkway. The lighting on Highway 81 and Lost Creek Parkway are not Loup Public Power standard lighting; therefore Redeveloper will be responsible for the cost of the required lighting improvements. Lighting must be constructed to match the surrounding existing lighting in the following areas: Highway 81 main entrance to the project, Highway 81 & 63rd Avenue intersection, 63rd Avenue from Highway 81 north to Lost Creek Parkway, 63rd Ave & Lost Creek Parkway intersection.

2. Water and Sewer Improvements:

- Construct or extend water and sewer systems to provide appropriate service to the Redevelopment Project Area.
- Construct public water and sewer systems along 63rd Avenue.

3. Manure Management System:

- Remove all manure from stalls between racing days for placement in bins.
- Remove manure from bins on an as needed basis.
- If frequency of racing events changes, manure removal must be adjusted commensurately to adequately and appropriately address the needs of facility.

4. Buffer Improvements:

- Construct the following buffer on the eastern boundary of the Redevelopment Project Area – a 50 foot wide and 4-5 foot tall berm, with 10-foot top and 5:1 side slopes, and with 3 rows of trees.
- Construct the following buffer on the portion of the northern boundary of the Redevelopment Project Area between AG and B2 zone – a 20 foot wide, 3-4 foot tall berm with 2 rows of trees.
- Any lighting or sound systems on the property must be directed toward the interior of the Redevelopment Project Area, and Redeveloper shall take efforts to avoid light and sound pollution to the surrounding residential properties.

5. Parking:

- All uses and operations comply with all applicable parking requirements of the City.

6. Zoning, Building Code and Ordinance:

- Redeveloper shall be responsible for all zoning, building code or ordinance changes that are necessary for the Redevelopment Project.
- FEMA has made the City aware that they are conducting new floodplain mapping. In conjunction therewith, if any part of the Redevelopment Project Area is included in a designated floodplain zone, Redeveloper shall obtain a floodplain development permit from the City and, to the extent necessary or required, acquire a Letter of Map Revision from NEMA/FEMA.

7. Storm Water Management:

- Redeveloper shall prepare a storm water management study and implement a plan based thereon.
- Redeveloper shall add or utilize existing infrastructure to facilitate storage discharge across Highway 81 to the existing storm ditch.
- Redeveloper shall fill and grade the Redevelopment Project Area to provide effective drainage throughout the area.

5. **Resolution No. R22-86 approving 23 Street Corridor Redevelopment Area 6 Neighborhood Beautification Program Tax Increment Financing Policies and Guidelines and authorizing issuance of revocable grants in amount up to 50 percent of TIF eligible cost of project, or up to \$15,000 per project, whichever is less.**

RESOLUTION NO. R22-86

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, ADOPTED BY THE CITY COUNCIL OF THE CITY OF COLUMBUS, ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, ADOPTING POLICIES AND GUIDELINES FOR CERTAIN TAX-INCREMENT FINANCING PROJECTS WITHIN THE BLIGHTED AND SUBSTANDARD 23RD STREET CORRIDOR REDEVELOPMENT AREA; AUTHORIZING THE ISSUANCE OF REVOCABLE GRANTS IN THE BLIGHTED AND SUBSTANDARD 23RD STREET CORRIDOR REDEVELOPMENT AREA; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID REVOCABLE GRANTS; AND PLEDGING REVENUES OF THE AUTHORITY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW.

WHEREAS, the Community Development Agency of the City of Columbus, Nebraska (the "Agency") has been duly created by ordinance for purposes of assisting with redevelopment of blighted and substandard real estate located within the City of Columbus, Nebraska (the "City"); that the Agency has and may exercise all of the powers of a redevelopment authority provided for under the Community Development Law of the State of Nebraska, Nebraska Revised Statutes Sections 18-2101, et seq. (the "Act"); that there has been prepared a redevelopment plan, entitled "Amendment to Redevelopment Plan for the 23rd Street Corridor Redevelopment Area (23rd Street Corridor Area District TIF Project" (the "Plan") for the redevelopment of the real estate, or portion(s) thereof, described and referred to in Exhibit "1" (the "Redevelopment Area"); and

WHEREAS, the City has had in effect its comprehensive plan for the development of the City from the time prior to the preparation of the Plan; and

WHEREAS, prior to the recommendation or approval of the Plan, the Mayor and Council of the City designated the Redevelopment Area as blighted, substandard and in need of redevelopment; and

WHEREAS, the Agency submitted the Plan to the Planning Commission of the City and the Planning Commission and Agency thereafter recommended adoption of the Plan to the Mayor and City Council of the City, as and to the extent required by the Act; and

WHEREAS, on the 3rd day of May, 2021, the Mayor and City Council of the City held a public hearing on the Plan, for which notice was given by publication prior to such hearing in conformance with the Act, and, after such hearing, the Mayor and Council adopted and approved the Plan; and

WHEREAS, the Plan, among other things, sets forth a grant program for the purpose of encouraging and incentivizing the enhancement and beautification of the

Redevelopment Area (such grant program being referred to herein as the "23rd Street Corridor Grant Program"); and

WHEREAS, in conformance with the 23rd Street Corridor Grant Program and the Plan, the Agency wishes to adopt policies and guidelines for 23rd Street Corridor Grant Program projects in the Redevelopment Area; and

WHEREAS, attached hereto and incorporated herein as Exhibit "2", for the Agency's consideration, are policies and guidelines for the administration of the 23rd Street Corridor Grant Program (the "TIF Guidelines"); and

WHEREAS, without the assistance of grants derived from excess ad valorem taxes collected in the Redevelopment Area, redevelopment would not occur in the Redevelopment Area in accordance with the objectives of the 23rd Street Corridor Grant Program; and

WHEREAS, to carry out the objectives of the 23rd Street Corridor Grant Program, the City and the Agency are willing to assist such redevelopment in order to encourage employment and economic development of the City as well as for the redevelopment of the blighted and substandard Redevelopment Area; and

WHEREAS, on or before August 1, 2021, the Agency filed a "Notice to Divide Tax" upon all real property within the Redevelopment Area; and

WHEREAS, the Agency and the City have agreed and hereby do agree to assist redevelopment within the Redevelopment Area to combat and prevent the occurrence of blighted and substandard conditions in furtherance of the 23rd Street Corridor Grant Program via certain grants as set forth in this Resolution; and

WHEREAS, a portion of the ad valorem taxes received by the Agency's Treasurer related to the Redevelopment Area shall be placed in a special fund and allocated toward redevelopment in conformance with the objectives of the 23rd Street Corridor Grant Program pursuant to the terms of this Resolution; and

WHEREAS, all conditions, acts and things required by law to exist or to be done precedent to the authorizing of the Agency's grants as provided for in this Resolution do exist and have been done as provided by law.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLUMBUS, NEBRASKA, ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA:

Section 1. The Agency has determined that the above recitals are true and correct and incorporates them herein as if fully set forth below.

Section 2. After consideration and review of the TIF Guidelines, the Agency finds and determines that the TIF Guidelines are in the public interest and the City's and

Agency's interest in combatting and preventing blighted and substandard conditions, and are in conformance with the Act.

Section 3. The TIF Guidelines, including all attachments and exhibits thereto, as may be amended from time to time, are hereby adopted and approved.

Section 4. A landowner may undertake a redevelopment project in the Redevelopment Area in furtherance of the 23rd Street Corridor Grant Program pursuant to the TIF Guidelines (each, a "Project"). To be eligible for reimbursement of qualified Project costs via a revocable grant, a landowner must submit to the Agency a completed application in substantially the same form as the application set forth in the TIF Guidelines. In accordance with and subject to the Plan and the TIF Guidelines, the Agency may enter into a redevelopment contract with the landowner in a form substantially similar to that set forth in the TIF Guidelines (each, a "Redevelopment Contract").

Section 5. Upon the completion of all conditions precedent set forth in the Redevelopment Contract with respect to a Project, and in accordance with Section 18-2125 of the Act, the Agency is hereby authorized to issue a revocable tax increment revenue grant (each, a "Revocable Grant"), in an amount and upon the terms as provided in the TIF Guidelines and Redevelopment Contract related thereto.

Section 6. The Agency's Treasurer is hereby designated as paying agent and registrar for the Revocable Grant (the "Agent"). The Agent shall serve in such capacities pursuant to the terms of this Resolution.

Section 7. This Resolution hereby sets forth January 1, 2021 as the effective date after which ad valorem taxes on real property located within the Redevelopment Area are to be apportioned pursuant to Section 18-2147 of the Act, as amended. Subject to the prorations between the "Highway Improvement Project" (as defined in the Plan) and the 23rd Street Corridor Grant Program (referred to as the "Neighborhood Beautification Grant Project" in the Plan), that portion of the ad valorem taxes collected on the real estate located within the Redevelopment Area which is described in subdivision (1)(b) of Section 18-2147 of the Act, as amended, and which ad valorem taxes received by the Agency's Treasurer derived from the Redevelopment Area which are attributable to valuation increases determined as of January 1, 2020, and allocable to the 23rd Street Corridor Grant Program (the "Redevelopment Area Tax Receipts"), if any, shall be paid into a special fund of the Agency to be designated as the "Community Development Agency — 23rd Street Corridor Redevelopment Area Project Fund" (the "Revocable Grant Payment Account") to be held by the Agent for application to payments via the Revocable Grant(s).

In accordance with the foregoing, the Agency hereby pledges for the payment of the Revocable Grant(s) a portion (such portion being attributable to the Neighborhood Beautification Grant Project, as prescribed in the Plan) of the Redevelopment Area Tax Receipts associated with the Redevelopment Area, and so paid into the Revocable Grant Payment Account as a prior and first lien upon said receipts for the security and payment of

the Revocable Grant(s) as allocated among each Project in the sole and exclusive discretion of the Agency.

Section 8. The Chairperson and Secretary 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 9. The Revocable Grants 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 Code.

Section 10. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

Section 11. 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 _____, 2022.

COUNCIL PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



AGENCY COUNSEL



The City of Columbus

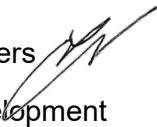
RESPONSIBLE • RESPONSIVE • REPUTABLE

Administration Office (402) 562-4232

Fax (402) 563-1380

memorandum

DATE: June 27, 2022

TO: Tara Vasicek, Mayor and City Council Members 

FROM: Jean Van Iperen, Planning & Economic Development

RE: 23rd St Corridor Area 6 Neighborhood Beautification Program

RECOMMENDATION:

Approve the 23rd St Corridor Area 6 Neighborhood Beautification Program incentivizing certain redevelopment activities for property owners located in the blighted and substandard 23rd Street Corridor Redevelopment Area.

DISCUSSION:

The City of Columbus approved a Redevelopment Plan entitled “Amendment to Redevelopment Plan for the 23rd Street Corridor Redevelopment Area” setting forth certain redevelopment activities within the blighted and substandard 23rd Street Corridor Redevelopment Area. The Plan authorized the Community Development Agency of the City of Columbus to establish and administer a grant program intended to incentivize the revitalization and beautification of the Area. Guidelines and Policies have been established for this program along with an application form a long with an application form and contract.

The program has been set up as a grant program, in which Project Grants can total up to 50% of the TIF eligible costs of the project or up to \$15,000 per project whichever is less. Property Owners will be eligible to receive one grant per distinct and identifiable tax lot during the length of the program. Improvement projects may include exterior refurbishment of existing structure, façade improvements and landscaping installation. The application period for the grants will run from January 1 through January 31 of each calendar year. The selection of projects and award of grants will be competitive and will be determined by the CDA.

Projects once funded by the CDA must be completed within twelve (12) months of award. Grant funds will be distributed to the Owner once the project is completed and eligible costs are certified by the City.

FISCAL IMPACT:

The reimbursement of costs for the program projects are funded from the annual incremental ad valorem real estate taxes collected on the real property within the Redevelopment Area. The grants per application period are limited to the amount of incremental ad valorem real property taxes received in the prior year.



Exhibit "1"

Legal Description of the Redevelopment Area

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.

Exhibit "2"

TIF Guidelines

(See attached)

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

**23rd STREET CORRIDOR REDEVELOPMENT
AREA 6 NEIGHBORHOOD BEAUTIFICATION PROGRAM
TAX INCREMENT FINANCING POLICIES AND GUIDELINES**

I. Guidelines and Objectives

In association herewith, the City of Columbus, Nebraska (the “**City**”) approved a Redevelopment Plan entitled: “Amendment to Redevelopment Plan for the 23rd Street Corridor Redevelopment Area (23rd Street Corridor Area District TIF Project)” (the “**Plan**”), setting forth certain redevelopment activities within the blighted and substandard 23rd Street Corridor Redevelopment Area (the “**Redevelopment Area**”), a map of which is attached hereto as Exhibit “A” and incorporated herein. In part, the Plan authorizes the Community Development Agency of the City of Columbus, Nebraska (the “**CDA**”), to establish and administer a grant program intended to incentivize the revitalization and beautification of the Redevelopment Area (referred to herein as the “**Area 6 Neighborhood Beautification Program**”).

The Area 6 Neighborhood Beautification Program shall incentivize redevelopment activity within the Redevelopment Area via reimbursement of costs for certain projects (each, a “**Project**”) funded (in whole or in part) from the annual incremental ad valorem real estate taxes collected on the real property within the Redevelopment Area (each, a “**Grant**”). All Projects and the award of Grants for the Area 6 Neighborhood Beautification Program shall conform to the policies and guidelines stated herein (the “**Guidelines**”). The Guidelines may be amended, from time to time, in the sole and absolute discretion of the CDA.

For items (a) through (c) below, the CDA will consider funding a Project via a Grant in a total amount up to 50% of the TIF eligible costs of the Project, or up to \$15,000 per Project, whichever is less. Each Project shall be located within a distinct and identifiable tax lot within the Redevelopment Area (as applicable, a “**Project Site**”). Applicants will be eligible to receive one (1) Grant per Project Site during the pendency of the Area 6 Neighborhood Beautification Program. The person(s) or entity seeking the Grant must be an owner of record, in whole or in part, of the Project Site (the “**Owner**” or “**Applicant**”). All sources of funding for proposed Projects must be made known to the CDA and may influence CDA funding.

II. Eligible Projects; Costs

In accordance with the foregoing, the CDA invites proposals from the Owners of real property in the Redevelopment Area to construct Projects authorized and approved by the Plan and these Guidelines. The following redevelopment activities, and the costs pertaining thereto, shall be an eligible Project for purposes of the Area 6 Neighborhood Beautifications Program, the cost(s) of which may be offset via the award of a Grant:

- a) **Exterior Refurbishment of Existing Structure** – Individual projects concentrated on maintaining a building’s exterior from deteriorating effects of moisture, pollutants, inferior materials, as well as repairing or troubleshooting faulty construction design or workmanship. Painting is eligible only in combination with window replacement or façade restoration for bricks, stucco and exterior surfaces that constrains deterioration of the exterior façade. Short of this standard, painting for the purpose of changing colors is not considered restoration and is only eligible if the existing windows, doors, awnings, etc. are in good condition as determined by an inspection by the City of Columbus. Other eligible painting that may be considered restoration is painting of permanent signage (fixed to a structure).
- b) **Façade Improvements** – Installing, restoring, replacing or repairing awnings, windows, doors, cladding and architectural features. Façade means the front and side (if located on a corner) exterior walls of a building exposed to public view from the building’s exterior.
- c) **Landscaping Installation** – Addition of landscape elements including trees, flowers and plants, outdoor benches or seating areas, and outdoor lighting. This will also include signage, murals and ADA projects to the sidewalks and building as long as it meets the national objectives and alleviates blighted conditions.

All Projects must comply with the City’s adopted design standards.

III. Application Submission Procedure

Applications must be submitted to the CDA via hand delivery, US mail, courier or email no later than the deadline provided below. The Application Period runs from January 1 through January 31 of each calendar year (the “**Application Period**”). The CDA may extend the Application Period in their discretion. Unless extended, the CDA will not consider any Applications submitted outside of the Application Period. The funds available for Grants each Application Period are limited to the amount of incremental ad valorem real property taxes received in the prior year and allocated toward the Area 6 Neighborhood Beautification Program pursuant to the Plan. Given the foregoing limitations, the selection of Projects and award of Grants will be competitive, and such determinations shall be made by the CDA in its exclusive discretion. All Applications must be submitted on the CDA’s preferred form, a copy of which is attached hereto as Exhibit “B” and incorporated herein (the “**Application**”). The CDA may, from time to time, amend the form of Application, in its exclusive discretion.

The CDA reserves the right to waive irregularities in any and all Applications and to reject any or all Applications for any reason, including the submission of an incomplete Application. Any Application may be withdrawn at any time.

IV. Opening, Evaluation and Contracting

Applications may be considered by the CDA at any time after submission. All Applications satisfying the requirement of these Guidelines will be evaluated to determine which submissions best fulfill the needs and goals of the City, in conformance with the Plan and the Nebraska Community Development Law, Sections 18-2107(13). Following such evaluation and selection period, the CDA will notify the Owners of its determinations with respect to the Applications submitted during the coinciding Application Period.

These Guidelines do not commit the CDA to award a contract, to pay any costs incurred in the preparation of an Application, or to contract for the goods and/or services offered in conjunction with a proposed Project. The CDA reserves the right to accept or reject any or all Applications received, to negotiate with all qualified Owners or to repeal or amend these Guidelines, if it is in the best interests of the CDA to do so. The decision of the CDA shall be final with respect to the current Application Period; provided that an Owner may submit an Application for a different Project in accordance with these Guidelines during the current Application Period. Additionally, an Owner may also submit a rejected Application during a subsequent Application Period.

After the selection of a Project, the approved Application shall be incorporated and made part of the Redevelopment Contract (defined below), and the Owner shall construct the Project in accordance therewith.

V. Form of Contract

Following the selection process, the CDA will enter into a contract with each Owner who is awarded a Grant to construct a Project, in the form attached hereto and incorporated herein as Exhibit "C" (each, a "**Redevelopment Contract**"). The CDA, in its discretion, may make any changes to the form of Redevelopment Contract. The submission of an Application implies a general acceptance on the part of the Owner(s) of the terms of the form Redevelopment Contract, as applicable, subject to revisions by the CDA. It shall be the obligation of the Owner to provide a fully-completed Redevelopment Contract to the CDA, subject to review and amendment by the CDA or its counsel.

VI. Project Completion

All approved Projects shall be completed within twelve months of time after the award of the Grant, unless otherwise agreed by the CDA and the Owner. Grant funds will be distributed to the Owner once the Project is completed and eligible costs are certified by the City.

VII. Relation to Plan

These Guidelines shall be construed in strict accordance with the Plan. If these Guidelines, or any Project submitted hereunder, conflicts with the Plan, the Plan shall supersede and control.

Exhibit "A"

Map of Redevelopment Area

COLUMBUS NE
AREA #6

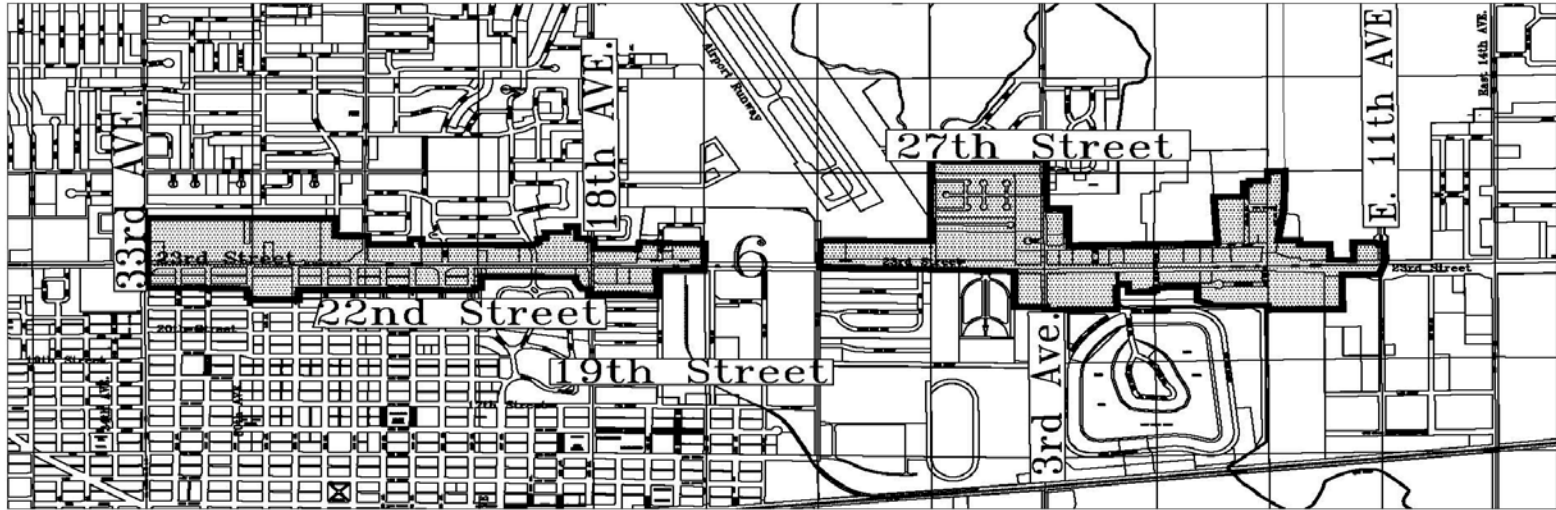


Exhibit "B"
Form Application
(See Attached)

Exhibit "B"

**Application for the City of Columbus
Area 6 Neighborhood Beautification Grant Program**

This Application is established pursuant to those certain Guidelines for the Area 6 Neighborhood Beautification Grant Program, adopted by the Community Development Agency of the City of Columbus, Nebraska (the "CDA"). Any capitalized terms that are not otherwise defined herein shall have the meanings set forth in the Guidelines. All parts of this Application must be completed prior to submission to the CDA. Incomplete Applications will not be considered by the CDA. The Owner should attach additional pages where requested and/or when necessary. The Owner or a designated representative must be present at the meeting of the CDA in which this Application is considered to answer questions related to the proposed Project. The CDA will provide prior notice of the date and time of such meeting.

Owner: _____

Project Site Address: _____

Project Description (please describe below and attach a visual representation of your Project): _____

Total Estimated Cost of Project: \$ _____

Grant Amount Requested: \$ _____

Breakdown of Eligible Costs (Cost estimates must come from a professional third-party bid. If undertaking the work on their own, Owner must show that the cost sought to be reimbursed are in the same range as a bid from a third party):

Item: _____	Cost: \$ _____
Item: _____	Cost: \$ _____
Item: _____	Cost: \$ _____
Item: _____	Cost: \$ _____
Item: _____	Cost: \$ _____

Estimated Start and Completion Date: _____

Attachments: You must attach the following items to this Application:

1. A site plan or visual representation of the Project.
2. Proof of insurance for the Project Site.
3. Third party bid(s) for cost estimates.

I certify that the facts and estimates set forth in this Application are true and accurate to the best of my knowledge. I understand that false statements on this application shall be considered sufficient cause for ineligibility.

I understand that the CDA may request additional information it deems relevant and that submitting this Application does not guarantee receipt of a Grant. All Grants are conditional upon (1) approval by the CDA; (2) the execution of a Redevelopment Contract between Owner and the CDA; and (3) Owner's completion of the Project in conformance with the Redevelopment Contract.

I agree to maintain all Project related receipts, beginning at submission of this Application, until December 31, 2039, for audit purposes.

By: _____

Print Name: _____

Date: _____

Exhibit "C"
Form Redevelopment Contract
(See Attached)

Exhibit "C"
CITY OF COLUMBUS, NEBRASKA

**23RD STREET CORRIDOR AREA REDEVELOPMENT PLAN
ADMINISTRATIVE AMENDMENT AND REDEVELOPMENT CONTRACT**

This 23rd Street Corridor Area Redevelopment Plan Administrative Amendment and Redevelopment Contract ("**Plan Amendment and Redevelopment Contract**") is made and entered into as of the ____ day of _____, 20__ (the "**Effective Date**"), by and between the Community Development Agency of the City of Columbus, Nebraska (the "**CDA**") and _____ ("**Owner**").

WITNESSETH:

WHEREAS, pursuant to the Nebraska Community Development Law, Sections 18-2101, et. seq. (the "**Act**"), the City Council of the City of Columbus, Nebraska (the "**City**"), adopted and approved a plan entitled "Amendment to Redevelopment Plan for the 23rd Street Corridor Redevelopment Area" (the "**Plan**") for redevelopment within the blighted and substandard 23rd Street Corridor Redevelopment Area;

WHEREAS, Owner has submitted a proposal for a project within the 23rd Street Corridor Redevelopment Area in conformance with the goals and objectives of the Plan (the "**Redevelopment Project**"), which contemplates redevelopment of certain real estate owned by Owner (the "**Project Site**"), all as more particularly described on that certain Application for the City of Columbus Area 6 Neighborhood Beautification Grant Program, attached hereto as Exhibit "A" (the "**Application**"); and

WHEREAS, the CDA proposes to authorize issuance of its tax increment revenue grant (the "**Grant**"), to provide for eligible costs relating to the Redevelopment Project; and

WHEREAS, Owner seeks the assistance of the CDA 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 CDA to issue the Grant.

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

Section 1. Administrative Amendment of Plan.

This Plan Amendment and Redevelopment Contract hereby incorporates the Plan by this reference. In conformance to Section 18-2117 of the Act, this Plan Amendment and Redevelopment Contract shall constitute a non-substantial modification of the Plan for the purpose of setting forth the Redevelopment Project in furtherance of the Redevelopment Area 6 Neighborhood Development Program (as defined in the Plan), pursuant to and in accordance with the Plan.

Section 2. Representations, Warranties and Covenants of Owner.

Owner hereby represents, covenants and warrants as follows:

- (a) Owner is authorized to enter into and perform its obligations under this Plan Amendment Redevelopment Contract and, to the best of the knowledge of Owner, is not in violation of the laws of the State of Nebraska.
- (b) Owner shall construct the Redevelopment Project in strict conformance with the terms and specifications set forth in the attached Application, and in accordance with the terms of this Plan Amendment and 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). Owner shall provide the CDA with a copy of all necessary building permits for the Redevelopment Project prior to commencing construction of the same.
- (c) Owner or its assignee shall complete the Redevelopment Project within twelve (12) months of the Effective Date, at an estimated cost of \$ [REDACTED].
- (d) Owner will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Redevelopment Project. Owner, for itself and its successors and assigns, agrees that during the construction of the Redevelopment Project, Owner will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance.
- (e) Owner agrees that any contractor providing services related to the Redevelopment Project will utilize the federal immigration verification system, as defined in Section 4-114, *Neb. Rev. Stat.*, as amended or transferred, to determine the work eligibility status of new employees physically performing services on the Redevelopment Project.
- (f) Owner owns the Project Site, in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Plan Amendment and Redevelopment Contract by Owner.
- (g) Owner shall maintain policies insuring the improvements located Project Site in an amount equal to at least ninety percent (90%) of their full insurable value. In the event of any casualty damage to the improvements on the Project Site, Owner agrees to repair and reconstruct such damaged portion or portions of the Redevelopment Project so that such reconstructed real property has a taxable value at least equal to the value as most recently determined prior to the event or events of casualty loss. Owner agrees to substantially effect such repair and reconstruction whether or not insurance proceeds are sufficient or available for such purposes.
- (h) Owner shall not protest any taxable valuation assessed for the Project Site, as determined by the appropriate assessing and taxing officials of Platte County, Nebraska, for purposes of local ad valorem real estate taxes, to an amount below the assessed valuation of the Project Site in the year of the Effective Date, plus the total estimated cost of the Redevelopment Project, as set forth in the Application.

- (i) Owner shall pay all local ad valorem real estate taxes for the Project Site as levied and assessed before the same become delinquent;
- (j) Owner shall retain copies of all supporting documents (as defined under section 18-2119(4) of the Act) actually generated and received by Owner in relation to the Redevelopment Project until December 31, 2039. This Section 2(j) shall survive termination of this Plan Amendment and Redevelopment Contract.

Section 3. Payment of Grant.

In consideration of Owner's construction of the Redevelopment Project, and in order to provide for payment of some of the eligible improvements for the Redevelopment Project, as described in the Application (the "**Eligible Costs**"), the CDA has awarded Owner with a Grant in the amount of \$ [REDACTED]. The CDA's payment of said Grant funds to Owner is conditioned upon: (1) Owner's completion of the Redevelopment Project, as evidenced by a certificate of occupancy or such other materials requested by the CDA, prior to the date set forth in Section 2(c), above; (2) Owner's submission of paid invoices or other materials requested by and acceptable to the CDA, evidencing Owner's incurrence of Eligible Costs in an amount equal to or exceeding the Grant, and further evidencing that the amount of the Grant does not exceed 50% of the total costs of the Redevelopment Project; and (3) Owner's strict adherence to all other terms and obligations under this Plan Amendment and Redevelopment Contract. Following the satisfaction of all foregoing conditions, the CDA shall pay the Grant funds to Owner within thirty (30) days of Owner's written request therefor. If Owner fails to provide satisfactory documentation evidencing the expenditure of Eligible Costs in the amount of the Grant, or that the amount of the Grant does not exceed 50% of the total costs of the Redevelopment Project, the CDA, in its exclusive discretion, may reduce the amount of the Grant to the extent such criteria is met.

Unless otherwise determined by the CDA, the proceeds of the Grant shall be applied to the costs described above. Unless otherwise determined appropriate by the CDA, the Grant shall be issued on the basis of interest which is includable in income for both federal and Nebraska State income taxes.

Section 4. Term; Breach; Revocation of Grant Funds.

Except as otherwise provided herein, this Plan Amendment and Redevelopment Contract shall remain in force and effect until the earlier of: December 31, 2039, or until Owner sells the Project Site to an unrelated third party. If Owner fails to comply with the terms of this Plan Amendment and Redevelopment Contract and/or if any representation or warranty made by Owner hereunder is untrue or becomes untrue during the term of this Plan Amendment and Redevelopment Contract, and such breach or misrepresentation has not been cured within thirty (30) days following the CDA's written notice to Owner of the same, then Owner shall be obligated to render payment to the CDA in an amount equal to all Grant funds previously disbursed to Owner, within fifteen (15) days after Owner's receipt of the CDA's written demand therefor.

Section 5. Indemnification; Penal Bond.

Owner hereby releases from and covenants and agrees that the CDA and the City, together with their governing body, officers, agents, including their independent contractors, consultants and legal counsel, servants and employees thereof (collectively, the "**Indemnified Parties**") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect arising from the Redevelopment Project or within the Project Site. Other than the Grant as prescribed herein, the Indemnified Parties shall not have any pecuniary obligation or monetary liability under this Plan

Amendment and Redevelopment Contract. Specifically, but without limitation, the Indemnified Parties shall not be liable to Owner or any other third party for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder.

Additionally, Owner hereby agrees to indemnify and save the City and CDA harmless from any payment or liability to which the City or CDA may become subject for carrying out of any contract entered into by Owner with respect to the Redevelopment Project. If applicable, Owner agrees to provide to the CDA evidence that there is in effect a bond for the payment costs as required under Section 18-2151 of the Act.

Section 6. No Joint Venture.

Neither the CDA nor the City is or shall be regarded as the partner, joint venturer or other jointly acting party with Owner for any purpose whatsoever and the undertakings and agreements on the part of the CDA herein provided for are undertaken solely pursuant to the provisions of the Act and for the limited governmental purposes of promoting and encouraging redevelopment of a blighted and substandard area.

Section 7. Miscellaneous.

- (a) Any notices required hereunder shall be delivered to the address of the Project Site, with respect to Owner, and to the Offices of the City of Columbus, Nebraska (attn.: City Administrator), with respect to the CDA.
- (b) This Plan Amendment and Redevelopment Contract may be executed in any number of counterparts, each of which shall constitute one and the same instrument.
- (c) This Plan Amendment and Redevelopment Contract shall be governed and construed in accordance with the laws of Nebraska.
- (d) Time shall be of the essence of this Plan Amendment and Redevelopment Contract.

(Signatures on following page)

IN WITNESS WHEREOF, the CDA and Owner have caused this Plan Amendment and Redevelopment Contract to be executed by their duly authorized representatives.

CDA:

COMMUNITY DEVELOPMENT AGENCY OF THE
CITY OF COLUMBUS, NEBRASKA

By: _____
Chairperson

ATTEST:

Secretary

OWNER:

By: _____

Name: _____

Title: _____

6. Adjournment.