

Agenda Packet

COMMUNITY DEVELOPMENT AGENCY

Monday, July 03, 2017
5:15 p.m.

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Notice of Meeting
Community Development Agency

The Community Development Agency will meet on Monday, July 03, 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 (June 30, 2017)
1 P.O.P.

COMMUNITY DEVELOPMENT AGENCY

AGENDA

July 03, 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 June 22, 2017 Agency meeting. | Motion |
| 6. Consideration of Resolution No. 2017-8 recommending approval of the Fountain Point Redevelopment Plan and forwarding to the City Council. | Resolution 2017-8 |
| 7. Consideration of acceptance of the Redevelopment Plan for Medelman Lake Redevelopment Area of the City of Norfolk, Nebraska and authorization to forward to the Planning Commission for recommendation. | Motion |

STAFF MEMORANDUM
COMMUNITY DEVELOPMENT AGENCY

July 03, 2017

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3. Roll Call

Action Items/Discussion Items

- | | |
|---|---------------|
| 4. Approve Agenda | Motion |
| 5. Approve the minutes of the June 22, 2017 Agency meeting. | Motion |

See Enclosure 5.

- | | |
|--|--------------------------|
| 6. Consideration of Resolution No. 2017-8 recommending approval of the Fountain Point Redevelopment Plan and forwarding to the City Council. | Resolution 2017-8 |
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On June 5th, 2017, the Agency accepted the Fountain Point Redevelopment Plan and forwarded it to the Planning Commission for recommendation. On June 20th, 2017, the Planning Commission reviewed the Plan and recommended approval. Subsequent to this approval; 25 housing units were added to the plan along with a clubhouse. This modified plan will be considered for ratification at the July 5th Planning Commission meeting prior to the plan being considered by the City Council on July 17th.

See Enclosure 6.

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| 7. Consideration of acceptance of the Redevelopment Plan for Medelman Lake Redevelopment Area of the City of Norfolk, Nebraska and authorization to forward to the Planning Commission for recommendation. | Motion |
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City staff received a Redevelopment Plan for the Medelman Lake Redevelopment Area. The Community Development Agency is asked to accept the plan and forward to the Planning Commission for review and recommendation.

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 Thursday, June 22, 2017, beginning at 5:15 p.m.

Chair Josh Moenning called the meeting to order.

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

City staff members present were City Administrator Andy Colvin, City Attorney Clint Schukei, City Clerk Beth Deck and Finance Officer Randy Gates.

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

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

Minutes

June 5, 2017

Murren moved, seconded by Granquist to approve the minutes of the June 5, 2017 Agency meeting as printed. Roll call: Ayes: Clausen, Granquist, Jackson, Lange, Moenning, Murren, and Pfeil. Nays: None. Absent: Fauss and Merrill. Motion carried.

Assignment

(Meadow Ridge Phase II Redevelopment Contract)

Granquist moved, seconded by Pfeil to approve an Assignment of the Meadow Ridge Phase II Redevelopment Contract to Whitecliff Development, Inc.

Colvin provided information to Agency members. Whitecliff Development is under contract to purchase land from the McIntosh Family. The land is located along East and West Meadow Ridge Road. The parties plan to close on the property on or before July 1, 2017 and this assigns the redevelopment contract to Whitecliff for Phase II of the project.

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

Addendum to Redevelopment Contract
(Meadow Ridge Phase II)

Granquist moved, seconded by Lange, to approve an Addendum to the Meadow Ridge Phase II Redevelopment Contract.

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

There being no further business, the Chair declared the meeting adjourned at 5:19 p.m.

Josh Moenning, Chair

ATTEST:

Elizabeth A. Deck, Secretary

(S E A L)

June 20, 2017

Dear Members of the Community Development Agency:

The Norfolk Planning Commission reviewed the Fountain Point Redevelopment Plan, located at the southwest corner of 37th Street and Highway 275, on June 20, 2017, as it pertains to the City of Norfolk zoning code and Comprehensive Plan.

The redevelopment plan identifies two redevelopment projects that will occur, which will necessitate the change of zoning classification to multiple family and/or commercial zones and describes the first phase of each project.

The Planning Commission recommends approval of the Redevelopment Plan for Fountain Point with an 8-0 vote.

Sincerely,



Brian Lundy, Chair
Norfolk Planning Commission

RESOLUTION NO. 2017- 8

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 the Fountain Point Redevelopment Area" (the "Plan"); that the Plan has been recommended and approved by the Planning Commission of the City of Norfolk in substantially the same form, but has been modified to include twenty-five additional dwelling units and clubhouse; 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 as modified and, subject to such approval, hereby adopts the Plan.

PASSED AND APPROVED this _____ day of _____, 2017.

Josh Moenning, Chairman (Mayor)

ATTEST:

Elizabeth A Deck, Secretary (City Clerk)

(SEAL)

Approved as to form: _____
Clint Schukei, City Attorney

**REDEVELOPMENT PLAN
FOR FOUNTAIN POINT REDEVELOPMENT AREA
OF THE CITY OF NORFOLK, NEBRASKA**

I. GENERAL REDEVELOPMENT PLAN

A. Introduction

This Redevelopment Plan for the Fountain Point Redevelopment Area of the City of Norfolk, Nebraska ("Redevelopment Plan") is a guide for redevelopment activities undertaken in the Fountain Point 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 real property included in the redevelopment area and the boundaries of the redevelopment area subject to this Redevelopment Plan are generally described as follows:

37th Street on the East; U.S. Highway 275 on the North; and 40th Avenue on the West.

The Redevelopment Area is a part of the West Highway 275 Redevelopment Area, which was declared blighted and substandard by the City Council by Resolution No. 2016-52, dated October 17, 2016, and based upon, inter alia, a Blight and Substandard Determination Study prepared by Northeast Nebraska Economic Development District dated September 28, 2016. 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 Highway 275 Corridor, in which the Redevelopment Area is located. The “Development Area Guidelines” indicate that the Highway 275 Corridor is intended to provide a mix of development patterns, and provides a framework for residential and commercial development in the area. This Redevelopment Plan is consistent with the Comprehensive Plan in that it promotes development of mixed commercial and residential uses in the Highway 275 Corridor.

A map showing the existing uses of the real property in and around the City, including the Fountain Point 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 Fountain Point 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 Fountain Point Redevelopment Area should be developed for commercial use and mixed commerce reserve.

E. Project Specific Requirements

This Redevelopment Plan envisions the phased implementation of redevelopment projects that will occur in the Fountain Point Redevelopment Area in order 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 information for each such, as required by the Act: (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 two redevelopment projects that will occur in the Fountain Point Redevelopment Area, and describes the first phase of each such 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, such phase may be considered a minor modification to this Redevelopment Plan.

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 Fountain Point 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 Fountain Point 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.

G. Conclusion

The Fountain Point 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. FOUNTAIN POINT NORTH REDEVELOPMENT PROJECT

A. The Project Site

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

The Fountain Point North Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Fountain Point North Project Site, and specifically, the Fountain Point North 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. In this consideration, the CDA finds that such redevelopment of the 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 Fountain Point North Project Site generally consists of vacant, underdeveloped land located in the Fountain Point Redevelopment Area. The blighted condition of the Fountain Point North Project Site and the lack of adequate utilities and infrastructure to serve the Fountain Point North Project Site contribute to its inability to attract development. The location of the Fountain Point North Project Site along Highway 275, a principle roadway in the City of Norfolk, makes it an ideal site for commercial development, but the initial upfront costs associated with necessary infrastructure makes development of the Fountain Point North

Project Site not feasible. The redevelopment of the Fountain Point North 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

Fountain Point, LLC (the “Redeveloper”) proposes to redevelop the Fountain Point North Project Site into commercial and residential uses, as depicted on the proposed site plan for the Project attached hereto as Exhibit “E”. The proposed site plan is conceptual in nature and is subject to revision based on changes in community needs, budgetary constraints, physical conditions, and other factors, but the site plan presents the Redeveloper’s overall vision for the Project.

As reflected on the site plan, the Redeveloper intends to subdivide the Fountain Point North Project Site into 4 separate lots ranging in size from approximately 3.6 acres to approximately 9.4 acres. The Redeveloper anticipates that the private improvements constructed as part of the Project will consist of: (a) the construction of an approximately 70,000 to 80,000 square foot office building and associated improvements on the approximately 9.4 acre lot identified on the site plan as Lot 1; (b) construction of an approximately 87 unit senior living facility and associated improvements on the approximately 5 acre lot identified on the site plan as Lot 3; and (c) redevelopment of the remaining lots, which are identified on the site plan as Lots 2 and 4, into commercial and residential uses which will be more particularly defined in an amendment to this Redevelopment Plan. The Redeveloper intends to complete the Project in phases over multiple years, as described in greater detail below.

The Redeveloper will pay the costs of the private improvements, including the construction of the commercial and residential buildings and associated improvements. As part of the Project, the CDA will capture the available tax increment revenues generated by the redevelopment of the Fountain Point North Project Site to assist in paying for public improvements listed as eligible expenditures under the Act in the Fountain Point Redevelopment Area, including, but not limited to: site preparation, installation and extension of public utilities, installation of streets and sidewalks, landscaping, hardscaping and streetscaping, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. It is anticipated that the public improvements will include improvements to Highway 275 and 37th Street to address any traffic issues generated by the Project. 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 Fountain Point North 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 to put toward construction of eligible public improvements, and to construct the private improvements at a rate the market can support. The Fountain Point North 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 Fountain Point North 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 Lot 1 and Lot 3 (the "Phase I Project Site"). The Phase I Project Site is located in the Fountain Point Redevelopment Area and within the Fountain Point North Project Site. The Redeveloper private improvements for Phase I will consist of construction of an approximately 70,000 to 80,000 square foot office building, a parking lot, and associated improvements on Lot 1, and construction of an approximately 87 unit senior living facility, a parking lot, and associated improvements on Lot 3. The public improvements to be constructed as part of Phase I will include installation of streets and sidewalks, landscaping, hardscaping and streetscaping, improvements to Highway 275 and 37th Street, and extension of public utilities, all as necessary to serve the private improvements to be constructed during Phase I and the Project. The private improvements and public improvements to be developed in Phase I shall be described in more detail in the Redevelopment Agreement for Phase I of the Project. The Cost-Benefit Analysis for Phase I of the Project shall be attached to this Redevelopment Plan as Exhibit "F" prior to consideration by the Community Development Agency and recommendation of the plan to the City Council of the City of Norfolk.

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 Fountain Point North 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.

III. FOUNTAIN POINT SOUTH REDEVELOPMENT PROJECT

A. The Project Site

The purpose of this Article III of the Redevelopment Plan is to identify a specific project within the Fountain Point Redevelopment Area that will cause the removal of blight and substandard conditions on the sites located in the City of Norfolk, Nebraska, and described on the attached and incorporated Exhibit “H” (the “Fountain Point South Project Site”).

The Fountain Point South Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Fountain Point South Project Site, and specifically, the Fountain Point South 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. In this consideration, the CDA finds that such redevelopment of the 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 Fountain Point South Project Site generally consists of vacant, underdeveloped land located in the Fountain Point Redevelopment Area. The blighted condition of the Fountain Point South Project Site and the lack of adequate utilities and infrastructure to serve the Fountain Point South Project Site contribute to its inability to attract development. The location of the Fountain Point South Project Site within the Highway 275 Corridor, with access to principle and major collector roadways, makes it a prime site for high or medium density residential development, but the initial upfront costs associated with necessary infrastructure makes development of the Fountain Point South Project Site not feasible. The redevelopment of the Fountain Point South Project Site pursuant to this Article III 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

Fountain Point II, LLC (the “Redeveloper”) has submitted a proposal for redevelopment of the Fountain Point South Project Site. The Redeveloper anticipates that the Project will consist of the construction of commercial and high and medium

density residential uses, and that the Project will be implemented in multiple phases. Additional or different uses may be incorporated into the Project in subsequent phases, which will be identified in an amendment to this Redevelopment Plan.

In order to implement the Project in multiple phases, the Redeveloper intends to replat the Fountain Point South Project Site into approximately 6 separate lots, and one outlot, as shown on the proposed site plan for the Project attached hereto as Exhibit "I". The proposed site plan is conceptual in nature and is subject to revision based on changes in community needs, budgetary constraints, physical conditions, and other factors, but the site plan presents the Redeveloper's overall vision for the Project.

The private improvements constructed as part of the first phase of the Project are expected to consist of approximately 4 multi-family residential buildings, aggregating approximately 100 dwelling units, a clubhouse and associated improvements on the approximately 3.7 acre lot identified on the site plan as Lot 1. Subsequent phases of the Project are anticipated to include construction of additional multi-family buildings on the lots identified on the site plan as Lots 2 through 4, and construction of townhomes on the lot identified on the site plan as Lot 6. Redevelopment of the remaining lot shall be identified in a subsequent amendment to this Redevelopment Plan.

The Redeveloper intends to complete the Project in several phases over multiple years, which will allow the Redeveloper to optimize the tax increment financing resources available for public improvements, including, but not limited to right-of-way improvements, in the Fountain Point Redevelopment Area. Further, the phased approach will allow the Redeveloper to construct the private improvements at a rate that the market can support based on construction of the buildings and lease-up of residential units. The implementation of the Project in multiple phases is described in greater detail below.

The Redeveloper will pay the costs of the private improvements, including but not limited to, the construction of residential buildings and associated improvements. As part of the Project, the CDA will capture the available tax increment revenues generated by the redevelopment of the Fountain Point South Project Site to assist in paying for public improvements listed as eligible expenditures under the Act in the Fountain Point Redevelopment Area, including, but not limited to: site preparation, installation and extension of public utilities, installation of streets and sidewalks, landscaping, hardscaping and streetscaping, façade and energy enhancements, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. It is anticipated that the public improvements will include improvements to Highway 275 and 37th Street to address any traffic issues generated by the Project. 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 Project Site pursuant to this Article III of the Redevelopment Plan will eliminate the blight and substandard conditions on the Fountain Point South 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 multiple phases, the timing of which shall be tied to the construction of the multi-family buildings, lease-up of the units, and other factors. The phased approach to construction of the Project will allow the Redeveloper to optimize the tax increment financing resources available to put toward construction of eligible public improvements, and to construct the private improvements at a rate that the market can support. The Project Site shall be replatted to identify the specific property that will be included in each phase, and each phase of the Project shall include all public rights of way and public areas contained within the Fountain Point South 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 property identified on the site plan for the Project as Lot 1 (the "Phase I Project Site"). The Phase I Project Site is located in the Fountain Point Redevelopment Area and within the Fountain Point South Project Site. The Redeveloper private improvements for Phase I will consist of construction of 3-4 multi-family residential buildings, consisting of approximately 25 units each for an aggregate of approximately 100 units, a clubhouse, a parking lot and associated improvements. The public improvements to be constructed as part of Phase I will include installation of streets and sidewalks, landscaping, hardscaping and streetscaping, improvements to Highway 275 and 37th Street, and extension of public utilities, all as necessary to serve the private improvements to be constructed during Phase I and the Project. The private improvements and public improvements to be developed in Phase I shall be described in more detail in the Redevelopment Agreement for Phase I of the Project. The Cost-Benefit Analysis for Phase I of the Project shall be attached to this Redevelopment Plan as Exhibit "J" prior to consideration by the Community Development Agency and recommendation of the plan to the City Council of the City of Norfolk.

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 Fountain Point South 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 "K" and incorporated herein by this reference is a consideration of the statutory elements under the Act.

Exhibits:

- "A" – Fountain Point Redevelopment Area
- "B" – Existing Land Use
- "C" – Future Land Use
- "D" – Fountain Point North Project Site
- "E" – Site Plan – Fountain Point North
- "F" – Cost-Benefit Analysis for Phase I (Fountain Point North Redevelopment Project)
- "G" – Statutory Elements – Fountain Point North Redevelopment Project
- "H" – Fountain Point South Project Site
- "I" – Site Plan – Fountain Point South
- "J" – Cost-Benefit Analysis for Phase I (Fountain Point South Redevelopment Project)
- "K" – Statutory Elements – Fountain Point South Redevelopment Project

EXHIBIT "A"
FOUNTAIN POINT REDEVELOPMENT AREA

A TRACT OF LAND LOCATED IN PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4, SE1/4) OF SECTION NINETEEN (19) AND PART OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER (NW1/4, NW1/4) AND PART OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER (N1/2, SW1/4, NW1/4) ALL OF SECTION TWENTY-NINE (29) AND PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER (NE1/4, NE1/4) AND PART OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER (N1/2, SE1/4, NE1/4) ALL OF SECTION THIRTY (30), ALL IN TOWNSHIP TWENTY-FOUR (24) NORTH, RANGE ONE (1) WEST, OF THE 6TH P.M., MADISON COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 30-T24N-R1W; THENCE SOUTH ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4, TO A POINT ON A SOUTH LINE OF ORDINANCE NO. 4799, RECORDED IN 2005-07, PAGE 600-605 INCL., FILED JULY, 8, 2005, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE EAST ALONG A SOUTH LINE OF ORDINANCE NO. 4799, TO A POINT BEING 378.9± FEET EAST OF THE WEST SECTION LINE OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 29-T24N-R1W, POINT ALSO BEING DIRECTLY NORTH OF THE NORTHEAST CORNER OF 37TH STREET AS DESCRIBED IN BOOK 2015, PAGE 01075, FILED MARCH 23, 2015; THENCE SOUTH TO SAID NORTHEAST CORNER OF 37TH STREET AS DESCRIBED IN BOOK 2015, PAGE 01075; THENCE SOUTHERLY ALONG 37TH STREET EAST RIGHT-OF-WAY LINE, TO A POINT ON THE SOUTH LINE OF NORTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 29-T24N-R1W; THENCE WEST ALONG SAID SOUTH LINE OF NORTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 29-T24N-R1W TO A POINT BEING THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 30-T24N-R1W; THENCE WEST ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 TO A POINT BEING THE SOUTHWEST CORNER OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 30-T24N-R1W; THENCE NORTH ALONG THE WEST LINE OF THE EAST 1/2 OF THE NORTHEAST 1/4 TO THE NORTHWEST CORNER OF NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 30-T24N-R1W; THENCE CONTINUING NORTH TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF U.S. 275; THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE OF U.S. 275 TO A POINT ON A WEST LINE OF ORDINANCE NO. 4799; THENCE SOUTH ALONG SAID WEST LINE OF ORDINANCE NO. 4799 TO A SOUTHWEST CORNER OF SAID ORDINANCE NO. 4799; THENCE EAST ALONG A SOUTH LINE OF ORDINANCE NO. 4799 TO THE POINT OF BEGINNING. SAID TRACT CONTAINS A CALCULATED AREA OF 2,849,127 SQUARE FEET OR 65.407 ACRES MORE OR LESS.

Exhibit "A"

EXHIBIT “B” EXISTING LAND USE

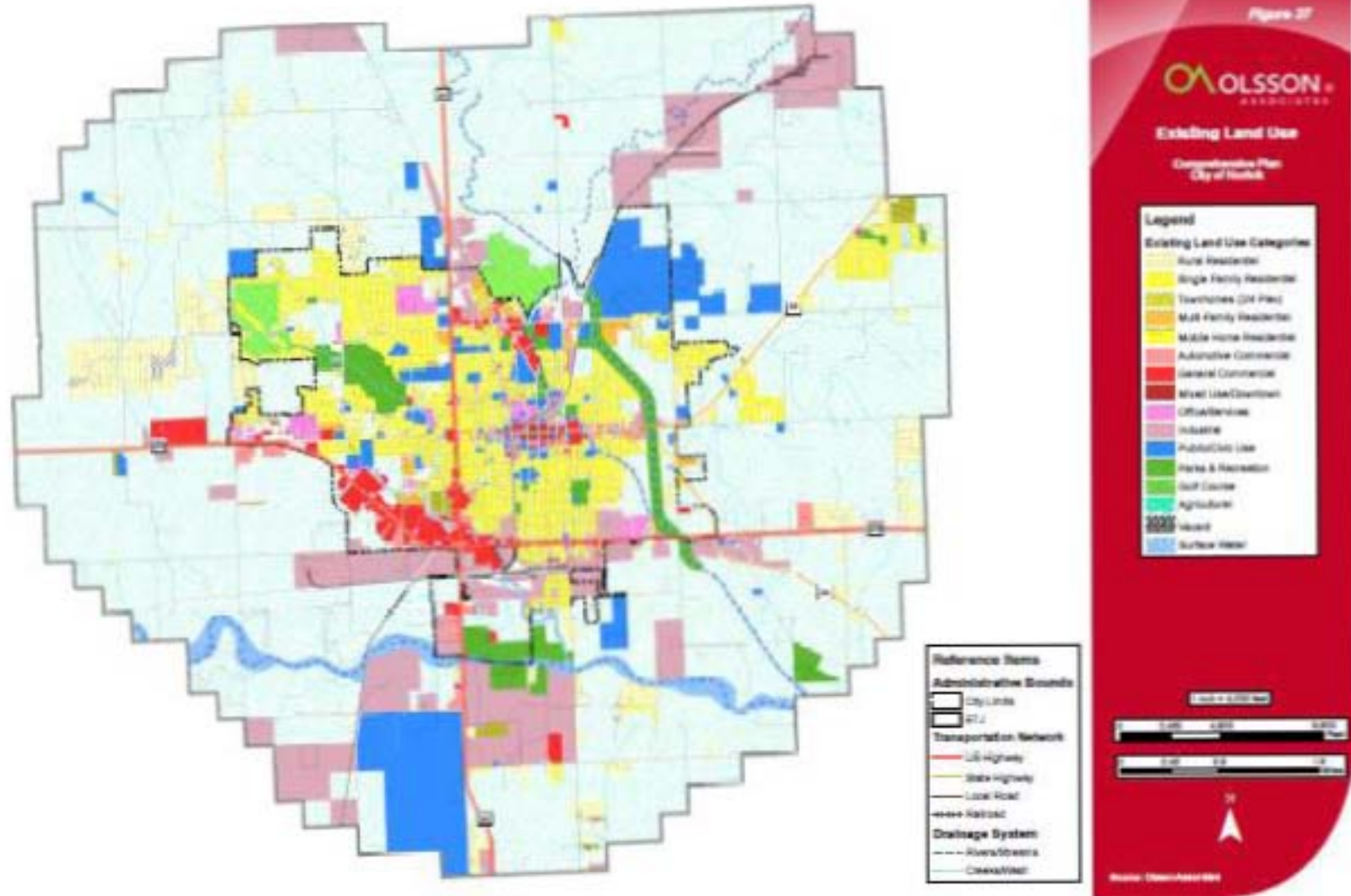


Exhibit “B”

The map displays the city of St. Louis, Missouri, with various land use zones color-coded and pattern-coded. The legend on the right side of the map identifies the following categories:

- Residential Single-Family (RSF)
- Residential Medium-Density (RMD)
- Residential High-Density (RHD)
- Commercial (C)
- Industrial (I)
- Public Use (PU)
- Open Space (OS)
- Water (W)
- Transportation (T)
- Other (O)

The map shows a complex arrangement of these zones, with major roads and water bodies (like the Mississippi River) clearly marked. The city's irregular shape is evident from the jagged edges of the map.

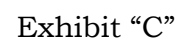


EXHIBIT "D"
FOUNTAIN POINT NORTH PROJECT SITE

THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER (NE1/4, NE1/4) OF SECTION 30, TOWNSHIP 24 NORTH, RANGE 1 WEST OF THE 6TH P.M., MADISON COUNTY, NEBRASKA EXCEPT EAST ONE ROD FOR ROAD PURPOSES AS RECORDED IN MISCELLANEOUS VOLUME 22, PAGE 320, FILED JANUARY 2, 1945; AND EXCEPT THOSE TRACTS OF LAND TO THE STATE OF NEBRASKA IN WARRANTY DEED IN BOOK 131, PAGE 283, RETURN OF APPRAISERS IN BOOK M95-5, PAGE 421, WARRANTY DEED IN BOOK M94-11, PAGE 583, WARRANTY DEED IN BOOK 2005-02, PAGE 0084, WARRANTY DEED IN BOOK 2005-03, PAGE 2288 AND WARRANTY DEED IN BOOK 2015, PAGE 01785; AND EXCEPT A TRACT OF LAND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID NE1/4, NE1/4; THENCE ON AN ASSUMED BEARING OF S87°14'27"W ALONG THE SOUTH LINE OF SAID NE1/4, NE1/4 A DISTANCE OF 16.50 FEET TO THE POINT OF INTERSECTION OF SAID SOUTH LINE AND THE WEST LINE OF 37TH STREET RIGHT-OF-WAY (R.O.W.) AS DESCRIBED IN MISCELLANEOUS VOLUME 22, PAGE 320 FILED JANUARY 2, 1945, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE ALONG AND UPON SAID SOUTH LINE OF THE NE1/4, NE1/4 S87°14'27"W A DISTANCE OF 16.43 FEET; THENCE S87°27'18"W A DISTANCE OF 629.70 FEET; THENCE S87°27'37"W A DISTANCE OF 662.77 FEET TO THE SOUTHWEST CORNER OF SAID NE1/4, NE1/4; THENCE N01°52'39"W ALONG THE WEST LINE OF SAID NE1/4, NE1/4 A DISTANCE OF 263.13 FEET; THENCE N88°01'02"E A DISTANCE OF 1308.67 FEET TO A POINT ON THE WEST LINE OF 37TH STREET R.O.W. AS DESCRIBED IN MISCELLANEOUS VOLUME 22, PAGE 320 FILED JANUARY 2, 1945; THENCE S01°54'37"E ALONG SAID WEST R.O.W. A DISTANCE OF 250.29 FEET TO THE POINT OF BEGINNING.

REMAINING PORTION OF SAID NE1/4, NE1/4 CONTAINS 27.68 ACRES MORE OR LESS.

EXHIBIT "E"
SITE PLAN - FOUNTAIN POINT NORTH REDEVELOPMENT PROJECT

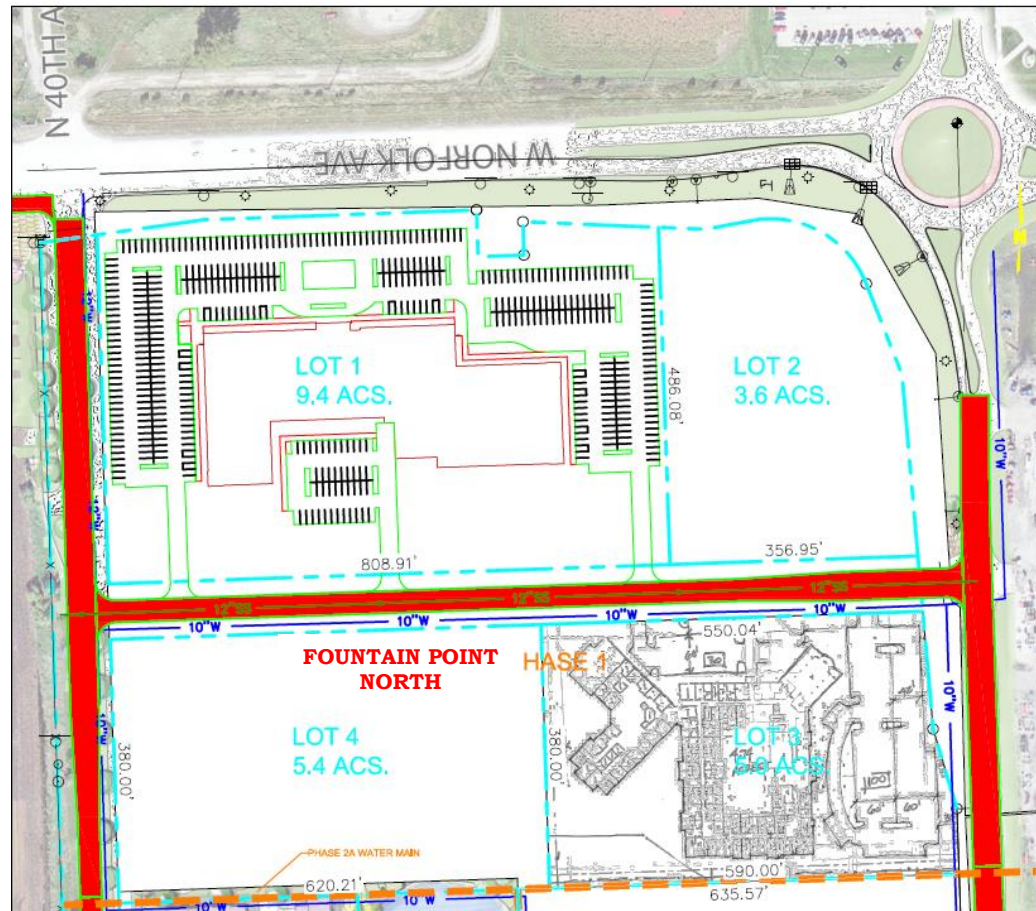


Exhibit "E"

EXHIBIT “F”
COST-BENEFIT ANALYSIS
PHASE I – FOUNTAIN POINT NORTH REDEVELOPMENT PROJECT
(Pursuant to Neb. Rev. Stat. § 18-2113)

Phase I of the Fountain Point North Redevelopment Project will consist of the construction of an approximately 70,000 to 80,000 square foot medical office building, an approximately 87 unit senior living facility, parking lots, and associated improvements on the Phase I Project Site. The location of the Phase I Project Site, and the public and private improvements to be constructed as part of Phase I of the Fountain Point North Redevelopment Project are more particularly described on the attached Exhibit “A”. For purposes of this cost-benefit analysis, Phase I of the Fountain Point North Redevelopment Project shall be referred to herein as the “Project”. A separate cost benefit analysis shall be undertaken for each subsequent phase of the Fountain Point North Redevelopment Project. The cost-benefit analysis for the Project, which will utilize funds authorized by Neb. Rev. Stat. § 18-2147, can be summarized as follows:

a.	Estimated Base Phase I Project Site Valuation:	\$28,000
b.	Estimated Completed Project Assessed Valuation:	\$20,169,000
c.	Estimated Increase in Valuation	\$20,141,000
d.	Estimated Annual Projected Tax Increment:	\$398,000

Notes:

- 1. The Estimated Completed Project Assessed Valuation is the estimated completed assessed value of all of the private improvements that the redeveloper anticipates will be constructed as part of Phase I of the Fountain Point North Redevelopment Project. It is anticipated that Phase I may be completed in sub-phases and that each such sub-phase may have a different effective date for the division of the ad valorem tax. As a result, the Estimated Annual Projected Tax Shift could vary during Phase I of the Fountain Point North Redevelopment Project.*
- 2. The Estimated Annual Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax increment may vary materially from the projected amount. The estimated tax levy for this analysis is 1.97406, which is the 2016 Madison County tax levy, and is subject to change.*
- 3. The projected valuations and the tax increment set forth above are subject to change before the Redevelopment Agreement for Phase I of the Fountain Point North Redevelopment Agreement is signed. However, these figures present an estimate for the purpose of weighing the overall costs and benefits of Phase I of the Fountain Point North Redevelopment Project.*

1. Tax shifts resulting from the approval of the use of funds pursuant to section 18-2147:

The City historically has not relied on tax revenue from the Phase I Project Site. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, it is intended to create long-term benefit and a substantial increase in property taxes to the City

and other local taxing jurisdictions. The authority does not anticipate any tax shift resulting from the approval of the use of funds pursuant to section 18-2147.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

The Redeveloper anticipates expenditures in excess of \$46,000,000 for the acquisition of the Phase I Project Site and construction of an approximately 70,000 to 80,000 square foot medical office building, an approximately 87 unit senior living facility, parking lots, and related improvements, including expenditures for eligible public improvements. It is proposed that approximately \$4,000,000 of these expenditures will be financed with the proceeds of tax increment financing indebtedness, with the remaining balance to be paid by the Redeveloper. The sources and uses of the TIF indebtedness will be more particularly set forth in the Redevelopment Agreement for this Project. It is anticipated that eligible uses of the TIF indebtedness may include the following: utility extension and installation, street paving and other infrastructure improvements, public sidewalk improvements, site preparation and grading, site acquisition, streetscape and landscape improvements, architectural and engineering fees, legal fees, and other improvements deemed feasible and necessary in support of the public health, safety and welfare of the community. All expenditures financed by tax increment financing indebtedness shall be eligible public expenditures under the Act.

It is not anticipated that the Project will have a material adverse impact on existing public infrastructure. The Project will require substantial infrastructure improvements, including extension and installation of sanitary sewer, public water, electrical service, gas and storm sewer lines. In addition, the Project, at full buildout, will require extension of existing streets and construction of new internal streets, including the extension of 37th Street south of Highway 275, installation of a street connecting 37th Street to 40th Street, and the construction of 40th Street with such infrastructure being phased in accordance with the phasing of the Project. The required public infrastructure improvements shall be constructed and installed as part of the Project, and paid for in part utilizing tax increment financing. The infrastructure constructed as part of the Project will materially benefit and serve the newly annexed Phase I Project Site, as well as other property in and around the City. Overall, the Project will have a substantial positive impact on the City's public infrastructure by facilitating the construction and installation of needed new and additional public infrastructure improvements. The senior living units and medical office building constructed as a part of the Project will attract new residents and medical providers who will pay for City services, generating revenue to support such services.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. It is important to acknowledge that the City historically has not relied on tax revenue from the Phase I Project Site, since the Phase I Project Site was not until recently within the corporate limits of the City. The Phase I Project Site would not likely have been annexed without the proposed Project because the Project and the use of TIF for public infrastructure

improvements is essential for the City's plan to furnish city services to the area. Further, the City would be unlikely to realize additional ad valorem taxes in the near future without the Project because other redevelopers are unlikely to locate on the Phase I Project Site without the utility and infrastructure improvements that are being constructed as a part of the Project. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, it is intended to create long-term benefit and a substantial increase in property taxes to the City and other local taxing jurisdictions.

The Project should also generate immediate tax growth for the City. The Project will involve the construction of a medical office building and senior living facility. The Project should include a significant amount of personal property that will be on the property tax rolls upon its acquisition and installation in each such facility. Additionally, the City should realize revenue from sales tax paid by new residents of the senior living units constructed on the Phase I Project Site. The City should also realize revenue from sales tax paid by patients and family members of patients travelling from outside the City to obtain care in the medical office building constructed on the Phase I Project Site, and who are likely to seek other goods and services, including hospitality services, while within the City of Norfolk.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is anticipated that the Project will have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The public and private improvements are expected to attract businesses and residents to property adjacent to the Phase I Project Site. The Project will provide additional senior living units in the City, which should create additional housing opportunities for employees of firms locating or expanding in the area, resulting from seniors currently residing in the City relocating to the new senior living facility located on the Phase I Project Site. The Project will also enhance health care options in the City of Norfolk, which should help businesses attract and retain employees.

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project includes construction of an approximately 70,000 to 80,000 square foot of medical office space and approximately 87 senior living units, which will likely result in job creation. However, the Project is not anticipated to put stress on existing employers as a result of employees taken away from current employment to fill new positions, because the utility and infrastructure improvements constructed as a part of the Project are likely to attract residential development on parcels adjacent to the Phase I Project Site, creating a new pool of employees.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment

project. The Project will involve extension and installation of public utilities to the newly annexed Phase I Project Site, and the use of tax increment financing will reduce the costs of these and other public improvements which would otherwise be fully paid through tax revenue or special assessments that would burden adjacent property owners. The Project will provide additional senior living units that are needed in the City, enhance health care options within the City, and benefit employers, employees, and the City in general. The medical office building and senior living facility constructed as part of the Project should increase the need for services and products from existing businesses, such as janitorial services, office and hardware supplies, household products and general consumer services, and similar products and services. The Project will also act as a catalyst for further development of the redevelopment area identified in the Fountain Point Redevelopment Plan. The Project is the first phase of the larger Fountain Point North Redevelopment Project, and the success of Phase I will result in continued development in Phase II.

The Project is not anticipated to impose a burden or have a negative impact on other local area employers. As indicated in the previous section, the Project includes construction of new senior living units which should create additional housing opportunities in the City of Norfolk as a result of senior relocating from their current residences to the facility. These additional housing opportunities, as well as the enhanced health care options generated by the medical office building, should attract residents creating a pool of additional employees to support the jobs created by the medical office building and senior living facility.

5. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project will provide much needed additional senior living units in the City of Norfolk, and should enhance the health care options available in the City of Norfolk. Further, construction of both the senior living facility and the medical office building will create jobs, and each will have additional positive secondary employment effects.

The public improvements that will be constructed in the redevelopment area, including sanitary sewer, public water, electrical service, gas and storm sewer lines, as well as street and other improvements, in connection with the Project will provide infrastructure necessary for the development of adjacent property, which should have the effect of generating additional ad valorem property taxes. The implementation of infrastructure in an underdeveloped, blighted and substandard area will have a positive impact on the community.

The Project is the first phase of the Fountain Point North Redevelopment Project. Upon approval of the Project, subsequent phases and additional development are anticipated. The Redeveloper would not enter into this phase and undertake the cost of the public improvements without the anticipated subsequent phases. This cost benefit analysis only addresses Phase I of the Project but the subsequent phases are a further benefit to the City created by the Project that must be considered in this Cost Benefit Analysis.

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

6. Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost benefit analysis, the benefits outweigh the costs of the proposed Project.

Approved by the Community Development Agency of the City of Norfolk, Nebraska
this ____ day of _____, 2017.

_____, Chairman

_____, Secretary

EXHIBIT A

PROJECT INFORMATION

The Project consists of capturing the incremental tax revenue created on the real estate which shall be legally described as:

Lot 1 and Lot 3, Fountain Point Subdivision, an addition to the City of Norfolk, Madison County, Nebraska

(the "Phase I Project Site"). The Project shall consist of the following Private Improvements and Public Improvements:

(a) **Private Improvements.** The private improvements to be constructed by the redeveloper on the Phase I Project Site are anticipated to include the following:

- (i) Approximately 70,000 to 80,000 square foot medical office building;
- (ii) Approximately 87 unit senior living facility, and associated improvements on the Phase I Project Site.

The size of the medical office building and the quantity of senior living units may vary based on the final design of the Project.

(b) **Public Improvements.** The eligible public improvements shall include: utility extension and installation, street paving and other infrastructure improvements, public sidewalk improvements, site preparation and grading, site acquisition, streetscape and landscape improvements, architectural and engineering fees, legal fees and other eligible public expenditures under the Act as determined in the Redevelopment Agreement; paid for, in part, by the tax increment generated by the private improvements.

EXHIBIT “G”
STATUTORY ELEMENTS
FOUNTAIN POINT NORTH 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 owns or controls the Fountain Point North Project Site.

B. Population Density

It is anticipated that the proposed Project will include the construction of a 87 unit senior living facility on the Fountain Point North 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

The Project consists of construction of an approximately 70,000 to 80,000 square foot office building on approximately 9.4 acres of undeveloped land, as well as the construction of an approximately 87 unit senior living facility on approximately 5.0 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 patients and residents travelling to and from the new office building and senior living facility constructed on the Fountain Point North Project Site. The Redeveloper will construct new streets that will provide access to both the office building and the senior living facility constructed on the Fountain Point North Project Site. Further, the public improvements will include improvements to Highway 275 and 37th Street to the extent necessary to alleviate any traffic congestion created by the Project.

E. Parking

Parking lots will be constructed to serve both the office building and the senior living facility constructed 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 Fountain Point North Project Site. The CDA and the Redeveloper acknowledge that the Fountain Point North 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 multiple family residential and/or commercial zones, such as R-3 and C-3, under the City of Norfolk Zoning Ordinance.

EXHIBIT "H"
FOUNTAIN POINT SOUTH PROJECT SITE

A TRACT OF LAND CONSISTING OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER (N1/2, SE1/4, NE1/4) AND PART OF THE NORTHEAST QUARTER OR THE NORTHEAST QUARTER (NE1/4, NE1/4), SECTION 30, TOWNSHIP 24 NORTH, RANGE 1 WEST OF THE 6TH P.M., MADISON COUNTY, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID N1/2, SE1/4, NE 1/4, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE ON AN ASSUMED BEARING OF S87°30'33"W ALONG THE SOUTH LINE OF SAID N1/2, SE1/4, NE 1/4 A DISTANCE OF 1325.82 FEET TO THE SOUTHWEST CORNER OF SAID N1/2, SE1/4, NE1/4; THENCE N01°52'24"W ALONG THE WEST LINE OF SAID N1/2, SE1/4, NE1/4 A DISTANCE OF 664.25 FEET TO THE NORTHWEST CORNER OF SAID N1/2, SE1/4, NE1/4; THENCE N01°52'39"W ALONG THE WEST LINE OF SAID NE1/4, NE1/4 A DISTANCE OF 263.13 FEET; THENCE N88°01'02"E A DISTANCE OF 1308.67 FEET TO A POINT ON THE WEST LINE OF 37TH STREET RIGHT-OF-WAY (R.O.W.) AS DESCRIBED IN MISCELLANEOUS VOLUME 22, PAGE 320 FILED JANUARY 2, 1945; THENCE S01°54'37"E ALONG SAID WEST R.O.W. A DISTANCE OF 250.29 TO THE POINT OF INTERSECTION OF SAID WEST R.O.W. LINE AND THE NORTH LINE OF SAID N1/2, SE1/4; THENCE N87°14'27"E ALONG SAID NORTH LINE A DISTANCE OF 16.50 FEET TO THE NORTHEAST CORNER OF SAID N1/2, SE1/4; THENCE S01°54'37"E ALONG THE EAST LINE OF SAID N1/2, SE1/4 A DISTANCE OF 665.55 FEET TO THE POINT OF BEGINNING. SAID TRACT CONTAINS 27.94 ACRES MORE OR LESS.

The site plan for Fountain Point South shows the following details:

- PHASE 2A WATER MAIN** (indicated by an orange dashed line)
- LOT 6**: 3.3 ACS.
- OUTLOT**: 2.4 ACS.
- LOT 5**: 6.5 ACS.
- LOT 4**: 2.6 ACS.
- LOT 3**: 2.5 ACS.
- LOT 2**: 3.1 ACS.
- LOT 1**: 3.7 ACS.
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EXHIBIT “J”
COST-BENEFIT ANALYSIS
PHASE I – FOUNTAIN POINT SOUTH REDEVELOPMENT PROJECT
(Pursuant to Neb. Rev. Stat. § 18-2113)

Phase I of the Fountain Point South Redevelopment Project will consist of the construction of 3 or 4 multi-family residential buildings, consisting of approximately 25 units each for an aggregate of 75 to 100 units, clubhouse, parking lots, and associated improvements on the Phase I Project Site. The location of the Phase I Project Site, and the public and private improvements to be constructed as part of Phase I of the Fountain Point South Redevelopment Project are more particularly described on the attached Exhibit “A”. For purposes of this cost-benefit analysis, Phase I of the Fountain Point South Redevelopment Project shall be referred to herein as the “Project”. A separate cost benefit analysis shall be undertaken for each subsequent phase of the Fountain Point South Redevelopment Project. The cost-benefit analysis for the Project based on 100 dwelling units, which will utilize funds authorized by Neb. Rev. Stat. § 18-2147, can be summarized as follows:

a.	Estimated Base Phase I Project Site Valuation:	\$7,000
b.	Estimated Completed Project Assessed Valuation:	\$6,994,000
c.	Estimated Increase in Valuation	\$6,987,000
d.	Estimated Annual Projected Tax Increment:	\$140,000 to \$150,000

Based on the assumption that the Phase I Project for the Fountain Point South Redevelopment Project will contain approximately 100 dwelling units and a clubhouse, the redeveloper would project an annual incremental tax sum of approximately \$140,000 to \$150,000 which would support a tax increment financing loan of approximately \$1,400,000. The final tax increment sum for the Phase I Fountain Point South Redevelopment Project is interest-rate sensitive and shall be more specifically determined in the Redevelopment Contract to be proposed by the Redeveloper for the project.

Notes:

- 1. The Estimated Completed Project Assessed Valuation is the estimated completed assessed value of all of the private improvements that the redeveloper anticipates will be constructed as part of Phase I of the Fountain Point South Redevelopment Project. It is anticipated that Phase I may be completed in sub-phases and that each such sub-phase may have a different effective date for the division of the ad valorem tax. As a result, the Estimated Annual Projected Tax Shift could vary during Phase I of the Fountain Point South Redevelopment Project.*
- 2. The Estimated Annual Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax increment may vary materially from the projected amount. The estimated tax levy for this analysis is 1.97406, which is the 2016 Madison County tax levy, and is subject to change.*
- 3. The projected valuations and the tax increment set forth above are subject to change before the Redevelopment Agreement for Phase I of the Fountain Point South Redevelopment Agreement is signed. However, these figures present an*

estimate for the purpose of weighing the overall costs and benefits of Phase I of the Fountain Point South Redevelopment Project.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The City historically has not relied on tax real estate revenue from the Phase I Project Site which was recently annexed. While the use of tax increment financing will defer the receipt of the new ad valorem real property taxes generated by the Project, it is intended to create long-term benefit and a substantial increase in property taxes to the City and other taxing jurisdictions. The Authority does not anticipate any tax shift resulting from the approval of the use of funds pursuant to Section 18-2147.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

The Redeveloper anticipates expenditures for an approximate 100 unit apartment project to be in excess of \$11,000,000 for the acquisition of the Phase I Project Site and construction of 4 multi-family residential buildings, consisting of approximately 25 units each for an aggregate of 100 units, clubhouse, parking lots, and related improvements, including expenditures for eligible public improvements. It is proposed that approximately \$1,400,000 of these expenditures will be financed with the proceeds of tax increment financing indebtedness, with the remaining balance to be paid by the Redeveloper. The sources and uses of the TIF indebtedness will be more particularly set forth in the Redevelopment Agreement for this Project. It is anticipated that eligible uses of the TIF indebtedness may include the following: utility extension and installation, street paving and other infrastructure improvements, public sidewalk improvements, site preparation and grading, site acquisition, streetscape and landscape improvements, architectural and engineering fees, legal fees, and other improvements deemed feasible and necessary in support of the public health, safety and welfare. All expenditures financed by tax increment financing indebtedness shall be eligible public expenditures under the Act.

It is not anticipated that the Project will have a material adverse impact on existing public infrastructure. The Project will require substantial infrastructure improvements, including extension and installation of sanitary sewer, public water, electrical service, gas and storm sewer lines. In addition, the Project will require extension of existing streets and construction of new internal streets, including the extension of 37th Street south of Highway 275, and installation of a street providing access to the newly constructed apartment buildings from 37th Street. The required public infrastructure improvements shall be constructed and installed as part of the Project, and paid for in part utilizing tax increment financing. The infrastructure constructed as part of the Project will materially benefit and serve the newly annexed Phase I Project Site, as well as other property in and around the City. Overall, the Project will have a substantial positive impact on the City's public infrastructure by facilitating the construction and installation of needed new and additional public infrastructure improvements. The new apartment units constructed as a part of the Project will attract new residents who will pay for City services, generating revenue to support such services.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

i. Tax Revenue. The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. It is important to acknowledge that the City historically has not relied on tax revenue from the Phase I Project Site, since the Phase I Project Site was not until recently within the corporate limits of the City. The Phase I Project Site would not likely have been annexed without the proposed Project because the Project and the use of TIF for public infrastructure improvements is essential for the City's plan to furnish city services to the area. Further, the City would be unlikely to realize additional ad valorem taxes in the near future without the Project because other redevelopers are unlikely to locate on the Phase I Project Site without the utility and infrastructure improvements that are being constructed as a part of the Project. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, it is intended to create long-term benefit and a substantial increase in property taxes to the City and other local taxing jurisdictions.

The Project should also generate immediate tax growth for the City. The Project will involve the construction of approximately 100 new apartment units. The Project should include a significant amount of personal property that will be on the property tax rolls upon its acquisition and installation in the apartment buildings. Additionally, the City should realize revenue from sales tax paid by new residents of the apartment units constructed on the Phase I Project Site.

ii. School District. The Project should not have a material adverse impact on the Norfolk School District. Based on the assumption that Phase I shall contain 100 dwelling units, the Redeveloper anticipates that the apartment unit mix shall be comprised of 25 units containing 1 bedroom, 55 units containing 2 bedrooms and 20 units containing 3 bedrooms. Historical data reflects such units would have the potential to add approximately 80 students of varying ages to the school population. Based on current school funding formulas, the Norfolk School District should not experience a material adverse effect in its funding of public education due to the approval of the use of funds pursuant to Section 18-2147. The project is not anticipated to put stress on or create any capacity issues for Norfolk schools.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is anticipated that the Project will have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The public and private improvements are expected to attract businesses and residents to property adjacent to the Phase I Project Site. The Project will provide much needed additional apartment units in the City, which will be available to employees of firms locating or expanding in the area.

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project is not anticipated to put stress on existing employers as a result of employees taken away from current employment to fill new positions, because the 100 apartment units constructed as part of the Project are likely to attract new residents to the City of Norfolk, creating a new pool of employees.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project will involve extension and installation of public utilities to the newly annexed Phase I Project Site, and the use of tax increment financing will reduce the costs of these and other public improvements which would otherwise be fully paid through tax revenue or special assessments that would burden adjacent property owners. The Project will provide much needed additional apartment units in the City, and benefit employers, employees, and the City in general. The new apartment units constructed as part of the Project should increase the need for services and products from existing businesses, such household products and general consumer services. The Project will also act as a catalyst for further development of the redevelopment area identified in the Fountain Point Redevelopment Plan. The Project is the first phase of the larger Fountain Point South Redevelopment Project, and the success of Phase I will result in continued development in Phase II.

The Project is not anticipated to impose a burden or have a negative impact on other local area employers. As indicated in the previous section, the Project includes construction of additional housing units in the City of Norfolk, which should attract new residents and create a pool of additional employees for employers in the City.

5. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project will provide much needed additional housing units in the City of Norfolk, attracting residents to the City of Norfolk and creating a new pool of employees. The City is anticipated to realize some immediate revenue from the sales and other taxes paid by these new residents of the City of Norfolk. Further, the pool of employees created should have a positive impact on employers expanding or locating in the City of Norfolk.

The public improvements that will be constructed in the redevelopment area, including sanitary sewer, public water, electrical service, gas and storm sewer lines, as well as street and other improvements, in connection with the Project will provide infrastructure necessary for the development of adjacent property, which should have the effect of generating additional ad valorem property taxes. The implementation of infrastructure in an underdeveloped, blighted and substandard area will have a positive impact on the community.

The Project is the first phase of the Fountain Point South Redevelopment Project. Upon approval of the Project, subsequent phases and additional development are anticipated. The Redeveloper would not enter into this phase and undertake the cost of the public improvements without the anticipated subsequent phases. This cost benefit analysis only addresses Phase I of the Project but the subsequent phases are a further benefit to the City created by the Project that must be considered in this Cost Benefit Analysis.

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

6. Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost benefit analysis, the benefits outweigh the costs of the proposed Project.

Approved by the Community Development Agency of the City of Norfolk, Nebraska
this ____ day of _____, 2017.

_____, Chairman

_____, Secretary

EXHIBIT A

PROJECT INFORMATION

The Project consists of capturing the incremental tax revenue created on the real estate which shall be legally described as:

Lots 7, 8, 9, and 10 Fountain Point Subdivision, an addition to the City of Norfolk, Madison County, Nebraska (Referred to as Lots 1 and 2 in the site plan which is Exhibit "I" to this Redevelopment Plan)

(the "Phase I Project Site"). The Project shall consist of the following Private Improvements and Public Improvements:

(a) **Private Improvements.** The private improvements to be constructed by the redeveloper on the Phase I Project Site are anticipated to include construction of 4 multi-family residential buildings, consisting of approximately 25 units each for an aggregate of 100 units, clubhouse, parking lots, and associated improvements. The quantity of housing units may vary based on the final design of the Project.

(b) **Public Improvements.** The eligible public improvements shall include: utility extension and installation, street paving and other infrastructure improvements, public sidewalk improvements, site preparation and grading, site acquisition, streetscape and landscape improvements, architectural and engineering fees, legal fees and other eligible public expenditures under the Act as determined in the Redevelopment Agreement; paid for, in part, by the tax increment generated by the private improvements.

EXHIBIT “K”
STATUTORY ELEMENTS
FOUNTAIN POINT SOUTH 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 owns or controls the Fountain Point South Project Site.

B. Population Density

The proposed Project includes the construction of 4 new multi-family buildings, including approximately 100 dwelling units on the Fountain Point South 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

The Project consists of construction of 4 new multi-family buildings, including approximately 100 dwelling units, on approximately 3.7 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 multi-family buildings constructed on the Fountain Point South Project Site. The Redeveloper will construct new streets that will provide access to the new multi-family buildings constructed on the Fountain Point North Project Site. In addition, the Redeveloper anticipates that the public improvements will include improvements to Highway 275 and 37th Street to the extent necessary to alleviate any traffic congestion created by the Project.

E. Parking

The Redeveloper will construct a parking lot to serve the new multi-family buildings constructed 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 Fountain Point South Project Site. The Redeveloper and the CDA acknowledge that the Fountain Point South Project Site may be subdivided incrementally in connection with the 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 an urban residential zone, such as R-3 Zoning under the City of Norfolk Zoning Ordinance.

**REDEVELOPMENT PLAN
FOR MEDELMANS LAKE REDEVELOPMENT AREA
OF THE CITY OF NORFOLK, NEBRASKA**

I. GENERAL REDEVELOPMENT PLAN

A. Introduction

This Redevelopment Plan for the Medelmans Lake Redevelopment Area of the City of Norfolk, Nebraska (“Redevelopment Plan”) is a guide for redevelopment activities undertaken in the Medelman Lake 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 real property included in the redevelopment area and the boundaries of the redevelopment area subject to this Redevelopment Plan are generally described as follows:

South 1st Street on the East; West Sherwood Road on the South;
Highway 81 on the West; and the Elkhorn River on the North.

The Redevelopment Area was declared blighted and substandard by the City Council by Resolution No. 2017-31, dated June 5, 2017, and based upon, inter alia, a Blight and Substandard Determination Study prepared by Northeast Nebraska Economic Development District dated April of 2017.

The legal description of the Redevelopment Area is attached hereto as Exhibit “A” and incorporated by this reference. The majority of the lake bed is described on Exhibit “A-1” attached hereto, and is to be excluded from the Redevelopment Area. Also, the entirety of Parcel 3 is described on Exhibit “A-2” attached hereto, and is to be excluded from the Redevelopment Area. The Redevelopment Area is currently located adjacent to but outside the corporate limits of the City of Norfolk. Land outside the corporate limits of the City is not included in the area of operation of the Community Development Agency of the City of Norfolk (the “CDA”) and is not eligible for the use of tax increment financing until said land is annexed into the City and is within the corporate limits of the City of Norfolk. Provided, it is the intent of the CDA and the City of Norfolk that the CDA’s area of operation shall at all times include all the property identified herein that is within the corporate limits of the City. Upon the annexation of the property currently located outside the corporate limits of the City containing approximately 438.74 acres (“Annexed Area”), such property shall automatically be within the CDA’s area of operation and shall be eligible for the use of tax increment financing as part of a redevelopment project without any further action to re-define the CDA’s area of operation. The entirety of the Redevelopment Area is being annexed concurrently with the adoption of the Blight Declaration and this Redevelopment Plan and thus, is fully included in both documents. Again, the Redevelopment Area excludes the main body of the lake bed and all of the single family home and boat club situated in Parcel 3,

north of the lake. The area included in the Redevelopment Area, net of the excluded lake bed and Parcel 3, contains approximately 284.83 acres.

D. Land Use Plan

This Redevelopment Plan adopts and incorporates the Comprehensive Plan of the City as it relates to the redevelopment area. The “Implementation Guide” of the Comprehensive Plan provides that physical growth and expansion of the City of Norfolk will be strategic in nature in order to support new development that benefits the City through diverse housing or other opportunities. This Redevelopment Plan is consistent with the Comprehensive Plan in that it provides for the orderly growth and development, including the extension of municipal services and facilities, of the City of Norfolk to the Medelmans Lake Redevelopment Area.

A map showing the existing uses of the real property in and around the City, including the Medelmans Lake 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 Medelmans Lake 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 this Medelman Lake Redevelopment Area should be developed for urban density residential use. The Redevelopment Plan is consistent with that designation in the City’s Comprehensive Plan.

E. Project Specific Requirements

As indicated in Section II below, this Redevelopment Plan envisions a phased implementation of the development and the phases of the redevelopment project that will occur in the redevelopment area is identified, this Redevelopment Plan shall be amended to include, at a minimum, the following information for each subsequent phase, as required by the Act: (1) The boundaries of the specific phase of 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 a first phase of the redevelopment project that will occur in the Medelmans Lake Redevelopment Area. As stated above, additional redevelopment projects shall be identified in subsequent amendments to this Redevelopment Plan.

F. Tax Increment Financing

The City and the CDA contemplate the use of tax increment financing (“TIF”) for the phases of the redevelopment project 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 Medelmans Lake 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 Medelmans Lake 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.

G. Conclusion

Medelmans Lake 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. MEDELMANS LAKE REDEVELOPMENT PROJECT

A. The Project Site

The purpose of this Article II of the Redevelopment Plan is to identify the various phases of the project within the Medelmans Lake Redevelopment Area that will cause the removal of blight and substandard conditions on the sites located in the City of Norfolk, Nebraska, and depicted on the attached and incorporated Exhibit “D” (the “Project Site”).

The Project Site is in need of redevelopment. The CDA has considered whether redevelopment of the Project Site, and specifically, the Medelmans Lake 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. In this consideration, the CDA finds that such redevelopment of the 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 Project Site generally consists of underdeveloped land located in the Medelmans Lake Redevelopment Area which, until recently, served as a gravel mining site. The blighted condition of the Project Site and the lack of adequate utilities and infrastructure to serve the Project Site contribute to its inability to attract development. The location of the Project Site, which surrounds Medelmans Lake, makes it an ideal site for residential development, but the initial upfront costs associated with necessary infrastructure makes development of the Project Site not feasible. The redevelopment of the 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

Medelmans Lake Development, Inc. (the “Redeveloper”) proposes to redevelop the Project Site into urban residential uses. The Project will consist of the construction of approximately 188 single family homes, and associated improvements, on the Project Site. The proposed site plan for the Project is attached hereto as Exhibit “E”. The proposed site plan is conceptual in nature and is subject to revision based on the timing for the construction and sale of dwelling units, budgetary constraints, physical conditions, and other factors, but the site plan presents the Redeveloper’s overall vision for the Project.

The Redeveloper intends to complete the Project in multiple phases over multiple years, which will allow the Redeveloper to optimize the tax increment financing resources available for public improvements including specifically infrastructure in the Medelmans Lake Redevelopment Area. Further, the phased approach will allow the Redeveloper to construct the private improvements at a rate that the market can support based on the construction and sale of homes. The implementation of the Project in multiple phases is described in greater detail below.

The Redeveloper will pay the costs of the private improvements, including the construction of the dwelling units and associated improvements. As part of the Project, the CDA will capture the available tax increment revenues generated by the redevelopment of the Project Site to assist in paying for public improvements listed as eligible expenditures under the Act in the Medelmans Lake Redevelopment Area, including, but not limited to: site preparation, installation and extension of public utilities, installation of streets, trails and sidewalks, buffering of the residential areas from the industrial area to the West, landscaping, hardscaping and streetscaping, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements 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 Contract for this Project applicable to Phase I.

The redevelopment of the 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 multiple phases over multiple years the timing of which shall be tied to the construction and sale of homes. The phased approach to construction of the Project will allow the Redeveloper to optimize the tax increment financing resources available to fund construction of eligible public improvements, and to construct the private improvements at a rate that the market can support based on the absorption of the dwelling units. The Project Site shall be platted in phases to identify the specific property that will be included in each phase, and each phase of the Project shall include the corresponding dedication of all public rights of way and public areas contained within the Project Site. It is intended by the CDA that each phase of the Project shall include all public rights of way and public areas contained within the Project Site, in order that costs incurred by the Redeveloper for public improvements in initial phases of the Project in excess of the tax increment generated by such phases, may be included as eligible costs payable from the tax increment generated by subsequent phases of the Project. The first phase of the Project is described below.

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. Further, the Redevelopment Agreement for each phase of the Project may identify several years for the completion of the phase, the implementation of which will mirror the Redeveloper's anticipated construction schedule, thereby preserving the tax increment financing resources available for the public improvements to be constructed as part of the Project. Likewise, the Redevelopment Agreement may identify more than one effective date for the division of ad valorem taxes for each such phase, with the effective dates determined by the Redeveloper's schedule of construction of the private improvements that are a part of such phase.

This Article II is intended to be flexible and to serve as a guide for development of the Project Site by Redeveloper. The CDA acknowledges that each phase of the Project may include modifications to this Article II, including in particular, modifications to the private improvements and the public improvements to be constructed as a part of the Project. For example, individual phases of the Project may include adjustments to the quantity and type of residential dwellings constructed. It is the Redeveloper's intent that each phase of the Project shall qualify as a minor modification to the Redevelopment Plan to be approved by the CDA and the City Council of the City of Norfolk as each phase may move forward. The Redeveloper also reserves the right to accelerate the phases if the absorption of the homes exceeds expectations. However, the phasing plan is intended to reflect a conservative approach to the timing for the construction and sale of homes.

D. Phase I

The first phase of the Project ("Phase I") shall include the property identified on the attached Exhibit "F" (the "Phase I Project Site"). The Phase I Project Site is located in the Medelmans Lake Redevelopment Area and within the Project Site. The Redeveloper private improvements for Phase I will consist of construction of approximately 18 single family homes, including approximately 14 lake front dwellings and approximately 4 villas. The public improvements to be constructed as part of Phase I will include installation of streets, trails and sidewalks, landscaping, hardscaping and streetscaping, and extension of public utilities necessary to serve the private improvements to be constructed during Phase I and the Project. The private improvements and public improvements to be developed in Phase I shall be described in more detail in the Redevelopment Agreement for Phase I of the Project. The Cost-Benefit Analysis for the Phase I Project is attached 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 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 Phase I and 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. In addition, the Cost-Benefit Analysis required for each phase shall be attached as completed for each phase of the project. The Cost-Benefit Analysis for the Phase I Project shall be attached to this Plan prior to consideration by the City Council of the City of Norfolk.

Exhibits:

- "A" – Medelmans Lake Redevelopment Area Legal Description
- "A-1" – Medelmans Lake Legal Description
- "A-2" – Parcel 3 (Home and Boat Club Area) Legal Description
- "B" – Existing Land Use
- "C" – Future Land Use
- "D" – Project Site
- "E" – Site Plan and Phasing Plan
- "F" – Cost-Benefit Analysis for Phase I
- "G" – Statutory Elements

EXHIBIT "A" **MEDELMANS LAKE REDEVELOPMENT AREA - LEGAL DESCRIPTION**

A TRACT OF LAND COMPOSED OF MEDLEMAN'S SUBDIVISION; A PORTION OF RIVIERA ADDITION; AND A PORTION OF SECTION 3, TOWNSHIP 23 NORTH, RANGE 1 WEST OF THE 6TH P.M., MADISON COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, TOWNSHIP 23 NORTH, RANGE 1 WEST OF THE 6TH P.M.; THENCE SOUTHERLY ON THE WEST LINE OF SAID NORTHWEST QUARTER ON AN ASSUMED BEARING OF S01°28'20"E, A DISTANCE OF 133.27' TO A POINT; THENCE N88°31'40"E TO THE THREAD OF THE ELKHORN RIVER, A DISTANCE OF 78' MORE OR LESS TO **THE TRUE POINT OF BEGINNING**; THENCE FOLLOWING THE THREAD OF THE ELKHORN RIVER IN A SOUTHEASTERLY MEANDERING LINE, A DISTANCE OF 5,631' MORE OR LESS TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 23 NORTH, RANGE 1 WEST, BEING 914' MORE OR LESS SOUTHERLY FROM THE NORTHEAST

CORNER OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 23 NORTH, RANGE 1 WEST

THENCE S01°06'57"E, ON THE EAST LINE OF SAID NORTHEAST QUARTER, A DISTANCE OF 1,721.53' TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER; THENCE S01°08'07"E, ON THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, A DISTANCE OF 2,638.72' TO THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER; THENCE S87°50'05"W, ON THE SOUTH LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 658.83' TO A POINT; THENCE N01°10'14"W, A DISTANCE OF 50.01' TO A POINT; THENCE S87°50'05"W, ON A LINE LOCATED 50.00' NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 20.00' TO A POINT; THENCE N01°10'14"W, A DISTANCE OF 278.27' TO A POINT; THENCE S87°48'57"W, A DISTANCE OF 639.18' TO A POINT OF INTERSECTION WITH THE EAST LINE OF THE WEST HALF OF SAID SOUTHEAST QUARTER; THENCE S01°12'54"E, ON THE EAST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER, A DISTANCE OF 328.06' TO A POINT LOCATED ON THE SOUTH LINE OF SAID SOUTHEAST QUARTER; THENCE S87°50'05"W, ON THE SOUTH LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 1,317.65' TO A POINT OF INTERSECTION WITH THE WEST LINE OF SAID SOUTHEAST QUARTER; THENCE N01°18'41"W, ON THE WEST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 2,018.13' TO A POINT; THENCE S87°45'44"W, A DISTANCE OF 1,206.40' TO A POINT; THENCE N02°14'16"W, A DISTANCE OF 300.06' TO A POINT; THENCE S87°45'44"W, A DISTANCE OF 773.60' TO A POINT; THENCE N01°27'23"W, A DISTANCE OF 1,620.02' TO A POINT; THENCE S87°47'25"W, A DISTANCE OF 134.32' TO A POINT; THENCE N02°12'35"W, A DISTANCE OF 140.00' TO A POINT; THENCE S87°47'25"W, A DISTANCE OF 50.60' TO A POINT; THENCE N02°12'47"W, A DISTANCE OF 215.01' TO A POINT; THENCE S87°47'13"W, A DISTANCE OF 345.40' TO A POINT; THENCE S02°12'47"E, A DISTANCE OF 214.99' TO A POINT; THENCE S02°11'25"E, A DISTANCE OF 140.00' TO A POINT; THENCE S87°47'25"W, A DISTANCE OF 51.19' TO A POINT THENCE N01°28'20"W, A DISTANCE OF 1,199.89' TO THE POINT OF BEGINNING, SAID TRACT CONTAINS A CALCULATED AREA 18,439,730.03 SQUARE FEET OR 423.32 ACRES, MORE OR LESS.

SAID TRACT CONTAINS A CALCULATED AREA OF 18,439,730.03 SQ. FT. OR 423.32 ACRES, MORE OR LESS. THE MAJORITY OF THE LAKE SURFACE IS LEGALLY DESCRIBED ON EXHIBIT "A-1" WHICH AREA TOTALS 116.65 ACRES, MORE OR LESS, AND IS EXCLUDED FROM THE AREA TO BE DESIGNATED AS "BLIGHTED AND SUBSTANDARD" AND THUS SHALL ALSO BE EXCLUDED FROM THE AREA OF THE REDEVELOPMENT PLAN. THE AREA OF PARCEL THREE (WHICH IS COMPRISED OF A SINGLE FAMILY HOME AND A BOAT CLUB/RECREATIONAL AREA ON THE NORTH SIDE OF THE LAKE) IS LEGALLY DESCRIBED ON EXHIBIT "A-2" WHICH AREA TOTALS 21.84 ACRES, MORE OR LESS, AND IS EXCLUDED FROM THE AREA TO BE DESIGNATED AS "BLIGHTED AND SUBSTANDARD" AND THUS SHALL ALSO BE EXCLUDED

FROM THE AREA OF THE REDEVELOPMENT PLAN. THE "NET AREA" BEING DESIGNATED AS BLIGHTED AND SUBSTANDARD AND ALSO INCLUDED IN THIS REDEVELOPMENT PLAN IS 284.83 ACRES.

EXHIBIT "A-1"
MEDELMANS LAKE - LEGAL DESCRIPTION
(Deducted from the Redevelopment Area)

Lake 3 Legal Description: Lake 3 is the main body of water which shall be excluded from the Blighted and Substandard Area and also this Redevelopment Plan.

A TRACT OF LAND LOCATED IN SECTION 3, TOWNSHIP 23 NORTH, RANGE 1 WEST OF THE 6TH P.M., MADISON COUNTY, NEBRASKA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 3; THENCE ON THE WEST LINE OF SAID SECTION 3, S01°28'20"E, 1433.20 FEET; THENCE N88°31'40"E, 1037.50 FEET TO THE POINT OF BEGINNING; THENCE N01°58'22"W, 539.58 FEET; THENCE N63°46'47"W, 225.93 FEET TO A POINT OF CURVATURE; THENCE ON A 100.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 152.70 FEET (LONG CHORD BEARS N20°02'02"W, 138.29 FEET); THENCE N23°42'42"E, 68.74 FEET TO A POINT OF CURVATURE; THENCE ON A 100.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 138.72 FEET (LONG CHORD BEARS N63°27'05"E, 127.86 FEET); THENCE S76°48'10"E, 646.58 FEET TO A POINT OF CURVATURE; THENCE ON A 93.36 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 124.90 FEET (LONG CHORD BEARS S38°28'33"E, 115.79 FEET); THENCE S01°04'12"E, 403.33 FEET TO A POINT OF CURVATURE; THENCE ON A 322.83 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 1011.70 FEET (LONG CHORD BEARS N87°25'36"E, 645.66 FEET); THENCE N08°45'04"W, 52.41 FEET; THENCE N14°06'24"W, 69.13 FEET; THENCE N23°29'42"W, 65.94 FEET; THENCE N15°39'39"E, 61.77 FEET; THENCE N00°00'00"E, 43.70 FEET; THENCE N64°15'01"E, 49.49 FEET; THENCE N74°11'38"E, 25.52 FEET; THENCE S83°58'19"E, 38.87 FEET; THENCE S61°54'50"E, 59.58 FEET; THENCE S38°42'30"E, 107.43 FEET; THENCE S62°14'16"E, 88.21 FEET; THENCE S76°19'57"E, 173.31 FEET; THENCE S69°58'13"E, 218.34 FEET; THENCE S78°20'32"E, 70.98 FEET; THENCE N80°19'20"E, 160.33 FEET; THENCE S00°00'00"E, 502.46 FEET; THENCE N90°00'00"E, 50.00 FEET; THENCE S00°00'00"E, 227.54 FEET; THENCE N90°00'00"E, 763.40 FEET; THENCE N00°00'00"E, 239.79 FEET; THENCE N24°15'58"E, 165.57 FEET; THENCE N29°57'21"E, 131.11 FEET; THENCE N40°45'31"E, 104.38 FEET; THENCE N70°49'24"E, 33.37 FEET; THENCE N75°12'36"E, 93.01 FEET; THENCE S82°02'13"E, 478.37 FEET; THENCE S39°21'53"E, 57.52 FEET; THENCE S27°31'48"E, 105.33 FEET TO A POINT OF CURVATURE; THENCE ON A 395.09 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 284.32 FEET (LONG CHORD BEARS S00°44'46"W, 278.23 FEET); THENCE S27°55'04"W, 320.92 FEET; THENCE S31°25'40"W, 102.48 FEET; THENCE S48°44'55"W, 144.43 FEET TO A POINT OF CURVATURE; THENCE ON A 435.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 149.75 FEET (LONG CHORD BEARS S71°24'55"W, 149.01 FEET) TO A POINT OF REVERSE

CURVATURE; THENCE ON A 350.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 492.42 FEET (LONG CHORD BEARS S35°59'16"W, 452.80 FEET); THENCE S09°00'52"E, 206.90 FEET TO A POINT OF CURVATURE; THENCE ON A 305.77 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 250.09 FEET (LONG CHORD BEARS S14°25'00"W, 243.17 FEET); THENCE S35°30'38"W, 372.92 FEET TO A POINT OF CURVATURE; THENCE ON A 1275.20 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 605.55 FEET (LONG CHORD BEARS S17°49'57"W, 599.88 FEET TO A POINT OF COMPOUND CURVATURE; THENCE ON A 320.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 145.63 FEET (LONG CHORD BEARS S04°49'10"E, 144.38 FEET); THENCE S14°20'32"W, 65.25 FEET; THENCE S24°14'50"W, 143.08 FEET; THENCE S21°04'46"W, 111.58 FEET; THENCE S43°08'23"W, 97.30 FEET; THENCE S28°32'21"W, 220.33 FEET; THENCE S42°26'55"W, 45.55 FEET TO A POINT OF CURVATURE; THENCE ON A 171.36 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 95.43 FEET (LONG CHORD BEARS S66°16'52"W, 94.20 FEET); THENCE N81°38'14"W, 51.99 FEET; THENCE N68°24'10"W, 51.72 FEET TO A POINT OF CURVATURE; THENCE ON A 200.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 128.48 FEET (LONG CHORD BEARS N30°41'06"W, 126.28 FEET); THENCE N00°37'16"W, 586.26 FEET TO A POINT OF CURVATURE; THENCE ON A 482.62 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 292.19 FEET (LONG CHORD BEARS N18°04'30"E, 287.75 FEET) TO A POINT OF REVERSE CURVATURE; THENCE ON A 767.58 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 53.44 FEET (LONG CHORD BEARS N34°46'36"E, 53.43 FEET) TO A POINT OF REVERSE CURVATURE; THENCE ON A 300.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 428.97 FEET (LONG CHORD BEARS N06°49'48"W, 393.35 FEET); THENCE N47°47'39"W, 105.35 FEET TO A POINT OF CURVATURE; THENCE ON A 1604.96 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 187.44 FEET (LONG CHORD BEARS N32°58'35"W, 187.33 FEET TO A POINT OF COMPOUND CURVATURE; THENCE ON A 225.94 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 163.13 FEET (LONG CHORD BEARS N11°29'17"W, 159.61 FEET); THENCE N06°39'16"E, 151.44 FEET TO A POINT OF CURVATURE; THENCE ON A 500.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 703.71 FEET (LONG CHORD BEARS N34°28'27"W, 647.05 FEET); THENCE N74°47'38"W, 559.03 FEET TO A POINT OF CURVATURE; THENCE ON A 1000.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC LENGTH OF 173.40 FEET (LONG CHORD BEARS N79°45'41"W, 173.18 FEET; THENCE N84°43'44"W, 386.55 FEET TO A POINT OF CURVATURE; THENCE ON A 550.00 FOOT RADIUS CURVE TO THE RIGHT, AN ARC LENGTH OF 794.40 FEET (LONG CHORD BEARS N43°21'03"W, 727.13 FEET) TO THE POINT OF BEGINNING.

SAID TRACT CONTAINS A CALCULATED AREA OF 5081295.525 SQ. FT. OR 116.650 ACRES MORE OR LESS.

EXHIBIT "A-2"
LEGAL DESCRIPTION
PARCEL 3 - HOUSE AND BOAT CLUB
(Deducted from the Redevelopment Area)

A TRACT OF LAND COMPOSED OF A PORTION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 23 NORTH, RANGE 1 WEST OF THE 6TH P.M., MADISON COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 23 NORTH, RANGE 1 WEST OF THE 6TH P.M.; THENCE WESTERLY ON THE NORTH LINE OF SAID NORTHEAST QUARTER ON AN ASSUMED BEARING OF S87°47'35"W, A DISTANCE OF 1,326.27' TO THE NORTHEAST CORNER OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 3; THENCE S01°13'18"E, ON THE EAST LINE OF SAID WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 3, A DISTANCE OF 909.77' TO A POINT; THENCE S88°46'42"W, A DISTANCE OF 8.32' TO **THE TRUE POINT OF BEGINNING**; THENCE S00°00'00"E, A DISTANCE OF 1,052.07' TO A POINT; THENCE S90°00'00"W, A DISTANCE OF 763.40' TO A POINT; THENCE N00°00'00"E, A DISTANCE OF 227.54' TO A POINT; THENCE S90°00'00"W, A DISTANCE OF 50.00' TO A POINT; THENCE N00°30'00"W, A DISTANCE OF 926.52' TO A POINT; THENCE N79°01'42"E, A DISTANCE OF 192.52' TO A POINT; THENCE N81°10'49"E, A DISTANCE OF 117.33' TO A POINT; THENCE N81°41'31"E, A DISTANCE OF 143.96' TO A POINT OF CURVATURE FOR A CURVE IN A CLOCKWISE DIRECTION HAVING A CENTRAL ANGLE OF 78°53'17", A RADIUS OF 270.00', AN ARC LENGTH OF 371.75', A CHORD LENGTH OF 343.07', A TANGENT LENGTH OF 222.13', AND A CHORD BEARING OF S58°51'51"E, TO A POINT; THENCE N90°00'00"E, A DISTANCE OF 80.44' TO THE POINT OF BEGINNING, SAID TRACT CONTAINS A CALCULATED AREA 951,399.43 SQUARE FEET OR 21.84 ACRES, MORE OR LESS.

EXHIBIT "B" EXISTING LAND USE

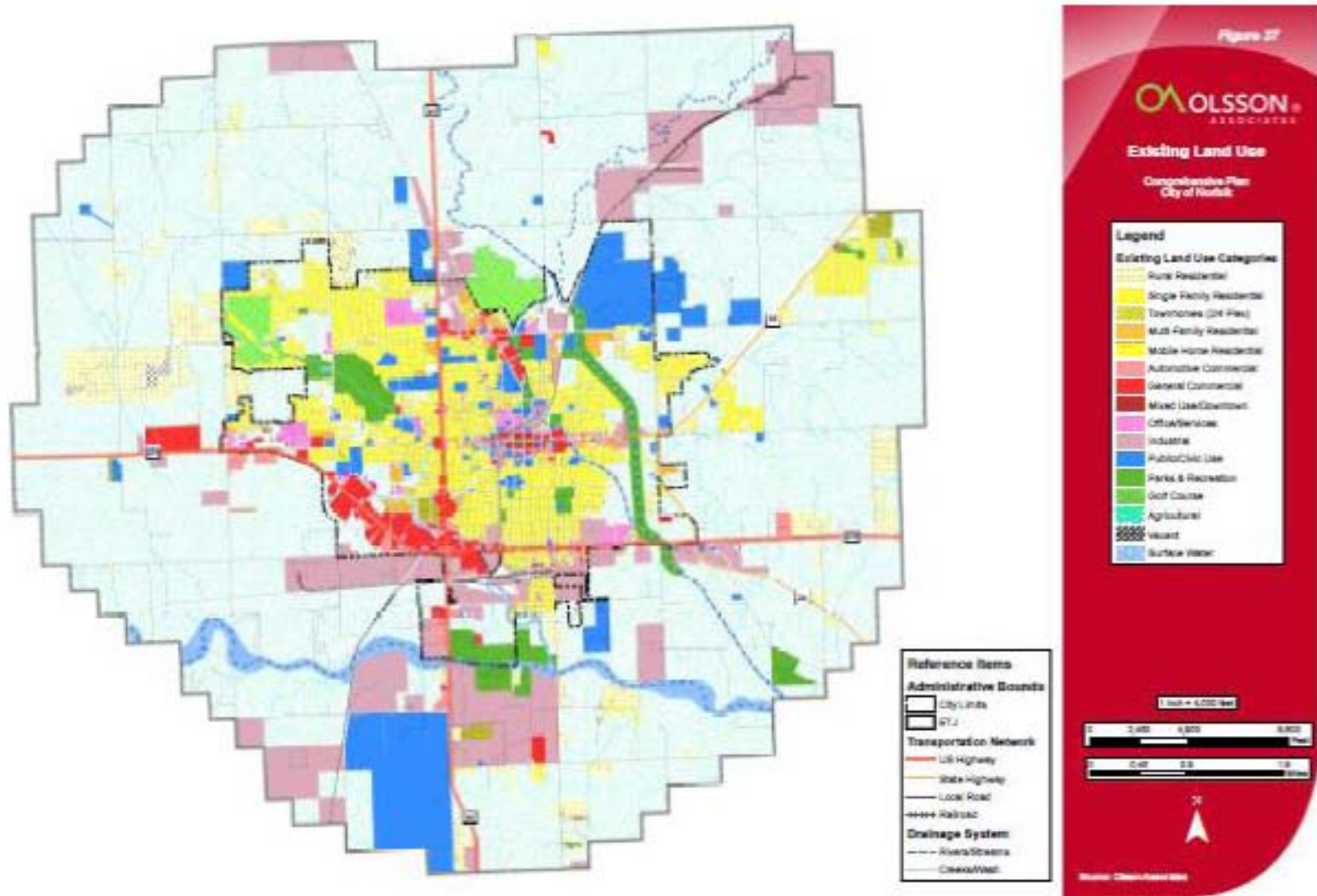


EXHIBIT "C"
FUTURE LAND USE

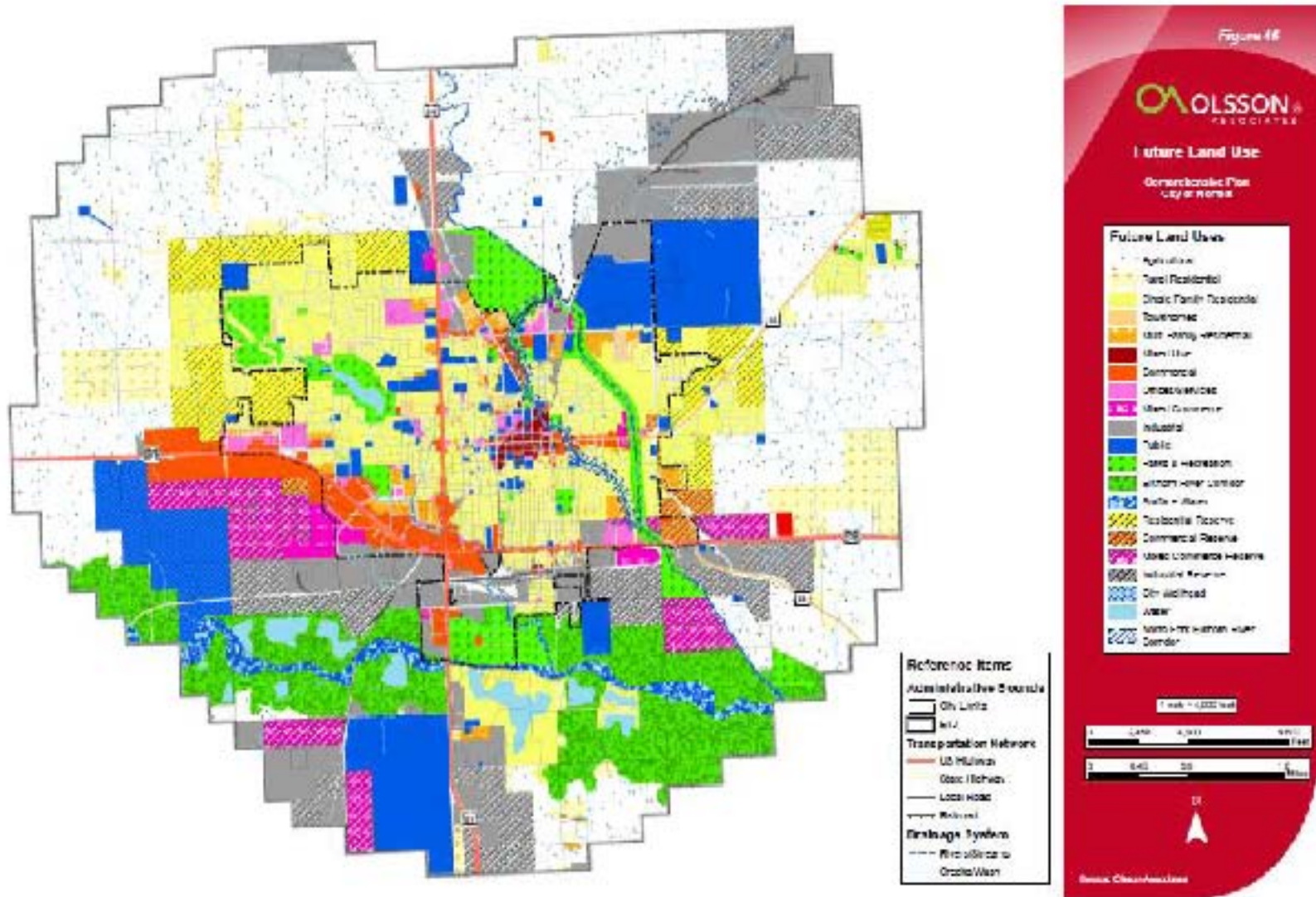


EXHIBIT "D" PROJECT SITE

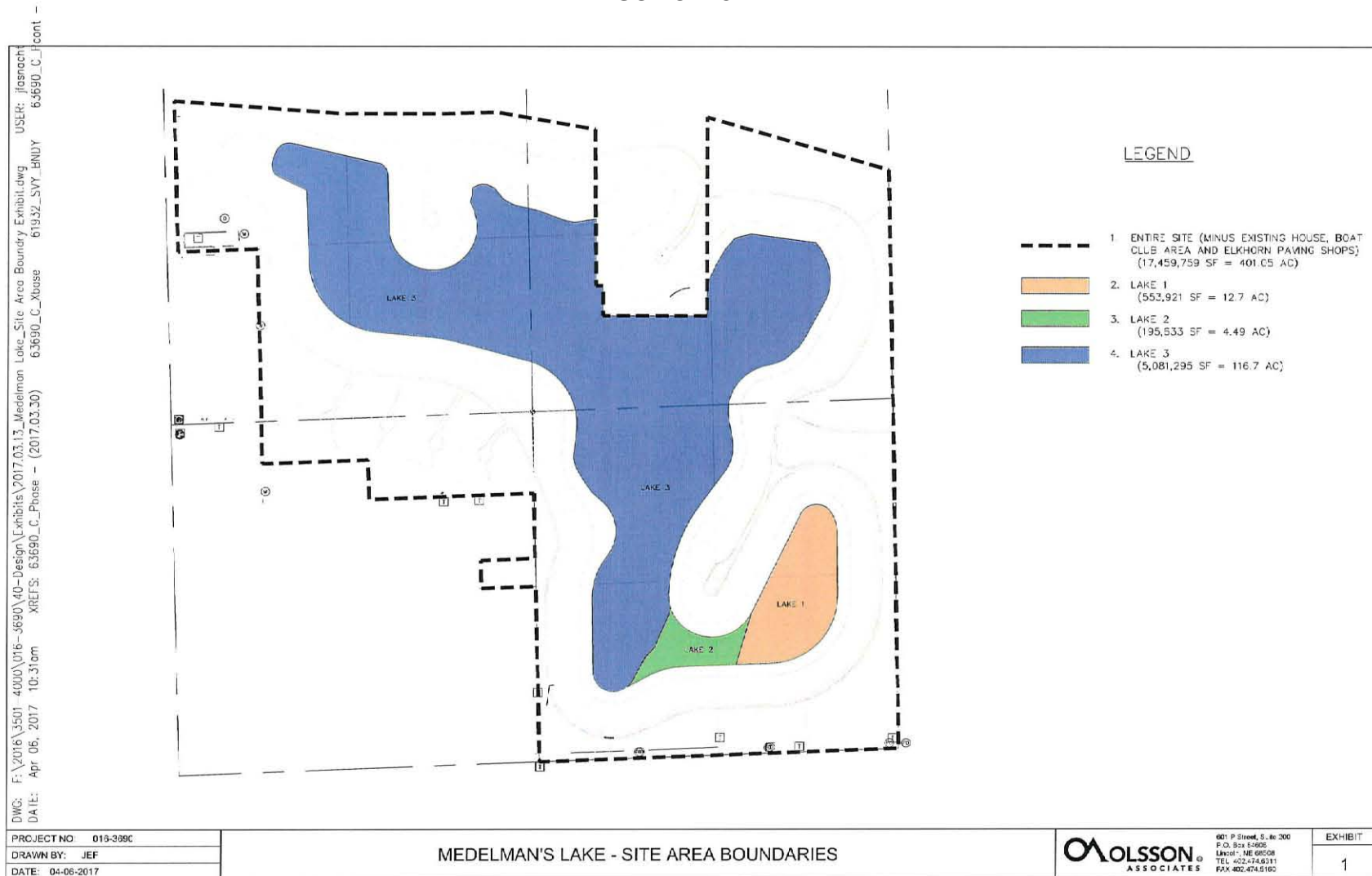


EXHIBIT "E"

SITE PLAN AND PHASING PLAN

MEDELMANS LAKE

1. LANDSCAPED ENTRY FROM HIGHWAY 81
2. GATED ENTRY AND SIGNAGE
3. CONVENIENCE STORAGE FOR OWNERS BOATS
4. BOAT TRAILER PARKING
5. BOAT RAMP
6. PARK WITH BEACH AND GAZEBO
7. ENTRANCE FROM SHERWOOD ROAD - PHASE 1
8. ENTRANCE FROM SOUTH 1ST STREET - PHASE 2
9. SURFACE AREA OF LAKE 139 ACRES

LEGEND

W= WALKOUT LOTS
L= ONE LEVEL LOTS

	PHASE 1 3 - 150' LEVEL LOTS 4 - 140' LEVEL LOTS 6 - 85' LEVEL LOTS 1 - 120' WALKOUT LOT
	PHASE 2 7 - 120' WALKOUT LOTS 3 - 150' LEVEL LOTS
	PHASE 3 2 - 150' LEVEL LOTS 6 - 150' WALKOUT LOTS 3 - 140' LEVEL LOTS 1 - 120' WALKOUT LOT
	PHASE 4 11 - 110' LEVEL LOTS
	PHASE 5 11 - 110' WALKOUT LOTS
	PHASE 6 10 - 110' WALKOUT LOTS 1 - 112' WALKOUT LOT 1 - 135' WALKOUT LOT
	PHASE 7 18 - 110' WALKOUT LOTS 1 - 114' WALKOUT LOT 1 - 124' WALKOUT LOT
	PHASE 8 6 - 200' WALKOUT LOTS 5 - 180' WALKOUT LOTS
	PHASE 9 11 - 200' WALKOUT LOTS
	PHASE 10 12 - 200' WALKOUT LOTS
	PHASE A,B,C,D,E,F 60 - LEVEL LOTS

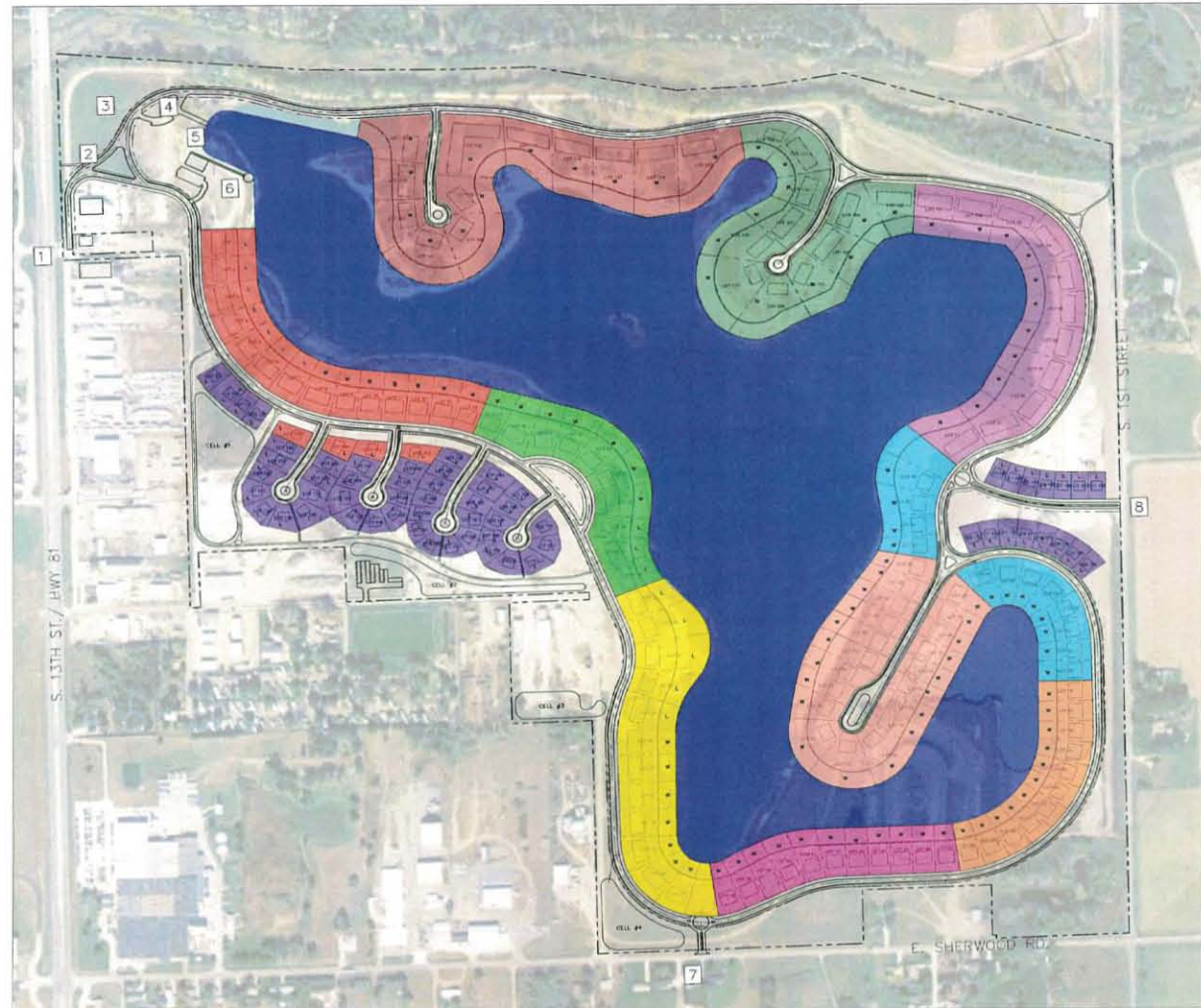
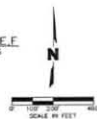


EXHIBIT “F”
PHASE I PROJECT SITE COST-BENEFIT ANALYSIS

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

The cost-benefit analysis for the Medelman Lake Redevelopment Project (Phase I) (the “Project”), as described on the attached Exhibit 1, which will utilize funds authorized by Neb. Rev. Stat. § 18-2147, can be summarized as follows:

1. Tax shifts (estimated) resulting from the approval of the use of funds pursuant to Section 18-2147:

a.	Base Project Area Valuation:	\$55,800
b.	Preliminary Completed Project Assessed Valuation:	\$8,230,000
c.	Tax Increment Base (b. minus a.):	\$8,174,200
d.	Annual Projected Tax Shift:	\$161,364

Note: The estimated Tax shift is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The estimated tax levy for this analysis is 1.97406, which is the 2016 Madison County tax levy, and will likely change for 2017.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

The Redeveloper anticipates expenditures of approximately \$10,000,000 for the acquisition, construction and installation of the Project and related and ancillary improvements. These expenditures will be financed by funds of the Redeveloper and the builders of the 18 homes in Phase I. It is proposed that approximately \$1,610,000 of these expenditures made for public improvements will be reimbursed by a grant from the CDA financed with the proceeds of tax increment financing indebtedness. This TIF sum is anticipated to be used for:

- Grading;
- Sanitary Sewer;
- Water Main;
- Storm Sewer;
- Paving;
- Landscaping/Screening;
- Street Lighting; and
- Site Acquisition Costs.

The sizing of the TIF for this Phase I Project may adjust in the final redevelopment contract. The projected sources and uses of the TIF indebtedness, which will be refined in the Redevelopment Agreement for this Project. All expenditures financed by tax increment financing Indebtedness shall be eligible public expenditures. It is not anticipated that the Project will have a material adverse impact on existing public infrastructure. The Project improvements will materially benefit other property in and around the City.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, it is intended to create a long term benefit and substantial increase in property taxes to the City and other local taxing jurisdictions. The Project should also generate immediate tax growth for the City. The construction of the approximately 18 homes will generate significant sales tax revenue for the City.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project should also increase the need for services and products from existing businesses. The Project will require the purchase of construction materials.

5. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Project is anticipated to increase construction employment in the community. When secondary employment effects in other employment sectors are added, the total employment effects are expected to be even higher.

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

6. Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost benefit analysis, the benefits outweigh the costs of the proposed Project.

Approved by the Community Development Agency, City of Norfolk this ____ day of _____, 2017.

_____, Chairman

_____, Secretary

EXHIBIT 1

PROJECT INFORMATION

The Project consists of capturing the incremental tax revenue created by the Phase I of the Medelman Lake Redevelopment Project which Phase I consists of approximately 14 lakeside lots/homes and 4 non-lakeside homes. The 18 single family home sites shall be created by the first phase subdivision for the Project.

EXHIBIT “G”
STATUTORY ELEMENTS

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 owns or controls the Project Site.

B. Population Density

The proposed Project includes the construction of approximately 188 new single family homes on the 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

The Project consists of construction of approximately 188 new single family homes on approximately 150 acres of undeveloped land (which excludes the majority of the water surface of the lake). 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 Redeveloper will construct new streets that will provide access to the new homes constructed on the Project Site. Installation of the streets in phases, as described in the Redevelopment Plan, will allow the Redeveloper to construct streets as needed to alleviate any congestion that might be created by the Project.

E. Parking

The Project will meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code and Ordinances

The Redeveloper intends to proceed with a Preliminary Plat which covers the entire Project and all Phases. The Redeveloper and the CDA acknowledge and agree that the Project Site may be final platted incrementally, in connection with each phase of the Project, in order to implement the phasing plan for the development based on the sale of the lots. 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 an urban residential zone, such as R-2 zoning under the City of Norfolk Zoning Ordinance. The Redeveloper intends to seek a change of zone to amend the official Zoning Map of the City of Norfolk for the entire Project.