

Agenda Packet

COMMUNITY DEVELOPMENT AGENCY

Monday, December 18, 2017
5:15 p.m.

Created 12/14/2017 10:05 AM

Notice of Meeting
Community Development Agency

The Community Development Agency will meet on Monday, December 18, 2017 at 5:15 p.m. at the City Council Chambers, 309 N. 5th St., Norfolk, Nebraska.

The Agency reserves the right to adjourn into closed session as per Section 84-1410 of the Nebraska Revised Statutes.

An agenda for such meeting, kept continuously current, is available at the office of the City Administrator, City of Norfolk, 309 N 5th St, Norfolk, Nebraska, during normal business hours.

Elizabeth A. Deck
Norfolk City Clerk &
CDA Secretary

Publish (December 15, 2017)
1 P.O.P.

COMMUNITY DEVELOPMENT AGENCY

AGENDA

December 18, 2017

Call to Order

1. Call meeting to order
2. Inform the public about the location of the Open Meeting Act posted in the City Council Chambers and accessible to members of the public.
3. Roll Call

Action Items/Discussion Items

- | | |
|--|---------------------------|
| 4. Approve Agenda | Motion |
| 5. Approve the minutes of the November 20, 2017 Agency meeting. | Motion |
| 6. Consideration of Resolution No. 2017-14 recommending approval of the Legacy Bend Redevelopment Plan to the City Council. | Resolution 2017-14 |
| 7. Consideration of approval of Resolution No. 2017-15 approving the Ballantyne Redevelopment Agreement with CEB, LLC, a Nebraska limited liability company. | Resolution 2017-15 |

STAFF MEMORANDUM
COMMUNITY DEVELOPMENT AGENCY
December 18, 2017

Call to Order

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3. Roll Call

Action Items/Discussion Items

- | | |
|---|---------------------------|
| 4. Approve Agenda | Motion |
| | |
| 5. Approve the minutes of the November 20, 2017 Agency meeting. | Motion |
| See Enclosure 5. | |
| 6. Consideration of Resolution No. 2017-14 recommending approval of the Legacy Bend Redevelopment Plan to the City Council. | Resolution 2017-14 |
| On November 20, the Agency accepted the Legacy Bend Redevelopment Plan and forwarded it to the Planning Commission for recommendation. On December 5, the Planning Commission reviewed the Plan and recommended approval. | |
| See Enclosure 6. | |
| 7. Consideration of approval of Resolution No. 2017-15 approving the Ballantyne Redevelopment Agreement with CEB, LLC, a Nebraska limited liability company. | Resolution 2017-15 |
| See Enclosure 7. | |

COMMUNITY DEVELOPMENT AGENCY

The Community Development Agency of the City of Norfolk, Nebraska, met in the City Council Chambers, 309 N 5th Street, Norfolk, Nebraska, on Monday, November 20, 2017, beginning at 5:15 p.m.

Chair Josh Moenning called the meeting to order.

Roll call found the following Agency members present: Dave Fauss, Corey Granquist, Gary L. Jackson, Jim Lange, Rob Merrill, Thad Murren, Josh Moenning and Dick Pfeil. Absent: Shane Clausen.

City staff members present were City Administrator Andy Colvin, City Attorney Clint Schukei, City Clerk Beth Deck, Finance Officer Randy Gates, Risk Manager Lyle Lutt and City Engineer Steve Rames.

Notice of the meeting was given in advance by publication in the Norfolk Daily News, and the notice of the meeting was given to the Chair and all members of the Agency prior to the meeting.

The Chair presided and the Secretary recorded the proceedings.

The Chair informed the public about the location of the current copy of the Open Meetings Act posted in the meeting room and accessible to members of the public.

Agenda

Merrill moved, seconded by Granquist to approve the agenda as printed. Roll call: Ayes: Fauss, Granquist, Jackson, Lange, Merrill, Murren, Moenning and Pfeil. Nays: None. Absent: Clausen. Motion carried.

Minutes

(October 16, 2017)

Lange moved, seconded by Granquist to approve the minutes of the October 16, 2017 Agency meeting as printed. Roll call: Ayes: Fauss, Granquist, Jackson, Lange, Merrill, Murren, Moenning and Pfeil. Nays: None. Absent: Clausen. Motion carried.

Legacy Bend Redevelopment Plan

Merrill moved, seconded by Murren to approve the Redevelopment Plan for Legacy Bend Redevelopment Area and authorize forwarding to the Planning Commission for recommendation.

Finance Officer Randy Gates provided information to Agency members stating this area is immediately south of the current Meadow Ridge housing development and encompasses approximately 80 acres. This project consists of 8 phases to be developed over multiple years and is planned to consist of 124 single family homes on larger lots, 51 single family homes on

urban lots, 51 townhomes, and 224 apartment units. The first phase is for 24 single family homes west of Victory Road in the south portion of the Redevelopment Area. Gates said there may be some changes, however, in the layout for Phase I of the project because there are ongoing discussions between the developer and the City of Norfolk regarding location of the detention cell.

Mark Otto, project manager, spoke in favor of the project. The project is intended to be a traditional neighborhood with lots of trees and pocket parks throughout the development.

Roll call: Ayes: Clausen, Fauss, Granquist, Jackson, Lange, Merrill, Murren, Moenning and Pfeil. Nays: None. Absent: Clausen. Motion carried.

There being no further business, the Chair declared the meeting adjourned at 5:22 p.m.

Josh Moenning, Chair

ATTEST:

Elizabeth A. Deck, Secretary

(S E A L)

December 5, 2017

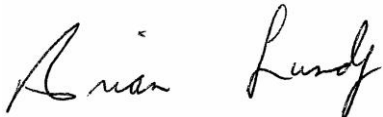
Dear Members of the Community Development Agency:

The Norfolk Planning Commission reviewed the Legacy Bend Redevelopment Plan on December 5, 2017, as it pertains to the City of Norfolk zoning code and Comprehensive Plan.

The Legacy Bend project site consists of approximately 80 acres of generally vacant, underdeveloped land. The redeveloper intends to redevelop the site into residential uses in multiple phases over multiple years. The area will consist of: 124 Single Family Homes on larger lots, 51 Single Family Homes on Urban lots, 51 Townhomes, and 224 Living Units in Multiple Dwelling Units.

The Planning Commission recommends approval of the Redevelopment Plan for Legacy Bend with a 9-0 vote.

Sincerely,



Brian Lundy, Chair
Norfolk Planning Commission

RESOLUTION NO. 2017- 14

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

1. The governing body of the Agency hereby finds and determines that there has been previously prepared and presented to the Agency a redevelopment plan entitled "Redevelopment Plan for Legacy Bend Redevelopment Area of the City of Norfolk, Nebraska" (the "Plan"); that the Plan has been recommended and approved by the Planning Commission of the City of Norfolk; that all conditions precedent to the recommending of the Plan to the Mayor and Council of the City of Norfolk for hearing and final approval have occurred.

2. The governing body of the Agency hereby further finds and determines that the proposed land uses and building requirements in the redevelopment project area as described in the Plan are designed with the general purpose of accomplishing, in conformance with the City's general plan, a coordinated, adjusted and harmonious development of the City and its environs which will, in accordance with the present and future needs, promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development; that under the Plan adequate provision is made for traffic, vehicular parking, the promotion of safety from fire, panic and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of populations, the provision of adequate transportation, water, sewage and other public utilities, schools, parks, recreational and community facilities and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds and the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

3. The governing body of the Agency hereby determines that the Plan contains a statement of the proposed method and estimated cost of acquisition and preparation for redevelopment of the redevelopment project area; that no public improvements are required to be provided except as set forth in the Plan; that there are no estimated proceeds or revenue expected to be obtained by the Agency from disposal of property to redevelopers; that the Plan sets forth the proposed method of financing for the proposed redevelopment project consisting of direct payment for public improvements or grant assistance to the redeveloper for the redevelopment project area, as designated in the Plan which method of financing is the issuance by the Agency of its tax increment revenue bonds to provide moneys to pay for the costs of certain public improvements directly or of public or private improvements by grant assistance and that there are no families currently living within the redevelopment project area, as set forth in the Plan, which are currently expected to be displaced from such area. The project area set forth in the Plan is located within the corporate limits of the City of Norfolk.

4. The Cost Benefit Analysis prepared for the Agency is hereby approved.

5. The governing body of the Agency hereby recommends to the Mayor and Council of the City of Norfolk that the Plan be approved and, subject to such approval, hereby adopts the Plan.

PASSED AND APPROVED this _____ day of _____, 2017.

Chairman (Mayor)

Secretary (City Clerk)

(SEAL)

Approved as to form: _____
Clint Schukei, City Attorney

**REDEVELOPMENT PLAN
FOR LEGACY BEND REDEVELOPMENT AREA OF
THE CITY OF NORFOLK, NEBRASKA**

I. GENERAL REDEVELOPMENT PLAN

A. Introduction

This Redevelopment Plan for the Legacy Bend Redevelopment Area of the City of Norfolk, Nebraska (“Redevelopment Plan”) is a guide for redevelopment activities undertaken in the Legacy Bend Redevelopment Area to remove or eliminate blight and substandard conditions within the City of Norfolk, Nebraska (the “City”).

This Redevelopment Plan has been established in accordance with the requirements of the Nebraska Community Development Law, Neb. Rev. Stat. §§ 18- 2101 through 18-2154, as amended (the “Act”) and the Comprehensive Plan of the City. This Redevelopment Plan, as amended from time to time, shall indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities and other public improvements, and the proposed land uses and building requirements in the redevelopment project area, as required by the Act. Future amendments to this Redevelopment Plan shall identify specific redevelopment projects that will use tax increment financing pursuant to Section 18-2147 of the Act.

B. Statutory Requirements

The Act defines a “redevelopment plan” as “a plan, as it exists from time to time for one or more community redevelopment areas, or for a redevelopment project, which (a) conforms to the general plan for the municipality as a whole and (b) is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area, zoning and planning changes, if any, land uses, maximum densities, and building requirements.” Neb. Rev. Stat. §18-2103(13).

The Act further defines the required contents of a redevelopment plan: “A redevelopment plan shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities and other public improvements, and the proposed land uses and building requirements in the redevelopment project area, and shall include without being limited to: (1) The boundaries of the redevelopment project area, with a map showing the existing uses and condition of the real property therein; (2) a land-use plan showing proposed uses of the area; (3) information showing the standards of population densities, land coverage, and building intensities in the area after redevelopment; (4) a statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances; (5) a site plan of the area; and (6) a statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment. Any redevelopment plan may include a proposal for the designation of an enhanced employment area.” Neb. Rev. Stat. §18-2111.

The Act also states that a redevelopment plan may contain a provision authorizing tax increment financing. Neb. Rev. Stat. §18-2147.

C. Redevelopment Area

The Redevelopment Area is a part of the East Norfolk Avenue Redevelopment Area, which was declared blighted and substandard by the City Council by Resolution No. 2014-18, dated June 16, 2014, and based upon, inter alia, a Blight and Substandard Determination Study prepared by the Northeast Nebraska Economic Development District dated May 5, 2014. The legal description of the Redevelopment Area is attached hereto as Exhibit “A” and incorporated by this reference.

D. Land Use Plan

This Redevelopment Plan adopts and incorporates the Comprehensive Plan of the City as it relates to the Redevelopment Area, including, in particular, the “Development Area Guidelines” for the Northeast Community College District in which the Redevelopment Area is located. The “Development Area Guidelines” indicate that the area known as Legacy Bend is designated for single family residential use. This Redevelopment Plan is generally consistent with the Comprehensive Plan in that it promotes single family, townhome and multi-family residential uses in the area west of Victory Road and south of Benjamin Ave. Legacy Bend is generally consistent in that the redevelopment area will include townhomes and multi-family residential along with the single family residential of the Comprehensive Plan designation. Legacy Bend applies certain goals from the Comprehensive Plan such as a Development Guideline in the NECC District of coordinating upgrades to the park and recreation system with new development and also a general goal and objective of the Comprehensive Plan to “promote the development of neighborhood scale institutions (i.e. schools, places of worship), facilities (i.e. parks, community gardens) and amenities whenever possible to support informal and formal recreation activity. The map showing the existing uses of the real property in and around the City, including the Legacy Bend Redevelopment Area, is attached hereto as Exhibit “B” and incorporated by this reference. A map showing the future uses of the real property in and around the City, including the Legacy Bend Redevelopment Area, is attached hereto as Exhibit “C” and incorporated by this reference. This Future Land Use Map contained in the City’s Comprehensive Plan reflects that the Legacy Bend Redevelopment Area should be developed for residential use.

E. Project Specific Requirements

This Redevelopment Plan sets forth the phased implementation of redevelopment projects in the Legacy Bend Redevelopment Area to optimize the tax increment financing resources available for construction of eligible public improvements. As each phase of a redevelopment project is identified, or as new redevelopment projects are identified, this Redevelopment Plan shall be amended to include, at a minimum, the following: (1) The boundaries of the redevelopment project area, with a map showing the existing uses and condition of the real property therein; (2) a land-use plan showing proposed uses of the area; (3) information showing the standards of population densities, land coverage, and building intensities in the area after redevelopment if relevant; (4) a statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels

or grades, or building codes and ordinances; (5) a site plan of the area; and (6) a statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment.

This Redevelopment Plan identifies one (1) redevelopment project with multiple phases that will occur in the Legacy Bend Redevelopment Area, and describes the first phase of the redevelopment project. As stated above, subsequent phases of each such redevelopment project shall be identified in amendments to this Redevelopment Plan; provided, however, that to the extent that the phase-specific information required by the Act has been included in this Redevelopment Plan, an amendment to this Redevelopment Plan may not be required by law.

F. Tax Increment Financing

The City and the CDA contemplate the use of tax increment financing (“TIF”) for redevelopment projects identified in this Redevelopment Plan, as amended from time to time. TIF is authorized under section 18-2147 of the Act, which states that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the project redevelopment contract or in the resolution of the authority authorizing the issuance of bonds pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body (“Base Tax Amount”); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, (referred to as the “Incremental Tax Amount”) shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

For any redevelopment project or phase thereof in the Legacy Bend Redevelopment Area that will utilize TIF, this Redevelopment Plan shall be amended to identify the TIF project or phase and shall provide sufficient information to support a determination that: (i) the redevelopment project as designed would not be economically feasible without the use of TIF; (ii) the redevelopment project as designed would not occur in the Legacy Bend Redevelopment Area without the use of TIF; and (iii) the costs and benefits of the redevelopment project are in the long-term best interest of the City.

The actual base tax year for each phase (the effective date) will be determined in the manner that will be set forth in the redevelopment contract and/or the resolution authorizing the TIF bond(s). It is anticipated that the effective dates will be different for each of the phases; and therefore the increment period for each phase thereof will be different.

G. Conclusion

The Legacy Bend Redevelopment Area is in need of redevelopment to remove blight and substandard conditions in order to promote orderly and planned growth of the community. This Redevelopment Plan, as amended from time to time, shall guide and assist the Community Development Agency of the City of Norfolk and the City itself in their efforts to foster and facilitate redevelopment activities pursuant to the Nebraska Community Development Law.

II LEGACY BEND REDEVELOPMENT PROJECT

A. The Project Site

The purpose of this Article II of the Redevelopment Plan is to identify a specific project within the Legacy Bend Redevelopment Area that will cause the removal of blight and substandard conditions on the site located in the City of Norfolk, Nebraska, and described on the attached and incorporated Exhibit “D” (the “Legacy Bend Project Site”).

The Legacy Bend Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Legacy Bend Project Site, and specifically, the Legacy Bend Redevelopment Project (the “Project”), will conform to the General Redevelopment Plan set forth in Article I, and the coordinated, adjusted, and harmonious development of the City and its environs. The CDA finds that such redevelopment of the Legacy Bend Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight.

The Legacy Bend Project Site generally consists of vacant, underdeveloped land located in the Legacy Bend Redevelopment Area. The blighted condition of the Legacy Bend Project Site and the lack of adequate utilities and infrastructure to serve the Legacy Bend Project Site contribute to its inability to attract development. The Location of the Legacy Bend Site is attractive for mixed-use development of single family residential and multiple dwelling units. However, the initial upfront costs associated with necessary infrastructure makes development of the Legacy Bend Project Site not feasible. The redevelopment of the Legacy Bend Project Site pursuant to this Article II of the Redevelopment Plan will include eligible expenditures under the Act and will further the purposes of the Act in conformance with the Redevelopment Plan.

B. Description of Project

HNB Properties, LLC (the “Redeveloper”) proposes to redevelop the Legacy Bend Project Site into residential uses, as depicted on the proposed site plan for the Project attached hereto as Exhibit “E”.

As reflected on the site plan, the Redeveloper intends to subdivide the Legacy Bend Project Site. The Project Site consists of approximately 80 acres. It will consist of an 8-phase project

over multiple years. The area will consist of: 124 Single Family Homes on Larger Lots, 51 Single Family Homes on Urban Lots, 51 Townhomes, and 224 Living Units in Multiple Dwelling Units.

The Redeveloper will pay the costs of the private improvements, including the construction of the residential buildings and associated improvements. The CDA or City will pay for public improvements including, but not limited to: paving, sanitary sewer, storm sewer and water. As part of the project, the city will form special assessment districts to recapture their associated costs, and Redeveloper will capture available tax increment revenues generated by the redevelopment of the Legacy Bend Project Site to assist in paying for private improvements, assessments, special assessments, fees, land acquisition and other expenses that are listed as eligible expenditures under the Act. The specific public improvements for which the available tax increment revenues generated by the Project will be used will be described in more detail in the Redevelopment Agreement for each phase of the Project.

The redevelopment of the Legacy Bend Project Site pursuant to this Article II of the Redevelopment Plan will eliminate the blight and substandard conditions on the Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan.

C. Implementation of Project

As described above, the Redeveloper will complete the Project in phases over multiple years, the timing of which will be tied to construction of the buildings and other factors. The phased approach to construction of the Project will allow the Redeveloper to optimize the tax increment financing resources available for construction of eligible public improvements, and to construct the private improvements at a rate the market can support. The Legacy Bend Project Site will be replatted to identify the specific property that will be included in each phase, and each phase of the Project is intended to include all public rights of way and public areas contained within the Legacy Bend Project Site.

The first phase of the Project is identified below. This Redevelopment Plan shall be amended to identify each subsequent phase of the Project. Further, each phase of the Project will be governed by a separate Redevelopment Agreement between the Redeveloper and the CDA which will describe the private improvements and the public improvements to be constructed by the Redeveloper as a part of such phase.

D. Phase I

The first phase of the Project ("Phase I") shall include the lots identified on the site plan for the Project as Legacy Bend (the "Phase I Project Site"). The Phase I Project Site is located in the Legacy Bend Redevelopment Area and within the Legacy Bend Project Site. The private improvements for Phase I will consist of construction of 27 single family homes. The public improvements to be constructed as part of Phase I will include installation of streets and sidewalks, landscaping, hardscaping and streetscaping, connection to Victory Road, and extension of public utilities, all as necessary to serve the private improvements. The Cost-Benefit Analysis for Phase I of the Project shall be attached to this Redevelopment Plan as Exhibit "F".

The redevelopment of the Phase I Project Site pursuant to Phase I of the Project will eliminate the current blight and substandard conditions on the Legacy Bend Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan. The Project is not feasible without the use of TIF to assist with the costs of the public improvements. Due to the scope of the Project and the costs of the public improvements included in Phase I, it is expressly acknowledged that the Redeveloper would not undertake Phase I without the anticipated use of tax increment financing for subsequent phases of the Project.

E. Statutory Elements

As described above, the Project envisions the capture of the incremental taxes generated by the Project on the Project Site to pay for eligible expenditures under the Act. Attached as Exhibit “G” and incorporated herein by this reference is a consideration of the statutory elements under the Act.

Exhibits:

“A” Legacy Bend Redevelopment Area

“B” – Existing Land Use

“C” – Future Land Use

“D” – Legacy Bend Project Site

“E” – Site Plan “F” - Cost-Benefit Analysis for Phase I (Legacy Bend Redevelopment Project)

“G” – Statutory Elements – Legacy Bend Redevelopment Project

Exhibit "A"

Legacy Bend Legal Description (Full Development)

A TRACT OF LAND LOCATED IN PART OF THE EAST HALF (E1/2) OF SECTION TWENTY-THREE (23), TOWNSHIP TWENTY-FOUR (24) NORTH, RANGE ONE (1) WEST OF THE 6TH P.M., CITY OF NORFOLK, MADISON COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

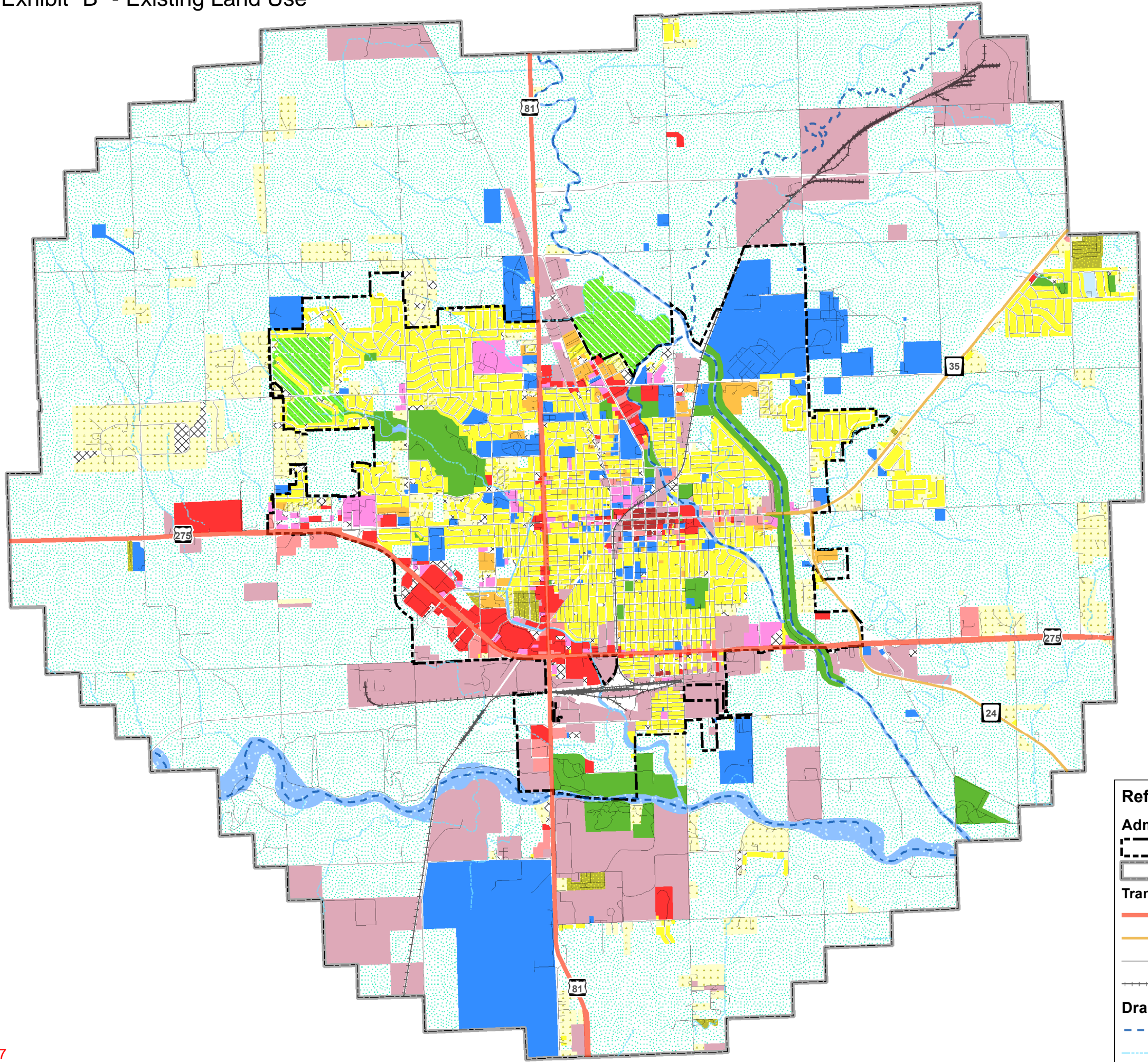
COMMENCING AT THE SOUTHWEST CORNER OF LOT 1, MEADOW RIDGE PHASE 3-1ST ADDITION, THENCE EASTERLY ALONG THE SOUTH LINE OF SAID LOT 1 TO A SOUTHERNLY CORNER OF SAID LOT 1; THENCE NORTHEASTERLY, ALONG A SOUTHEASTERLY LINE OF SAID LOT 1, TO THE SOUTHEAST CORNER OF SAID LOT 1 SAID POINT ALSO BEING A SOUTHWESTERLY CORNER OF LOT 3, MEADOW RIDGE PHASE 1-1ST ADDITION; THENCE SOUTHEASTERLY, ALONG A SOUTHWESTERLY LINE OF SAID LOT 3, TO THE SOUTHWEST CORNER OF SAID LOT 3; THENCE EASTERLY, ALONG SAID SOUTH LINE OF SAID LOT 3, TO THE SOUTHEAST CORNER OF SAID LOT 3 SAID POINT ALSO BEING ON THE WEST RIGHT OF WAY LINE OF MCINTOSH ROAD; THENCE SOUTH, ALONG SAID WEST RIGHT OF WAY LINE, TO THE SOUTHWEST CORNER OF MEADOW RIDGE PHASE 2-1ST ADDITION, THENCE EASTERLY, ALONG A SOUTH LINE OF BLOCK 4, MEADOW RIDGE PHASE 2-1ST ADDITION, TO A SOUTHERLY CORNER OF LOT 3B, BLOCK 4; THENCE SOUTHEASTERLY, ALONG A SOUTHERLY LINE OF BLOCK 4, MEADOW RIDGE PHASE 2-1ST ADDITION, AND A SOUTHERLY LINE OF BLOCK 2, MEADOW RIDGE PHASE 4-1ST ADDITION, TO THE SOUTHWEST CORNER OF LOT 2A, BLOCK 2, MEADOW RIDGE PHASE 4-1ST ADDITION; THENCE EASTERLY, ALONG THE SOUTH LINE OF SAID BLOCK 2, TO THE SOUTHEAST CORNER OF LOT 3B, BLOCK 2 SAID POINT ALSO BEING ON THE WEST LINE OF LOT 2, BLOCK 5, MEADOW RIDGE PHASE 1-4TH ADDITION; THENCE SOUTHERLY, ALONG THE WEST LINE OF BLOCK 5, MEADOW RIDGE PHASE 1-4TH ADDITION AND ALONG THE WEST LINE OF BLOCK 2, MEADOW RIDGE PHASE 2-2ND ADDITION, TO THE SOUTHWEST CORNER OF LOT 3, BLOCK 2, MEADOW RIDGE PHASE 2-2ND ADDITION; THENCE EASTERLY, ALONG THE SOUTH LINE OF BLOCKS 2 AND 3, MEADOW RIDGE PHASE 2-2ND ADDITION AND THE SOUTH LINE OF BLOCK 2 MEADOW RIDGE PHASE 2-3RD ADDITION, TO THE SOUTHEAST CORNER OF LOT 3, BLOCK 2, MEADOW RIDGE PHASE 2-3RD ADDITION SAID POINT ALSO BEING ON THE WEST RIGHT OF WAY LINE OF VICTORY ROAD; THENCE SOUTHERLY, ALONG SAID WEST RIGHT OF WAY LINE, TO THE SOUTHEAST CORNER OF A TRACT OF LAND OWNED BY THE CITY OF NORFOLK SURVEYED MARCH 24, 2015 BY JAI J. ANDRIST, L.S. #630 SAID POINT BEING 42.28 FEET WEST OF THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE WESTERLY, ALONG THE SOUTH LINE OF SAID TRACT OF LAND, TO THE SOUTHWEST CORNER OF SAID TRACT OF LAND, SAID POINT ALSO BEING ON THE EAST RIGHT OF WAY LINE OF A PUBLIC FLOOD CONTROL CHANNEL; THENCE NORTHWESTERLY, ALONG SAID EAST RIGHT OF WAY LINE, TO THE INTERSECTION OF SAID FLOOD CONTROL CHANNEL AND THE WEST LINE OF THE EAST HALF OF SECTION 23; THENCE NORTH, ALONG SAID WEST LINE OF THE EAST HALF TO THE POINT OF BEGINNING.

SAID TRACT CONTAINS A CALCULATED AREA OF 4,119,151 SQUARE FEET OR 94.56 ACRES, MORE OR LESS.



Existing Land Use

Comprehensive Plan
City of Norfolk



Legend

Existing Land Use Categories

- Rural Residential
- Single Family Residential
- Townhomes (2/4 Plex)
- Multi-Family Residential
- Mobile Home Residential
- Automotive Commercial
- General Commercial
- Mixed Use/Downtown
- Office/Services
- Industrial
- Public/Civic Use
- Parks & Recreation
- Golf Course
- Agricultural
- Vacant
- Surface Water

Reference Items

Administrative Bounds

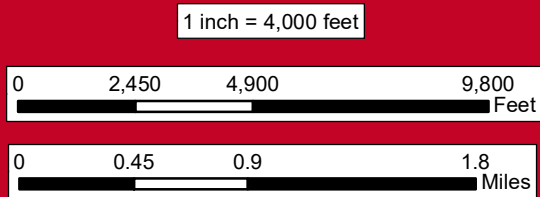
- City Limits
- ETJ

Transportation Network

- US Highway
- State Highway
- Local Road
- Railroad

Drainage System

- Rivers/Streams
- Creeks/Wash





Future Land Use

Comprehensive Plan
City of Norfolk

Future Land Uses

- Agricultural
- Rural Residential
- Single Family Residential
- Townhomes
- Multi Family Residential
- Mixed Use
- Commercial
- Offices/Services
- Mixed Commerce
- Industrial
- Public
- Parks & Recreation
- Elkhorn River Corridor
- Surface Water
- Residential Reserve
- Commercial Reserve
- Mixed Commerce Reserve
- Industrial Reserve
- City Wellhead
- Water
- North Fork Elkhorn River Corridor

Reference Items

Administrative Bounds

- City Limits
- ETJ

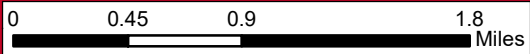
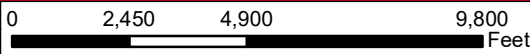
Transportation Network

- US Highway
- State Highway
- Local Road
- Railroad

Drainage System

- Rivers/Streams
- Creeks/Wash

1 inch = 4,000 feet



N



Future Land Use Narrative

The Legacy Bend Project is a multi-year multi- phase project:

The first phase is projected to begin in 2018, it will consist of 27 single family homes that will require about 1 million dollars of infrastructure. The value of the completed project will approach 7 million dollars.

The second phase will consist of 28 homes, 12 townhouses, and 24 multi dwelling units. Completed value projections about 11 million with 1.2 million in infrastructure.

The third phase will consist of 35 homes and 32 multi dwelling units. Completed value projections about 11 million with 1.3 million in infrastructure.

The fourth phase will consist of 18 homes and 32 multi dwelling units. Completed value projections about 7 million with .7 million in infrastructure.

The fifth phase will consist of 26 homes and 32 multi dwelling units. Completed value projections about 9 million with 1 million in infrastructure.

The sixth phase will consist of 17 homes and 64 multi dwelling units. Completed value projections about 11 million with .9 million in infrastructure.

The seventh phase will consist of 11 homes and 40 multi dwelling units. Completed value projections about 7 million with .6 million in infrastructure.

The eighth phase will consist of 13 homes and 39 townhouses. Completed value projections about 10 million with 1 million in infrastructure.

The total estimated value of the project will be 73 million dollars with about 7.7 million dollars of infrastructure.

Exhibit "D"

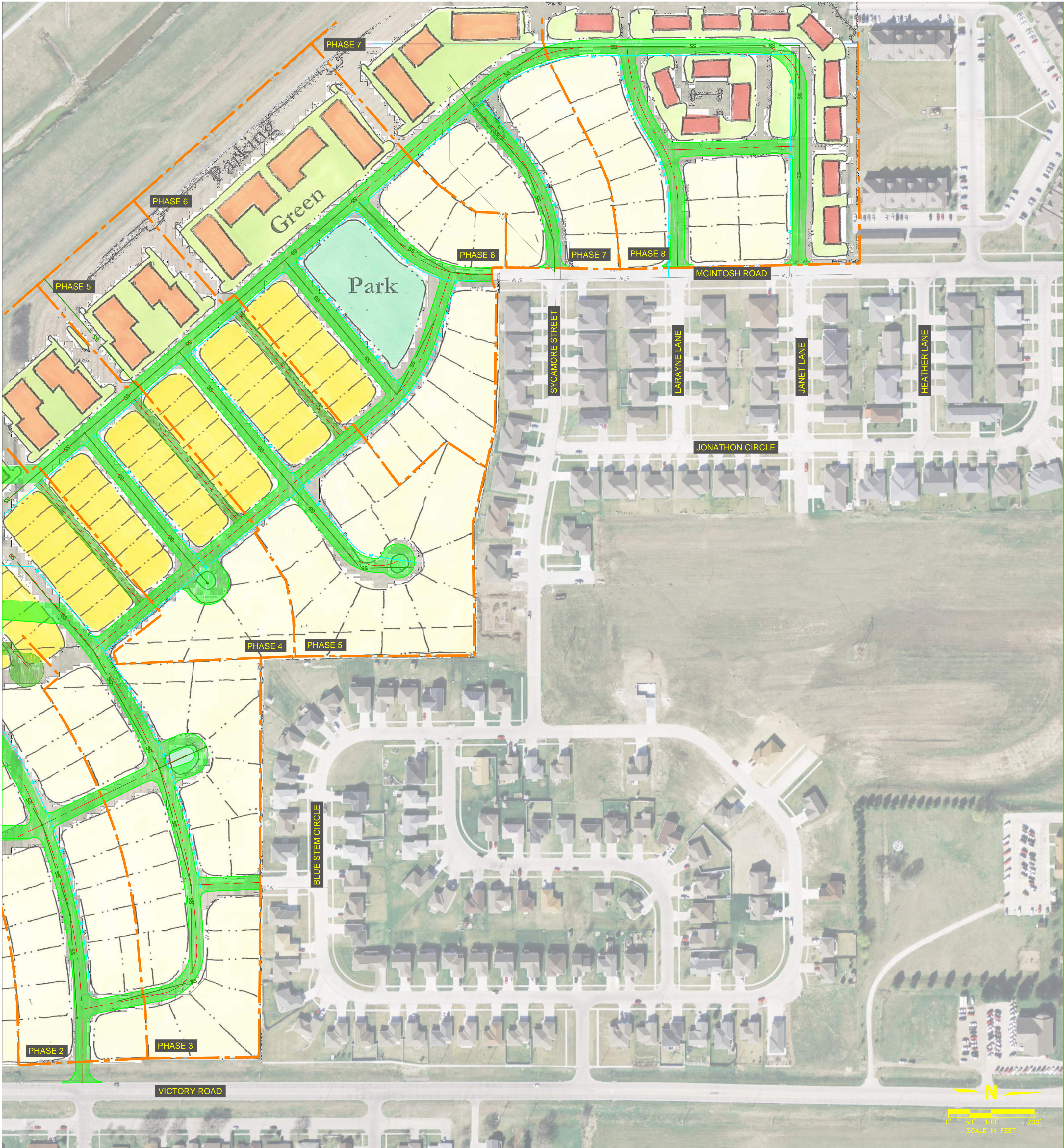
Legacy Bend Project Site

Phase 1 Legal Description

A TRACT OF LAND LOCATED IN PART OF THE EAST HALF (E1/2) OF SECTION TWENTY-THREE (23), TOWNSHIP TWENTY-FOUR (24) NORTH, RANGE ONE (1) WEST OF THE 6TH P.M., CITY OF NORFOLK, MADISON COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SECTION 23; THENCE WESTERLY TO THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF VICTORY ROAD AND THE NORTH SECTION LINE OF THE SOUTHEAST QUARTER, SAID POINT BEING THE POINT OF BEGINNING; THENCE SOUTHERLY, ALONG THE WEST RIGHT OF WAY LINE OF VICTORY ROAD, A DISTANCE OF 662.34 FEET TO THE NORTHEAST CORNER OF A TRACT OF LAND OWNED BY THE CITY OF NORFOLK SURVEYED MARCH 24, 2015 BY JAI J. ANDRIST, L.S. #630; THENCE WESTERLY, ALONG THE NORTH LINE OF SAID TRACT OF LAND, A DISTANCE OF 499.13 FEET; THENCE NORTHWESTERLY A DISTANCE OF 503.04 FEET; THENCE NORTHEASTERLY A DISTANCE OF 128.46 FEET TO A POINT OF CURVATURE; THENCE NORTHEASTERLY ON A 1065 FOOT RADIUS CURVE TO THE RIGHT A DISTANCE OF 547.02 FEET; THENCE EASTERLY 133.83 FEET TO THE POINT OF BEGINNING.

Exhibit "E" -Site Plan



drawn by:
checked by:
approved by:
QA/QC by:
project no.:
drawing no.:
date:

2017

HNB NORFOLK MEADOWRIDGE

NORFOLK, NEBRASKA

REV. NO.

DATE

REVISIONS DESCRIPTION

REVISIONS

OLSS ASSOC.

201 Elm 2nd Street
P.O. Box 1072
Grand Island, NE 68802-1072

TEL 308.384.457
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Grand Island, NE 68802-1072
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EXHIBIT “F”
COST-BENEFIT ANALYSIS
PHASE I – LEGACY BEND REDEVELOPMENT PROJECT

(Pursuant to Neb. Rev. Stat. § 18-2113)

Cost Benefit Analysis Section 18-2113 of the Act, further requires the Agency conduct a cost benefit analysis of the plan in the event that Tax Increment Financing will be used. This analysis must address specific statutory issues.

As authorized in the Nebraska Community Development Law, §18-2147, Neb. Rev. Stat. (2012), the City of Norfolk, Nebraska has analyzed the costs and benefits of the proposed Redevelopment Project (Phase 1), including:

Project Phase Sources and Uses. Approximately \$ 1,870,818 in public funds from tax increment financing provided by the Norfolk Community Development Agency will be required to complete the project phase. This investment by the Agency will leverage \$5,264,530 in private sector financing; a private investment of approximately \$2.81 for every TIF dollar investment.

Use of Funds			
Description	TIF Funds	Private Funds	Total
Site Acquisition	225,000	0	225,000
Site Preparation - Utilities/ Streets/Drainage	1,063,854	0	1,063,854
Legal/Accounting, Finance	106,731	50,000	156,731
Building Costs	0	5,088,600	5,088,600
Architecture Engineering	153,988	125,930	279,918
Planning, Development and Permitting	153,988	0	153,988
Contingencies	167,257	0	167,257
TOTALS	1,870,818	5,264,530	7,135,348

Tax Revenue. The property to be redeveloped is anticipated to have a January 1, 2018, valuation of approximately \$135,000. Based on the 2016 levy this would result in a real property tax of approximately \$2,665. It's anticipated that the assessed value will increase by \$6,318,000 upon

full completion, as a result of the site redevelopment. This development will result in an estimated tax increase of over \$123,474 annually. The tax increment gained from this Redevelopment Project Area Phase 1 would not be available for use as city general tax revenues, for the period of the TIF contract or the time as may be required to amortize the TIF bond, but would be used for eligible redevelopment costs to enable this project to be realized.

Estimated 2018 assessed value: \$ 135,000
Estimated value after completion \$ 6,453,000
Increment value \$ 6,318,000
Annual TIF generated (estimated) \$ 123,474
TIF bond issue \$ 1,474,023

(a) Tax shifts resulting from the approval of the use of Tax Increment Financing;

The phase 1 redevelopment project area currently has an estimated valuation of \$51,337. The proposed redevelopment will create additional valuation of \$6,452,438. No tax shifts are anticipated from the project. The phase 1 project creates additional valuation that will support taxing entities long after the project is paid off.

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

No additional public service needs have been identified other than the public infrastructure to be constructed within the development. Existing water and waste water facilities will not be negatively impacted by this development. The electric utility has sufficient capacity to support the development. Due to the residential nature of the improvements, this development may have an impact on Norfolk Public Schools. Fire and police protection are available and should not be negatively impacted by this development.

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

The development will have minimal impact on employers or employees within the phase 1 redevelopment project area. However, the development will increase housing availability in northeast Norfolk and may positively impact recruitment of employees for businesses located in this part of the community.

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the phase 1 redevelopment project; and

This project will have a positive impact on other employees and employers within the Norfolk area by helping alleviate the existing housing shortage to provide housing for current and future employees of employers within the city and the immediate area.

(e) Any other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the first phase of the redevelopment project.

This first phase of the project will be a housing project in northeast Norfolk. It should encourage the development of additional retail in close proximity to the development and will be the catalyst for future phases.

(f) Assessment districts and Infrastructure

Assessment Districts will be formed to facilitate Water, Sewer, and Paving. The developer will utilize TIF to repay the assessment. The districts will be amortized over 10 years, and will be kept current by the developer.

(g) But For

With a total build cost over 7.1 million dollars and an estimated value of 6.4 million, this project would not be feasible except for the tax increment financing of almost \$1.5 million dollars to offset the deficit gap and provide a reasonable rate of return.

EXHIBIT “G”
STATUTORY ELEMENTS
LEGACY BEND REDEVELOPMENT PROJECT

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property or relocation of families or businesses is necessary to accomplish the Project. The Redeveloper is purchasing the Legacy Bend Project Site.

B. Population Density

It is anticipated that the proposed Project will include the construction of: 124 Single Family Homes on Larger Lots, 51 Single Family Homes on Urban Lots, 51 Townhomes, and 224 Living Units in Multiple Dwelling Units on the Legacy Bend Project Site, which will inherently increase population density in the area. The Project will be properly platted to accommodate the increase in population density.

C. Land Coverage

In a community building effort the area will consist of: 124 Single Family Homes on Larger Lots, 51 Single Family Homes on Urban Lots, 51 Townhomes, and 224 Living Units in Multiple Dwelling Units on 80 acres of undeveloped land. The Project will comply with the applicable land-coverage ratios and zoning requirements of the City of Norfolk.

D. Traffic Flow, Street Layouts and Street Grades

It is anticipated that the Project will produce additional traffic as a result of residents travelling to and from the new homes constructed on the Project Site. The City will construct new streets that will provide access to the Apartment buildings, townhomes, and single family units constructed on the Legacy Bend Project Site. Installation of the streets in phases, will allow constructing streets as needed to alleviate any congestion that might be created by the Project.

E. Parking

Parking lots will be constructed to serve the higher density living units, the lower density living units and recreational facilities included as part of the Project. The Project will meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code and Ordinances

In order for the Redeveloper to implement the Project in phases, the Redeveloper will subdivide the Legacy Bend Project Site. The CDA and the Redeveloper acknowledge that the Legacy Bend Project Site may be subdivided incrementally in connection with construction of each phase. Redeveloper shall be responsible for any zoning, building code, or ordinance changes that are necessary for the Project. The Project will necessitate the change of the zoning classification to single family and multiple family residential zones, such as R-2, R-3, and potentially a planned development under the City of Norfolk Zoning Ordinance.

City of Norfolk, 309 N. 5th Street, Norfolk, NE 68701

RESOLUTION NO. 2017- 15

BE IT RESOLVED, by the governing body of the Community Development Agency of the City of Norfolk, Nebraska, that the Redevelopment Agreement by and between the Agency and CEB, LLC, a limited liability company, is hereby approved and the Chairperson and Secretary are hereby authorized to execute and deliver such agreement in substantially the form presented with such changes and modifications thereto as shall be deemed appropriate, based upon advice of the City Attorney or other special counsel.

PASSED AND APPROVED this _____ day of _____, 2017.

Chairman (Mayor)

(SEAL)

Secretary (City Clerk)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Josh Moenning, Chairperson, and Elizabeth Deck, Secretary, of the Community Development Agency of the City of Norfolk, Nebraska.

, Notary Public

REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (" Agreement ") is entered into the ____ day of December, 2017, by and between the Community Development Agency of the City of Norfolk, Norfolk, Nebraska (the " Agency") and CEB, LLC, a limited liability company (the "Redeveloper").

RECITALS

A. The Agency has approved a plan entitled "City of Norfolk Redevelopment Plan for the "Ballantyne Buildings" (the "Plan") for the real estate described on Exhibit "A" attached (the "Redeveloper Property"), located in the City of Norfolk, Nebraska (the " City") and which has previously been declared blighted and substandard or otherwise eligible for redevelopment by the Mayor and Council of the City of Norfolk, Nebraska. The Redeveloper Property is also sometimes referred to as the "Project Area". The Redevelopment Plan has been adopted in compliance with the Nebraska Community Development Law codified at *Neb. Rev. Stat.* §§ 18-2101 through 18-2154 (Reissue 2012) (the "Act").

B. The Agency has induced the Redeveloper to engage in certain redevelopment activities to rehabilitate multiple commercial buildings. The planned rehabilitation is significant and would be implemented over approximately one year. 405 and 407 West Norfolk contain three floors. 409 and 411 West Norfolk contains two floors. The total square feet are 27,800 of which the ground floor square footage is approximately 10,900 square feet. The first floor of each building would be converted to commercial office space, with four commercial bays created for small commercial business and/or retail space. The second floor of 405/407 West Norfolk would be revamped for commercial space. The third floor of 405/407 West Norfolk would be converted to commercial space. The second floor of 409/411 West Norfolk Avenue would be converted to two residential apartments overlooking Norfolk Avenue. Construction will begin in the spring of 2018 and the Redeveloper is not willing to incur the substantial investment necessary for redevelopment of the Project Area without the financial incentives ("Incentives") provided by the Agency to the Redeveloper in this Agreement.

C. The Redeveloper pursuant to the Plan is substantially redeveloping the former Ballantyne

Buildings located in the Project Area. The redevelopment of the Project Area will include, but not limited to (1) HVAC demolition and replacement; (2) new electrical service; (3) roof and energy enhancements; (4) emergency lighting; (5) new façade; (6) new energy efficient window and door replacement; and (7) updates to meet ADA and UFAS code (collectively the "Redevelopment Project").

D. *Neb. Rev. Stat. § 18-2103(12)* (Reissue 2012) authorizes the Agency to carry out plans for redevelopment of blighted and substandard areas in connection with redevelopment of the Project Area and to pay for all or a portion of the same from TIF Bond Proceeds (as defined below)

E. *Neb. Rev. Stat. § 18-2107* (Reissue 2012) authorizes the Agency to enter into contracts with redevelopers of property containing covenants and conditions regarding the use of such property as the Agency may deem necessary to prevent the recurrence of substandard and blighted areas.

F. In order to help remove blight and substandard conditions and improve conditions in an economically underutilized area, the Agency is willing to enter into this agreement and to make a grant or grants to the Redeveloper to be used to reimburse the Redeveloper for all or a portion of the eligible costs incurred by Redeveloper and identified in Exhibit " B" (the "Redeveloper Project Costs"). The Agency and Redeveloper agree that such assistance is deemed essential to the redevelopment of the Project Area.

G. The Plan contains a provision dividing any ad valorem tax levied upon real property in the Project Area, for the benefit of any public body, for a period not to exceed fifteen (15) years after the effective date of the provision as provided for in *Neb. Rev. Stat. § 18-2147 et seq.* (Reissue 2012).

H. *Neb. Rev. Stat. § 18-2107* (Reissue 2012) and *§ 18-2150* (Reissue 2012) authorize the Agency to provide grants to private parties in order to accomplish rehabilitation or redevelopment of the Project Area in accordance with the Plan. In order to make a grant or grants to the Redeveloper, the Agency intends to issue tax increment financing indebtedness instrument or instruments in taxable series (collectively "TIF Bond") to be repaid with the tax increment revenues generated hereunder.

I. The Agency and Redeveloper enter into this Agreement to implement the Redevelopment Project for the above purposes and in accordance with the Plan.

J. The Agency and Redeveloper agree that the redevelopment of the Project Area is in the vital and best interest of the City and is in furtherance of the health, safety, and welfare of its residents, and is in accordance with the public purposes and provisions of applicable laws and requirements under which the Redevelopment Plan has been undertaken.

In consideration of the above recitals which are made part of this Agreement and of the mutual covenants of this Agreement the parties agree:

ARTICLE I. ABILITY; REPRESENTATIONS AND WARRANTIES

Section 101. Evidence of Redeveloper's Financial Ability

A. Evidence of Redeveloper's Financial Ability. Redeveloper shall, more than thirty days (30) days prior to starting renovation and rehabilitation in the Project Area, state the amount and source of liquid assets on hand and the amount and source of debt financing which has been obtained or irrevocably committed to Redeveloper (or its affiliate) in connection with the Redevelopment Project. Such information shall be provided in a form satisfactory to the Finance Director of the City. Evidence of loan commitments shall include all the documents evidencing the loan commitment, and acceptance by the borrower, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance and the loan. To the extent allowed by law, the Agency and City agree to keep the information confidential.

B. Timely Submittal of Evidence. Timely submittal of financial information required in subsection A above in a form satisfactory to the Finance Director of the City shall be a condition precedent to the requirement of the Agency and City to proceed with its obligations under this Agreement.

102. Representations, Warranties and Covenants or Redeveloper.

Redeveloper represents and warrants:

A. Redeveloper, a Nebraska limited liability company which is authorized and qualified to transact business in the State of Nebraska, is not in violation of any provisions of its articles or operating agreement, is authorized to enter into and perform its obligations under this Agreement and, to the best knowledge of the Redeveloper, is not in violation of the laws of the State of Nebraska.

B. Throughout the term of this Agreement, Redeveloper will reasonably endeavor to acquire, rehabilitate, operate and maintain the Redevelopment Project in accordance with the terms of this Agreement and all applicable local, state and federal laws and regulations.

C. The Redevelopment Project shall be completed by the Redeveloper at an estimated cost of One Million One Hundred Eighty One Thousand Nine Hundred Fifteen Dollars (\$1,181,915).

D. Redeveloper has received no notice or communication 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 (including without limitation environmental, zoning, building code and public health laws and regulations).

Throughout the term of this Agreement and subject to the provisions of Section 713 of this Agreement, in the event of any casualty damage to the Redevelopment Project, as and to the extent owned by Redeveloper, if Redeveloper fails to repair and reconstruct such damaged portion or portions of the Redevelopment Project to a functioning facility having value for purposes of real property taxation at least equal to the value as most recently determined prior to the event or events of casualty loss, (a) in the event the Redeveloper is the owner of the TIF Bond, any remaining TIF Tax Revenues (defined below) shall be forfeited and the TIF Bond shall be cancelled and forgiven or (b) if the TIF Bond is held by a party other than the Redeveloper, the Redeveloper will pay to such holder of the TIF Bond the necessary amount to retire the TIF Bond in full (including interest).

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 all requirements of all applicable local, state and federal laws and regulations which must be met for the Redevelopment Project to be lawfully constructed, occupied or operated.

F. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of or compliance with the terms and conditions of this Agreement are

not prevented, limited or in conflict with (i) 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) any past, pending or threatened litigation, court order, or administrative proceeding, by which Redeveloper is or might become bound.

G. The Redeveloper is not aware of any hazardous waste or other significant environmental pollution condition or hazard existing on or within the Project Area, except as described in the Plan or as set forth in the Blight and Substandard Determination Study relating to the Project Area.

H. The 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 grant monies, if any, and costs to be paid from the issuance of the Bonds. All costs of the Redevelopment Project, other than those costs which are to be provided for by the Agency shall be paid in full and there are and shall be no construction liens unpaid against the Redevelopment Project. Redeveloper agrees to provide for the construction of improvements located in the Project Area described in the Plan or as described in this Agreement, except to the extent that the Agency or the City of Norfolk, Nebraska shall agree otherwise by separate written agreement with the Redeveloper.

I. Redeveloper has made an economic and financial analysis of the Redevelopment Project and has specifically represented to the City and Agency that:

(i) the Redevelopment Project would not be economically feasible without the use of tax-increment financing and Redeveloper would not undertake the Redevelopment Project without tax-increment financing; and

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

J. No construction liens have been recorded with respect to the Redeveloper Property under the terms of the Nebraska Construction Lien Act, Neb. Rev. Stat. §§ 52-125 through 52-159 (the "Construction Lien Act") and the Redeveloper is not aware of any claims which as of the date of this Agreement can be expected to give rise to a construction lien under the Construction Lien Act. The

Redeveloper has purchased the Redeveloper Property and agrees it will not execute or deliver any notice of commencement under Neb. Rev. Stat. § 52-145, if any, until after the memorandum of this Agreement has been recorded in accordance with Section 301 hereof.

K. The Redeveloper certifies that (i) it does intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for a project located or to be located within the redevelopment project area for a total amount of up to \$10,000; (ii) that the Redeveloper will not seek a refund of the City's local option sales tax revenue; and (iii) no application has been approved under the Nebraska Advantage Act related to the project.

ARTICLE II. TIF TAX AGREEMENT

201. Grant of Funds from TIF Bond Proceeds. In order to support redevelopment of the Project Area, the Agency agrees, to the extent allowed by law and the terms of this Agreement, and then only to the extent funds are lawfully available from the issuance of the TIF Bond and receipt of proceeds from the sale ("TIF Bond Proceeds") to make a grant or grants to reimburse Redeveloper for all or a portion of those eligible costs and expenses incurred by Redeveloper to construct the Redevelopment Project, an estimate of which is provided in Exhibit "B". The TIF Bond shall be issued and funds granted on or about January 2019.

202. TIF

A. **TIF Tax Revenues.** In accordance with Section 18-2147 of the Act, the Agency hereby provides that any ad valorem tax on any real property in the Project Area for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as set forth in this section ("TIF Tax Revenues"). The effective date of this provision shall be set by the resolution of the Agency authorizing the issuance of the TIF Bond (the "Bond Resolution"). The ad valorem taxes shall be divided as follows:

- (i) That portion of the ad valorem tax on the real property in the Project

Area which is produced by levy at the rate fixed each year by or for each public body upon the "redevelopment project valuation" (as defined in the Act, hereinafter the "Redevelopment Project Valuation") shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies.

(ii) That portion of the ad valorem tax on the real property in the Project Area in excess of such Redevelopment Project Valuation, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Agency to pay the principal of, the interest on, and any premium due in connection with the TIF Bond, whether funded, refunded, assumed, or otherwise. When such TIF Bond, including interest and premium due, have been paid, the Agency shall so notify the County Assessor and County Treasurer and thereafter all ad valorem taxes upon real property in such Project Area shall be paid into the funds of the respective public bodies.

(iii) Upon request of the Redeveloper, the Agency shall give notice of division of taxes to the County Assessor as provided in Section 18-2147 of the Act.

B. **Issuance of TIF Indebtedness; Closing.** At the Closing (as defined below), the Agency shall issue a TIF Bond in an aggregate principal amount not to exceed the sum of \$143,290 and bearing interest from and after the date of issue at a rate of Six Percent (6.0%). Subject to the conditions set forth in Section 202.C below, the Agency shall issue the TIF Bond as and when determined appropriate by the Agency and at a time mutually agreed upon by the Redeveloper, but in no event earlier than thirty (30) days following the Agency's approval of the Bond Resolution (the "Closing"). The Closing shall be expressly subject to the conditions set forth in Section 202.C below.

The Agency shall have no obligation to find a lender or investor to acquire the TIF Bond, but rather shall issue the Bond to or to the order of Redeveloper upon payment of the principal amount thereof. The Redeveloper agrees to either purchase the TIF Bond at a price equal to the principal amount thereof or to find a purchaser for such Bond upon terms and conditions acceptable to the Agency. Neither the Agency nor the City shall have any obligation to provide for the sale of the TIF Bond. It is the sole responsibility of the Redeveloper to effect the sale of the TIF Bond by purchasing the bond, or arranging for the purchase, in accordance with the terms of this Agreement and otherwise in accordance with applicable law. Any such sale or placement of the TIF 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. Any such purchaser shall provide

to the Agency an investment letter setting forth the understanding as to purchase for investment and not for any further distribution, and in a form and substance satisfactory to the Agency.

Subject to the foregoing, it is anticipated that the TIF Bond shall be purchased by the Redeveloper or the Redeveloper's lender ("TIF Bond Purchaser ") and the Agency shall receive TIF Proceeds from the TIF Bond Purchaser to be deposited into an Agency account for payment of the Agency's TIF Bond cost of issuance and reimbursement. The grant made to the Redeveloper shall be made solely from the proceeds received from the TIF Bond Purchaser from the receipt of proceeds of the TIF Bond as issued for the Redeveloper Project Costs, provided that, as of such time, the Redeveloper has furnished evidence of the Redeveloper Project Costs satisfactory to the Agency. The total dollar amount of the TIF Bond shall be determined prior to its issuance based on the estimated amount of the tax increment to be generated on the Redeveloper Property as part of the Redevelopment Project, based upon the estimated taxable valuation of such property, which is expected to have an estimated taxable valuation of \$846,019. Notwithstanding the foregoing, the amount of the grant shall not exceed the amount of Redeveloper Project Costs certified pursuant to Section 202.C below, less any such costs that may have previously been reimbursed by the City and/or Agency.

Redeveloper acknowledges that interest on the TIF Bond may be includable in gross income for federal income tax purposes and subject to Nebraska state income taxation.

C. **Conditions to Issuance of TIF Bond.** The TIF Bond will not be issued until Redeveloper has:

- (i) acquired fee title to the Project Area;
- (ii) provided the Agency with a certification of Redeveloper Project Costs, prepared by an engineer or certified public accountant acceptable to the Agency, which shall contain detail and documentation showing the obligation for payment of Redevelopment Project Costs specified on the attached Exhibit B in an amount at least equal to the grant to be made to Redeveloper as provided herein;
- (iii) provided assurance to the Agency and the City that it has paid or will pay for all costs of the Redevelopment Project, including (a) a guarantee of the payment for all amounts due to each person, as defined in Neb. Rev. Stat. § 49-801, that performed labor or furnished materials, equipment or supplies used in connection with the Redevelopment Project; and (b) evidence that all such persons have been paid and given lien waivers in exchange for payment; and
- (iv) Redeveloper has certified or otherwise demonstrated that it is in compliance with the terms of this Agreement.

203. Use of TIF Bond Proceeds. TIF Bond Proceeds shall be used for and expended in the following priority:

FIRST PRIORITY: Reimburse the City for the cost of issuing the TIF Bond, including but not limited to bond counsel fees.

SECOND PRIORITY: Payment of grant or grants to reimburse Redeveloper for its Redeveloper Project Cost. The Agency and City shall not have any obligation to make a grant or grants to reimburse the Redeveloper for the Redeveloper Project Costs in excess of the available TIF Bond Proceeds as described above. Redeveloper shall use its own funds to fund any Redeveloper Project Costs and other related costs that exceed the TIF Bond Proceeds that are lawfully available and granted to the Redeveloper hereunder. The funds granted to Redeveloper are restricted and earmarked solely for the reimbursement of eligible Redeveloper Project Costs as shown on Exhibit B and adjusted upon certification to the Agency as provided herein, and the Redeveloper does not have discretionary judgment over the applications of said grant funds.

204. Valuation of the Redeveloper Property. The Agency intends to use the Bond Resolution to generate tax increment financing funds which shall be used to finance the issuance of the TIF Bond and to make the grant or grants to Redeveloper in accordance with this Agreement. The tax increment is to be derived from the increased valuation, determined in the manner provided for in Article 8, Section 12 of the Constitution of the State of Nebraska and the Act which will be attributable to the redevelopment contemplated under this Agreement. The TIF Tax Revenues which are to be used to pay debt service on the TIF Bond will be derived from the increased valuation from redeveloping the Redeveloper Property as provided in this Agreement. Redeveloper agrees not to contest any taxable valuation assessed for the Redeveloper Property thereon which do not exceed \$846,019 commencing tax year 2020 and continuing for a period of not to exceed fifteen (15) years after the effective date of this Agreement or so long as any portion of the TIF Bond with respect to the Redevelopment Project remains outstanding and unpaid, whichever period of time is shorter.

205. Debt Service for TIF Indebtedness. The Agency shall, to the extent allowed by law, and then only to the extent funds are lawfully available from TIF Tax Revenues, pay the TIF Bond Purchaser the principal of the TIF Bond with interest as provided in the TIF Bond Resolution at a rate of six percent (6.0%)

per annum. Any debt service on the TIF Bond (including interest) to be paid from TIF Tax Revenues shall not constitute a general obligation or debt of the City or the Agency; and the Agency shall be liable for the payment thereof only out of said portion of taxes as described in Section 202 of this Agreement. The TIF Bond shall not constitute an obligation of the State of Nebraska or of the City or Agency (except for such receipts as have been pledged pursuant to Section 18-2150 of the Act) and, neither the State or Nebraska nor the City or Agency 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 pursuant to Section 18-2150 of the Act and except for any additional security or payment source as may be provided for in the Bond Resolution). Any excess TIF Tax Revenues resulting from the Tax Increment Provision on the Redeveloper Property not needed or required to retire the TIF Bond shall be expended by the City or returned to the applicable taxing authorities as provided in the Act. Any shortfall in anticipated TIF Tax Revenues from the Tax Increment Provision for any reason whatsoever, specifically including a decline in taxable valuation of the Redeveloper Property, shall be borne entirely by the Redeveloper and TIF Bond Purchaser without recourse of any kind against the City or the Agency.

206. Tax Increment Deficiency on TIF Bond.

A. Redeveloper Purchased TIF Bond. The Redeveloper agrees and acknowledges that the Agency's obligations to pay principal and interest on the TIF Bond shall be limited to the annual TIF Tax Revenues received by the Agency. If the Redeveloper purchases the TIF Bond, any shortfall in the annual TIF Tax Revenues for any reason whatsoever, specifically including a decline in taxable valuation of the Redeveloper Property, shall be borne entirely by the Redeveloper without recourse of any kind against the City or the Agency. In the event the TIF Bond is not retired in full at the end of the Tax Increment Period, any remaining balance due on the TIF Bond shall be forgiven.

B. Lender Purchased TIF Bond. As noted above, any such lender shall sign an investor letter which shall also include an acknowledgement that the Agency's obligations to pay principal and interest on the TIF Bond shall be limited to the annual TIF Tax Revenues received by the Agency. If

Redeveloper's lender purchases the TIF Bond, any shortfall in the annual TIF Tax Revenues for any reason whatsoever, specifically including a decline in taxable valuation of the Redeveloper Property, shall be borne entirely by the Redeveloper and/or other TIF Bond Purchaser without recourse of any kind against the City or the Agency.

207. Condemnation. If during the Tax Increment Period, all or any portion of the Redeveloper Property is condemned by a condemning authority other than the City of Norfolk or the Agency, and the condemning authority or its successor in interest would not be obligated to pay real estate taxes upon that portion condemned, the City and/or the Agency shall be entitled to claim against the Condemner an interest in the property equal to the present value of the pro rata share of TIF Indebtedness outstanding as of the date of taking.

208. Restriction on Transfer. Redeveloper will not, for a period of fifteen (15) years after the Effective Date, or so long as the tax increment indebtedness remains outstanding, whichever period of time is shorter (the "Tax Increment Period"), convey the Project Area or any part thereof to any entity which would result in the underlying real estate being exempt from ad valorem taxes levied by the State of Nebraska or any of its subdivisions or subsidiaries or otherwise cause the nonpayment of such real estate taxes.

209. Agreement to Pay Taxes. Redeveloper agrees to pay all real property taxes levied upon the Redeveloper Property prior to the time such taxes become delinquent. This contractual obligation to pay such taxes prior to delinquency on the part of the Redeveloper shall cease upon expiration of the Tax Increment Period, but the Agency in no way waives the statutory obligation of Redeveloper to continue to pay real estate taxes. Redeveloper does not waive its right to protest or contest the valuation of such Redeveloper Property for tax purposes except as specifically provided in this Agreement.

210. Agency Costs. The Redeveloper shall reimburse the Agency and City for reasonable legal fees and costs incurred by the City or the Agency in connection with the issuance of the TIF Bond; provided that such fees and costs shall not exceed \$4,000. Such fees shall be payable in two equal

installments following the execution of agreement between the Agency and Redeveloper and the issuance of the Bond, respectively.

211. No Discrimination. The Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement 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 Project. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

ARTICLE III. COVENANTS TO RUN WITH THE LAND

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

This Redevelopment Agreement shall constitute covenants running with the land binding upon Redeveloper and the Agency and their successors in interest and upon each successive owner of the Redevelopment Project Area or any portion thereof. The Redeveloper agrees that by the terms of this Agreement it is binding and obligating any and all of its interest in the Redeveloper Property, now or hereafter acquired, and covenants and warrants for the benefit of the Agency and the registered owners of the TIF Bond that the Redeveloper shall defend its interest in the Redeveloper Property against the claims and interests of any and all persons. Redeveloper and the Agency agree and acknowledge that a memorandum of this Agreement shall be recorded at the expense of the Agency against the Redeveloper Property in the office of the Madison County Register of Deeds and shall remain of record until the TIF Bond has been paid in full or until the passage of 15 years from the Effective Date described in Section 715. To the extent that this Agreement does not have priority by order of recording over each and every mortgage or other instrument securing indebtedness of the Redeveloper, Redeveloper agrees to obtain a written agreement in recordable form from each mortgagee or other encumbrancer having priority, which subordinates, acknowledges and agrees to the terms of this Agreement. Redeveloper agrees to provide the Agency with a title report or other evidence as to the status of title to the Redeveloper Property after the recording of the memorandum of this Agreement and before the issuance of the TIF

Bond. After the TIF Bond has been paid in full or expiration of the fifteen (15) years after the Effective Date of this Agreement, whichever is earlier, Redeveloper or any successor in interest of the 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 Agreement. 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 Agreement.

ARTICLE IV. INSURANCE

401. Construction Period. During the construction period, Redeveloper shall keep the Redeveloper Property, including completed operations insured against loss or damage by fire, and such other risks, casualties, and hazards as are customarily covered by builders' risk or extended coverage policies in an amount not less than the replacement value, but allowing for reasonable coinsurance clauses and deductibles. In the event of any insured damage or destruction, Redeveloper agrees to use its good faith efforts to recommence construction to its prior condition within nine (9) months from the date of the damage or destruction, and shall diligently pursue the same to completion. Upon written demand by Agency, Redeveloper shall provide a certificate of insurance evidencing said coverage within a commercially reasonable period of time.

402. Tax Increment Period. During the tax increment period, Redeveloper shall include by restrictive covenant an enforceable obligation on the Redeveloper or other owner to maintain property insurance on an extended coverage all-risk basis in an amount not less than the replacement value, allowing for reasonable coinsurance clauses and deductibles and also subject to the Redeveloper or other owner or tenant's obligation to use good faith efforts to commence restoration of the private improvements to its prior condition within nine (9) months from the date of the damage or destruction, diligently pursuing the same to completion. Upon written demand by Agency, Redeveloper shall provide a certificate of insurance evidencing said coverage within a commercially reasonable period of time.

ARTICLE V. DEFAULT AND REMEDIES UPON DEFAULT

501. 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. Events of Default. The following shall constitute "Events of Default" under the terms of this 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 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 under any other statutory or contractual obligation 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 of the Redevelopment Project; or

(iv) the 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 the Redeveloper or any part of its property or commences any proceeding related to the 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 the Redeveloper any such proceedings and the 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 the Redeveloper or any part of its property or suffers any such receivership or trusteeship.

B. Remedies. If 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 (i) may suspend its performance under this Agreement, including an order to the City Treasurer or any other appropriate officer to suspend contracting for public improvements or disbursement of monies for costs of public improvements or other improvements until receiving assurances from Redeveloper or Agency, deemed adequate by the Agency, that Redeveloper or Agency has cured the default and will continue performance under this

Redevelopment Agreement and (ii) 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.

C. Specific Performance. Redeveloper acknowledges and agrees that the Agency or any registered owner of any Bond outstanding under the Resolution shall each be entitled to specific performance and injunction or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding the availability of an adequate remedy at law and Redeveloper hereby waives the right to raise such defense in any proceeding equity.

D. Remedies Cumulative. No remedy herein conferred upon or reserved to the Agency or the registered owner of any of the Bonds 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 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.

E. Non-Waiver. If any provision of this Agreement should be breached by any Party or beneficiary and hereafter waived by any other Party or beneficiary, 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.

ARTICLE VI. SECURITY

601. Bonds.

A. Penal Bond. Pursuant to *Neb. Rev. Stat. §§ 18-2151* (Reissue 2012), Redeveloper shall furnish or cause to be furnished to the City a penal bond with good and sufficient surety in the amount of the payment costs. With respect to private improvements, the Agency finds that a penal bond executed

by the Redeveloper or the Redeveloper and any other affiliate of Redeveloper providing evidence of Redeveloper's financial ability as provided in Section 101 hereof shall constitute good and sufficient surety.

B. Payment Bond. Pursuant to *Neb. Rev. Stat. § 52-118*, Redeveloper shall submit proof to the City that Redeveloper's general contractor or applicable subcontractor has furnished Redeveloper with a payment bond or bonds with a corporate surety company in a sum not less than the contract price for public improvements to the water main, sewer main, and storm sewer system which are located in the public right-of-way, *if any*, (hereinafter collectively referred to as the "Right of Way Improvements"). Such bonds shall be conditioned upon the Redeveloper at all times making payment of all amounts lawfully due to each person, as defined in *Neb. Rev. Stat. §49-801* (Reissue 2012), that performed labor or furnished materials, equipment or supplies used in the prosecution of the Right of Way Improvements.

C. Indemnification. Redeveloper agrees to indemnify and hold both the Agency and the City harmless to the extent of any payments in connection with carrying out construction of the private improvements the Agency and/or City may be required to make for failure of Redeveloper or its contractor to make payments of all amounts lawfully due to each person, as defined in *Neb. Rev. Stat. § 49-801*, that performed labor or furnished materials, equipment or supplies used in construction of such improvements.

ARTICLE VII. MISCELLANEOUS

701. Release and Indemnification. The Agency and its governing body, officers, agents (including independent contractors), consultants, legal counsel, servants, and employees are, for purposes of this Section, the "Indemnified Parties." Redeveloper releases, and agrees to hold the Indemnified Parties harmless from liability for any loss or damage to property, or personal injury to or death of any person resulting from any work or other legal activity on the Redeveloper Property, or from any defect in

the Redevelopment Project.

702. 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 the Redeveloper for any purpose whatsoever and the undertakings and agreements on the part of the Agency 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. The Redeveloper or its successors and assignees are and shall remain in control of the Redevelopment Project for all purposes, except that the City of Norfolk 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.

703. Indemnity. The Redeveloper hereby agrees to indemnify and save the Agency harmless for any payment or liability to which the Agency may become subject for carrying out of any contract entered into by the Redeveloper with respect to the Redevelopment Project. The Redeveloper agrees to provide to the Agency evidence that there is in effect a bond for the payment costs as required under *Neb. Rev. Stat. § 18-2151 (2012)*.

704. Additional Parties Added as Redeveloper. Additional parties or entities may be admitted to and included within the meaning of the term "Redeveloper" by amending this Agreement in writing.

705. Agreement Binding Upon Successors and Assigns. This Agreement is made for the benefit of the Redeveloper, the Agency and the registered owners from time to time of the TIF Bond as third party beneficiaries. This Agreement shall be binding upon the Agency and Redeveloper, and their respective successors in interest. With the prior written consent of the Agency, the Redeveloper may assign its interest in the Redevelopment Project, in whole or in part, provided that the assignee (the "Assignee") agrees by written instrument duly acknowledged and in recordable form, to be bound by the terms of the Plan and this Redevelopment Agreement. Such consent shall not be unreasonably withheld by the Agency. If Redeveloper assigns its rights and obligations under this Redevelopment Agreement, in whole or in part, to any assignee, the 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 the 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 Madison County with respect to the Redeveloper Property.

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

707. Notices. Except as otherwise specified, all notices shall be in writing and shall be given by United States mail or by other telecommunication device capable of creating a written record of the notice and its receipt. Notices hereunder shall be addressed:

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

CEB, LLC
125 South 4th Street
Norfolk, NE 68701

- (b) in the case of Agency, if mailed to or delivered personally to: The Community Development Agency at Offices of the City of Norfolk, 309 North 5th Street, Norfolk, Nebraska 68701, Attention City Treasurer.

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 as either party may, from time to time, designate in writing and forward to the other as provided in this Section.

708. Severability. If any provision of this 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 inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases,

sentences, clauses, sections or paragraphs of this Agreement shall not affect the remaining portions of this Agreement.

709. Law Governing. This Agreement shall be governed and construed in accordance with the laws of Nebraska.

710. Time of the Essence. Time shall be of the essence of this Agreement.

711. Termination. This Agreement shall commence as of the date first above written and shall terminate fifteen (15) years after the effective date set forth in the Bond Resolution.

712. Force Majeure Event. Neither the Redeveloper nor the Agency shall be considered in breach or default under this Agreement in the event of delay in the performance due to unforeseeable causes beyond its control and without its fault or negligence, caused by a Force Majeure Event. Force Majeure Event is defined as any failure or delay in performance 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 delay, the time or times for performance of the obligations of the Redeveloper or the Agency, as the case may be, shall be extended for the period of the delay as determined by the mutual agreement of the Redeveloper and the Agency; provided, that the Redeveloper or the Agency, as the case may be, shall, within twenty (20) days after the beginning of any such enforced delay, have notified the Redeveloper or the Agency (as applicable) in writing of the cause, and requested an extension for the period of the enforced delay.

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

714. Effective Date of Ad Valorem Tax Provision. The Effective Date of the ad valorem tax provision for the Redevelopment Project shall be established by the Bond Resolution, but is

expected to be January 1, 2019, ("Effective Date"); with the taxable base for purposes of this Agreement anticipated to be the valuation as of January 1, 2018 . The Agency will deliver written notice to the County Assessor on or before August 1st of the year in which the Effective Date occurs to divide the property taxes in the Project Area and use the last certified valuation to divide the taxes for the remaining portion of the fifteen (15) year period as described in Section 18-2147 of the Act.

715. Conditions Precedent for Enforcement of Provisions. The terms and conditions of this Redevelopment Agreement shall be null and void and no longer enforceable in the event that the Redeveloper fails to provide proof of title to the Redevelopment Property by January 1, 2019, and provide the information required in Section 101 A of this agreement.

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

SIGNATURE PAGE TO FOLLOW

REDEVELOPER

CEB, LLC

By: _____
Its Managing Member

Community Development Agency of the City of Norfolk, Nebraska.

Joshua Moenning, Chairman

Elizabeth Deck, Secretary

STATE OF NEBRASKA)
)ss
COUNTY OF MADISON)

Subscribed and sworn to before me by _____, Managing
Member of CEB, LLC on behalf of the limited liability company, on this ____ day of December, 2017.

Notary Public

STATE OF NEBRASKA)
) ss
COUNTY OF MADISON)

The foregoing instrument was acknowledged before me this _____ day of December, 2017, by Joshua Moenning and Elizabeth Deck, Chairman and Secretary, respectively, of the Community Development Agency of the City of Norfolk, Nebraska, on behalf of the Agency.

Notary Public

Exhibit "A"

Legal Description of the Redeveloper Property

East 21.5 feet of Lot 3, Burrows and Egberts Addition, City of Norfolk, Madison County, Nebraska, commonly known as 405 West Norfolk Avenue;

West 2 feet 10 inches of Lot 3, Burrows and Egberts Addition, City of Norfolk, Madison County, Nebraska commonly known as 407 West Norfolk Avenue;

Lot 1, Pilgers Addition City of Norfolk, Madison County, Nebraska commonly known as 407 West Norfolk Avenue;

Lot 2 Pilgers Addition City of Norfolk, Madison County, Nebraska, commonly known as 409 West Norfolk Avenue;

Lot 3 Pilgers Addition City of Norfolk, Madison County, Nebraska, commonly known as 411 West Norfolk Avenue.

Exhibit "B"
Sources and Uses of TIF Funds

	<u>TIF Bond Proceeds</u>	<u>Redeveloper Funds</u>
Exterior Façade	\$122,640	\$ 0
Windows and doors	\$ 16,650	\$ 34,332
Balance of Rehabilitation	<u>\$ 0</u>	<u>\$1,004,293</u>
TOTAL IMPROVEMENTS	\$139,290	\$1,038,625
TIF related professional fees	<u>\$ 4,000</u>	<u>\$ 0</u>
GRAND TOTALS	<u>\$143,290</u>	<u>\$1,038,625</u>

TIF Grant not to exceed \$143,290. Category totals will be adjusted to actual expenses certified to Agency.