

Agenda Packet

COMMUNITY DEVELOPMENT AGENCY

Monday, June 05, 2017
5:15 p.m.

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Notice of Meeting
Community Development Agency

The Community Development Agency will meet on Monday, June 05, 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 02, 2017)
1 P.O.P.

COMMUNITY DEVELOPMENT AGENCY

AGENDA

June 05, 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 May 1, 2017, Agency meeting. | Motion |
| 6. Consideration of approval of Resolution No. 2017-7 approving the Redevelopment Agreement with SCM 10X Norfolk 1120, LLC. | Resolution 2017-7 |
| 7. Consideration of acceptance of the Redevelopment Plan for Fountain Point Redevelopment Area of the City of Norfolk, Nebraska and authorization to forward to the Planning Commission for recommendation. | Motion |

STAFF MEMORANDUM
COMMUNITY DEVELOPMENT AGENCY

June 05, 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

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| 4. Approve Agenda | Motion |
| 5. Approve the minutes of the May 1, 2017, Agency meeting. | Motion |

See Enclosure 5.

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|---|--------------------------|
| 6. Consideration of approval of Resolution No. 2017-7 approving the Redevelopment Agreement with SCM 10X Norfolk 1120, LLC. | Resolution 2017-7 |
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The Redevelopment Agreement provides for using Tax Increment Financing (TIF) for building improvements to serve the redevelopment project area generally located at the northwest corner of 13th Street and Omaha Avenue.

See Enclosure 6.

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| 7. Consideration of acceptance of the Redevelopment Plan for Fountain Point 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 Fountain Point 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 Monday, May 1, 2017, beginning at 5:17 p.m.

Chair Josh Moenning called the meeting to order.

Roll call found the following Agency members present: Josh Moenning, Dave Fauss, Corey Granquist, Jim Lange, Rob Merrill, Shane Clausen, Gary L. Jackson, Thad Murren and Dick Pfeil. Absent: None.

City staff members present were City Administrator Shane Weidner, Public Works Director Dennis Smith, City Attorney Clint Schukei, City Clerk Beth Deck, Finance Officer Randy Gates and Economic Development Director Andy Colvin.

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

The Chair presided and the Secretary recorded the proceedings.

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

Agenda

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

Minutes

April 17, 2017

Lange moved, seconded by Granquist to approve the minutes of the April 17, 2017 Agency meeting as printed. Roll call: Ayes: Clausen, Fauss, Granquist, Jackson, Lange, Merrill, Moenning, Murren, and Pfeil. Nays: None. Absent: None. Motion carried.

Resolution No. 2017-6

(SCM 10X Norfolk 1120, LLC Redevelopment Plan)

Merrill moved, seconded by Fauss to adopt Resolution No. 2017-6 recommending approval of the SCM 10X Norfolk 1120, LLC Redevelopment Plan and forwarding to the Norfolk City Council.

Andy Colvin provided information to Agency members. The project area is located at the northwest corner of 13th Street and West Omaha Avenue and consists of Lots 1 and 2, O.L. Scheer Second Addition to the City of Norfolk, Madison County, Nebraska. The project area is proposed to be redeveloped through the use of TIF and private funding and will consist of two newly constructed buildings approximately 2,724 square feet and 10,050 square feet for commercial, office and retail space. The project area will also include extensive parking and

landscaping surrounding the premises with appropriate exterior lighting and signage. On April 3, 2017, the Agency accepted the SCM 10X Norfolk 1120, LLC Redevelopment Plan and forwarded it to the Planning Commission for recommendation. On April 18, 2017, the Planning Commission reviewed the Plan and recommended approval.

Roll call on Resolution No. 2017-6: Ayes: Clausen, Fauss, Granquist, Jackson, Lange, Merrill, Moenning, Murren, and Pfeil. Nays: None. Absent: None. Motion carried. Resolution No. 2017-6 was adopted.

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)

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

RESOLUTION NO. 2017- 7

BE IT RESOLVED, by the governing body of the Community Development Agency of the City of Norfolk, Nebraska, that the Redevelopment Agreement by and between with SCM 10X Norfolk 1120, LLC, a limited liability company, is hereby approved and the Chairperson and Secretary are hereby authorized to execute and deliver such agreement in substantially the form presented with such changes and modifications thereto as shall be deemed appropriate, based upon advice of the City Attorney or other special counsel.

PASSED AND APPROVED this _____ day of _____, 2017.

Chairman (Mayor)

(SEAL)

Secretary (City Clerk)

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

, Notary Public

REDEVELOPMENT AGREEMENT

This Redevelopment Agreement ("Redevelopment Agreement") is made and entered into as of the ____ day of _____, 20____, by and between the Community Development Agency of the City of Norfolk, Norfolk, Nebraska (the "Agency") and SCM 10X Norfolk 1130, LLC, a Nebraska limited liability company f/k/a SCM 10X Norfolk 1120, LLC, (the "Redeveloper"). The Agency and/or the Redeveloper may be referred to hereinafter as the "Party" or collectively as the "Parties".

WITNESSETH:

WHEREAS, the Agency has adopted and approved a plan entitled "SCM 10X Norfolk 1120, LLC Redevelopment Plan" (the "Plan") for the real estate described on Exhibit "A" hereto attached and by such reference incorporated herein (the "Land"), which is located in the City of Norfolk, and which has previously been declared blighted and substandard or otherwise eligible for redevelopment by the Mayor and Council of the City of Norfolk, Nebraska (said real estate is also sometimes herein referred to as the "Redevelopment Project Area");

WHEREAS, the Agency has encouraged and induced the Redeveloper to engage in certain development activities, construct improvements and create new jobs in the Redevelopment Project Area and the Redeveloper is not willing to incur the substantial investment necessary for such redevelopment of the Redevelopment Project Area without the financial economic development incentives ("Incentives") provided by the Agency to the Redeveloper in this Redevelopment Agreement;

WHEREAS, the Agency acknowledges and agrees that the Redeveloper has negotiated and entered into this Redevelopment Agreement in good faith and in full reliance upon the availability of the Incentives;

WHEREAS, the Redeveloper pursuant to the Plan is redeveloping the Land for construction of a 2,724 square foot building and a 10,050 square foot building. The new buildings will have first class retail, restaurant, office, and medical tenants. The Redeveloper will also be constructing extensive concrete parking and staging area surrounding the premises. (The construction is referred to in this Redevelopment Agreement as the "Redevelopment Project");

WHEREAS, under the Plan the Agency has undertaken to support and encourage Redeveloper in its redevelopment activities and has determined that under the authority provided for in Sections 18-2101 to 18-2150, R.R.S. Neb. (Reissue 2012) as amended, (the "Act") it is advisable and appropriate for the Agency to provide for and the Agency shall provide for certain costs of providing adequate ingress and egress to the property from 13th Street, obtaining legal rights through the adjacent property to the east to grant access to Omaha Avenue, constructing access ways, curb cuts, and sidewalks for the Redevelopment Project Area, upgrading and construction of gas and sewer infrastructure to adequately service the Redevelopment Area and the surrounding area, preparing the site for development, filling and grading the site, and constructing public parking, curb cuts, entrances, sidewalks, and landscaping. The Redevelopment Project Area shall have two newly constructed buildings, consisting of 2,724

square feet and 10,050 square feet. The property within the Redevelopment Project Area, other than easements for public utilities, is to be privately owned by Redeveloper.

WHEREAS, the Agency proposes to authorize the issuance of its tax increment revenue bonds (the "Bonds"), to provide for costs of public improvements and to provide for other costs relating to the redevelopment of the Redevelopment Project Area as shall be more specifically described in a resolution or resolutions to be adopted by the governing body of the Agency (the "Resolution") and under the Resolution shall designate the Agency's Treasurer (being the City Treasurer of the City of Norfolk) to act as Paying Agent and Registrar (the "Agent") for the Bonds pursuant to the Resolution;

WHEREAS, Redeveloper seeks the assistance of the Agency for the costs of preparing the Redevelopment Project Area for redevelopment and developing the Public Improvements and therefore is willing to agree to the conditions herein set forth as an inducement to the Agency to issue the Bonds as provided in the Resolution;

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

Section 1. Representations, Warranties and Covenants of Redeveloper. Redeveloper hereby represents, covenants and warrants as follows:

- (a) Redeveloper is a Nebraska limited liability company duly organized and existing under the laws of the State of Nebraska, is not in violation of any provisions of its Articles of Organization, is authorized to enter into and perform its obligations under this Redevelopment Agreement and, to the best of the knowledge of the Redeveloper, is not in violation of the laws of the State of Nebraska.
- (b) Throughout the term of this Redevelopment Agreement, Redeveloper will reasonably endeavor to construct, operate and maintain the Redevelopment Project in accordance with the terms of this Redevelopment Agreement and all applicable local, state and federal laws and regulations (including, without limitation, environmental, zoning, building code and public health laws and regulations). Throughout the term of this Redevelopment Agreement and subject to the provisions of Section 19 of this Redevelopment Agreement, in the event of any casualty damage to the Redevelopment Project, as and to the extent owned by Redeveloper, Redeveloper agrees to repair and reconstruct such damaged portion or portions of the Redevelopment Project to a functioning facility having value for purposes of real property taxation at least equal to the value as most recently determined prior to the event or events of casualty loss. Redeveloper agrees to substantially effect such repair and reconstruction whether or not insurance proceeds are sufficient or available for such purposes.
- (c) The Redevelopment Project shall be completed by the Redeveloper or others at an estimated cost of \$4,998,986.00.

- (d) Redeveloper has received no notice or communication from any local, state or federal official or body that the activities of Redeveloper respecting the Redevelopment Project Area or the construction of the Redevelopment Project thereon may be or will be in violation of any law or regulation.
- (e) Redeveloper will use its best efforts to obtain or to cause others to obtain, in a timely manner, all required permits, licenses and approvals and to meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met for the Redevelopment Project to be lawfully constructed, occupied or operated.
- (f) The execution and delivery of this Redevelopment Agreement, the consummation of the transactions contemplated hereby and the fulfillment of or compliance with the terms and conditions of this Redevelopment Agreement are not prevented or limited by and will not conflict with or result in a breach (i) of any provision of any evidence of indebtedness, agreement or instrument of whatever nature to which Redeveloper is now a Party or by which it is bound; or (ii) of any past, pending or threatened litigation, court order, or administrative proceeding, by which Redeveloper is or might become bound.
- (g) To the best of the knowledge of the Redeveloper, the Redeveloper is not aware of any hazardous waste or other significant environmental pollution condition or hazard existing on or within the Redevelopment Project Area, except as described in the Plan or as set forth in the Phase I Environmental Site Assessment prepared by Coranco Great Plains, Inc. and dated April 7, 2017.
- (h) The Redeveloper acknowledges and agrees that neither the Agency nor the City of Norfolk shall be obligated to pay any costs related to the Redevelopment Project other than costs to be paid from available grant monies, if any, and Redeveloper hereby undertakes and agrees to pay any and all such cost. All costs of the Redevelopment Project, other than those costs which are to be provided for by the Agency, shall be paid in full and there are and shall be no construction liens unpaid against the Redevelopment Project. Redeveloper agrees to provide for the construction of both the public and private improvements located on the property owned by the Redeveloper as described in the Plan or as described in this Redevelopment Agreement, except to the extent that the Agency or the City of Norfolk, Nebraska shall agree otherwise by separate written agreement with the Redeveloper.
- (i) Redeveloper agrees and covenants for itself, its successors and assigns that as long as any Bonds are outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any

employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project

- (j) Redeveloper agrees that any contractor providing services on the Project site will utilize the federal immigration verification system, as defined in Section 4-114, *Neb. Rev. Stat.* 2012, to determine the work eligibility status of new employees physically performing services on the Project.

Section 2. Incorporation of Plan; Agency to Issue Tax Increment Bonds. The Plan is hereby incorporated by reference. In order to provide for the payment of part or all of the costs of those public improvements described in the Plan as the “Public Improvements” (the “Public Improvements”) and those public improvements described in the Plan as the “Other Public Improvements” (the “Other Public Improvements”) to serve the Redevelopment Project Area, the Agency shall proceed to issue the Bonds, in the principal amount not to exceed \$450,000.00, under the Resolution with such terms and conditions as the Agency reasonably determines appropriate under the circumstances to be set forth in the Resolution. The proceeds of the Bonds shall upon receipt be deposited with the City Treasurer of the City of Norfolk, Nebraska, pursuant to the Resolution and shall be disbursed by said Treasurer to provide for all or a portion of the costs of the Public Improvements and the Other Public Improvements for the Redevelopment Project Area in accordance with the following:

- (a) Costs related to the issuance of the Bonds as incurred by the Agency or the City of Norfolk, including the fees and expenses of special bond counsel and the fees and expenses of the City Attorney, shall be paid or reimbursed as soon as practicable after the issuance of the Bonds;
- (b) Costs of the Public Improvements (as identified and allocated on Exhibit “B” hereto attached) to the extent incurred by the Agency or the City of Norfolk shall be paid or reimbursed from monies held by the City Treasurer upon directions provided to such Treasurer by the governing body of the Agency; as and to the extent that the Redeveloper determines that it is in the best interests of the Redeveloper to provide for the construction of any of the Public Improvements through the City by requesting the creation of one or more local improvement districts, the Redeveloper agrees that it will not protest the creation of any such district and agrees to pay its share of any such costs as they may be assessed or otherwise charged against the Land; the Agency and the Redeveloper acknowledge and agree that all or a portion of such costs as charged or assessed may, to the extent that funds are available from the proceeds of the Bonds, be paid out of the proceeds of the Bonds or reimbursed from such proceeds to the Redeveloper to the extent paid by the Redeveloper prior to the issuance of the Bonds;

- (c) Costs for the Public Improvements (as identified and allocated on Exhibit "B" hereto attached) to the extent paid by the Redeveloper shall be reimbursed (but only from available grant monies) to Redeveloper, as evidenced by paid invoices or paid architect's or engineer's certificates acceptable to the Agency, and approved on behalf of the Agency by the Mayor, the City Administrator or the City Clerk; each such reimbursement shall be and constitute a grant to the Redeveloper made under the terms on this Redevelopment Agreement and the Act; and
- (d) Costs of the Other Public Improvements (as identified and allocated on Exhibit "B" hereto attached), if incurred by the Agency, shall be paid in the same manner as applies for the Public Improvements and, if incurred by the Redeveloper, shall be reimbursed (but only from available grant monies) to Redeveloper, as evidenced by paid invoices or paid architect's or engineer's certificates acceptable to the Agency, and approved on behalf of the Agency by the Mayor, the City Administrator or the City Clerk and shall be paid only for those items of redevelopment cost included in the Other Public Improvements as identified on Exhibit "B" hereto attached; each such reimbursement shall be and constitute a grant to Redeveloper made under the terms of this Redevelopment Agreement and the Act.

Unless otherwise determined by the governing body of the Agency, the proceeds of the Bonds shall be applied to the costs described above in the order of priority set forth above. Unless otherwise determined appropriate by the Agency, the Bonds shall be issued on the basis of interest which is includable in income for both federal and Nebraska State income taxes. The effective date for the division of real estate taxes under the terms of the Plan is hereby agreed to be set and is hereby set as January 1, 2018.

Section 3. Covenants With Respect to Taxation of Redevelopment Project Area. Redeveloper agrees with respect to the Redevelopment Project as follows:

- (a) Until the termination of this Redevelopment Agreement (as described in Section 18 hereof), the Redevelopment Project may be operated for any use permitted under Nebraska law and applicable zoning and building regulations of the City of Norfolk and no sale or conveyance of such property shall be made to any person or entity for ownership or use which would cause the Redevelopment Project to be property eligible for exemption from ad valorem taxes under Section 77-202 R.R.S. Neb. 2009, as now existing or hereafter amended, or any successor provision thereto, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any lot.
- (b) From and after the issuance of the Bonds and so long as the Bonds remain outstanding and unpaid, Redeveloper agrees that it shall not contest any taxable valuation assessed for the Redevelopment Project as determined from time to time by the appropriate assessing and taxing officials of Madison County, Nebraska, for purposes of local ad valorem real estate taxes which does not exceed a value

to be agreed upon in writing between the Redeveloper and the Agency prior to the issuance of the Bonds but not less than \$2,750,000 (of which, \$1,800,000 is the value of the portion of the Redevelopment Project identified as Lot 1 and \$950,000 is allotted to the portion of the Redevelopment Project identified as Lot 2, both as further described on Exhibit A).

- (c) Redeveloper further agrees as follows:
- (i) to pay all local ad valorem real estate taxes as levied and assessed before the same become delinquent;
 - (ii) not to seek any administrative review or judicial review of the applicability or validity of any tax statute relating to taxation of the Redevelopment Project or to raise such inapplicability or invalidity as a defense in any administrative or judicial proceedings;
 - (iii) not to seek any tax deferral or tax abatement with respect to local ad valorem taxes, either as presently or prospectively authorized under any law of the State of Nebraska or federal law with respect to the Redevelopment Project,
 - (iv) to pay or cause to be paid, when due and before any fine, penalty, interest or cost may be added thereto for the non-payment thereof, all water and sewer rates and charges, occupancy tax, special assessments and other governmental levies and charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, which are assessed, levied, confirmed, imposed or become payable with respect to the Redevelopment Project; provided, however, that any special assessments levied for water, sewer or paving improvements shall be permitted to be paid as the same fall delinquent and may bear interest from the date of levy or other appropriate date set by the levying body; and
 - (v) to pay those local ad valorem real estate taxes levied and assessed to become due on or before December 31, 2032, at the earliest time in said year that such taxes have been determined and in any event on or before December 31, 2032;
- (d) In no event shall amounts payable by the Redeveloper under the terms of this Redevelopment Agreement for real estate taxes related to the amounts of taxes attributable to increases in valuation in excess of the "redevelopment project valuation" (as provided for under the terms of Section 18-2103(21) and 18-2147, R.R.S. Neb. 2012, as amended) be available or be applied or be required to be paid for purposes of paying principal or interest on any debt obligation of the City of Norfolk or the Agency other than the Bonds, until the Bonds have been paid in full.

Section 4. Release and Indemnification. Redeveloper hereby releases from and covenants and agrees that the Agency and its governing body, officers, agents, including their independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purpose of this Section 4, collectively the “Indemnified Parties”) shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Redevelopment Project.

Section 5. Covenants to Run with the Land; Easement; Recording of Redevelopment Agreement. Redeveloper and Agency agree and acknowledge that this Redevelopment Agreement and the undertakings of Redeveloper and the Agency as herein provided for shall be considered as and constitute covenants running with the land binding upon Redeveloper and the Agency and their successors and assigns and upon each successive owner of the Redevelopment Project Area or any portion thereof. The Redeveloper hereby acknowledges and agrees that by the terms of this Agreement it is binding and obligating any and all of its interest in the Land, now or hereafter acquired, and hereby covenants and warrants for the benefit of the Agency and the registered owners of the Bonds that the Redeveloper shall defend such interest in the Land against the claims and interests of any and all persons. Redeveloper and the Agency agree and acknowledge that a copy of this Redevelopment Agreement shall be recorded at the expense of the Redeveloper against all real estate located in the Redevelopment Project Area and shall remain of record until the Bonds have been paid in full. As and to the extent that this Redevelopment Agreement does not have priority by order of recording over each and every mortgage or other instrument securing indebtedness of the Redeveloper, Redeveloper hereby agrees to obtain the written agreement in recordable form from each mortgagee or other encumbrancer having any such priority, which written form acknowledges and agrees to the terms of this Redevelopment Agreement. Redeveloper agrees to provide the Agency with a title report or other evidence as to the status of title to the Land after the recording of this Redevelopment Agreement and before the issuance of any of the Bonds. After the Bonds have been paid in full, Redeveloper or any successor or assign of the Redeveloper shall have the right to request in writing and the Agency shall, upon such request, execute and deliver an appropriate instrument evidencing the termination of this Redevelopment Agreement and of the covenants and undeliakings herein provided. The Agency shall have the right, from time to time in its sole and reasonable discretion, to release specific parcels or lots located within the Redevelopment Project Area from any or all of the specific provisions of this Redevelopment Agreement.

Section 6. Default and Remedies upon Default. Redeveloper and Agency agree with respect to any defaults or failures of performance by Redeveloper or Agency as follows:

- (a) The following shall constitute “Events of Default” under the terms of this Redevelopment Agreement:
 - (i) failure by Redeveloper or Agency to observe timely or perform timely any covenant, condition, obligation or agreement on its part to be observed or performed under this Redevelopment Agreement;

- (ii) any representation or warranty made herein by Redeveloper or Agency proves untrue in any respect reasonably deemed to be material by the Agency or Redeveloper;
 - (iii) an event of default or material breach by or attributable to Redeveloper or Agency relating to the Redevelopment Project or any portion thereof including without limitation breach of the terms of any agreement or other instrument relating to the financing or construction thereof; or
 - (iv) the Redeveloper makes an assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt or petitions for an order for relief, petitions or applies to any tribunal for the appointment of any receiver or any trustee or a debtor in possession of the Redeveloper or any part of its property or commences any proceeding related to the Redeveloper under any reorganization, arrangement, readjustment of debt, dissolution or liquidation act, code, law or statute of any jurisdiction, whether now or hereafter in effect, or if there is commenced against the Redeveloper any such proceedings and the Redeveloper by any act indicates its consent or approval of or acquiescence in any such proceeding or the appointment of any receiver or any trustee or debtor in possession for the Redeveloper or any part of its property or suffers any such receivership or trusteeship.
- (b) Whenever any Event of Default occurs, in addition to all other remedies available to the Agency or Redeveloper at law or in equity, the Agency or Redeveloper (1) may suspend its performance under this Redevelopment Agreement, including an order to the City Treasurer or any other appropriate officer to suspend contracting for public improvements or disbursement of monies for costs of public improvements or other improvements until receiving assurances from Redeveloper or Agency, deemed adequate by the Agency, that Redeveloper or Agency has cured the default and will continue performance under this Redevelopment Agreement and (2) may take such action at law or in equity as the Agency or Redeveloper reasonably deem appropriate, including specific performance or injunction to enforce or compel performance of the provisions of this Redevelopment Agreement.
- (c) If at any time during the term of this Redevelopment Agreement an Event of Default shall occur and remain continuing and uncured for a period of more than sixty (60) days after notice from the Agency to the Redeveloper of such Event of Default, the aggregate amount of all grants paid to Redeveloper for improvements other than the Public Improvements, in accordance with Section 2(d) hereof, shall stand forfeited and Redeveloper shall be required to repay the same to the Agency upon demand.
- (d) Redeveloper acknowledges and agrees that the Agency or any registered owner of any Bond outstanding under the Resolution shall each be entitled to specific

performance and injunction or other equitable relief for any breach or threatened breach of any of the provisions of this Redevelopment Agreement, notwithstanding the availability of an adequate remedy at law and Redeveloper hereby waives the right to raise such defense in any proceeding equity.

- (e) No remedy herein conferred upon or reserved to the Agency or the registered owner of any of the Bonds is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Redevelopment Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
- (f) If any provision of this Redevelopment Agreement should be breached by any Party or beneficiary and hereafter waived by any other Party or beneficiary, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.
- (g) Anything in this Section 6 to the contrary notwithstanding, none of the events described in subsection 6(a)(iv) above shall constitute an Event of Default after the Redevelopment Project has been completed and the proceeds of the Bonds have been disbursed in full.

Section 7. Status of Agency and City. Neither the Agency nor the City is or shall be regarded as the partner, joint venturer or other jointly acting party with the Redeveloper for any purpose whatsoever and the undertakings and agreements on the part of the Agency herein provided for are undertaken solely pursuant to the provisions of Sections 18-2101 to 18-2150 R.R.S. Neb. (Reissue 2012) as amended and for the limited governmental purposes of promoting and encouraging redevelopment of a blighted and substandard area. The Redeveloper acknowledges that the Redeveloper or its successors and assigns are and shall remain in control of the Redevelopment Project for all purposes provided that the Redeveloper acknowledges and agrees that the City of Norfolk is and shall be the owner of and shall be in control of all public street, sewer and water improvements constituting a part of or serving the Redevelopment Project.

Section 8. Manner of Sale of Bonds. The Redeveloper agrees either to purchase the Bonds for the principal amount thereof or to find a purchaser for the Bonds upon terms and conditions acceptable to the Agency. Neither the Agency nor the City of Norfolk under the terms of this agreement undertakes any responsibility with respects to the sale or placement of the Bonds. Any such sale or placement of the Bonds shall be by means of a private placement to a financial institution or other institutional buyer capable of evaluating the risks of investment in the Bonds or to the Redeveloper. Any such purchaser, including the Redeveloper, shall provide to the Agency an investment letter setting forth the understanding as to purchase for investment and not for any further distribution, in substantially the same form as Exhibit C.

Section 9. Indemnity. The Redeveloper hereby agrees to indemnify and save the Agency harmless for any payment or liability to which the Agency may become subject for carrying out of any contract entered into by the Redeveloper with respect to the Redevelopment Project. The Redeveloper agrees to provide to the Agency evidence that there is in effect a bond for the payment costs as required under Section 18-2151, R.R.S. Neb. (Reissue 2012) as amended.

Section 10. Additional Parties Added as Redeveloper. The Parties specifically agree that additional parties or entities may be admitted to and included within the meaning of the term "Redeveloper" with the mutual written consent of both Parties.

Section 11. Redevelopment Agreement Binding Upon Successors and Assigns. This Redevelopment Agreement is made for the benefit of the Redeveloper, the Agency and the registered owners from time to time of the Bonds as third party beneficiaries. This Redevelopment Agreement shall be binding upon the Agency and Redeveloper, and any successors or assigns of any such Party. The Redeveloper may not assign its interest in the Redevelopment Project, in whole or in part, without the prior approval of the Agency. The Agency and Redeveloper acknowledge and agree that, in the event the Redeveloper assigns its rights and obligations under this Redevelopment Agreement, in whole or in part, to any assignee, the Redeveloper and the Assignee shall both be bound by the terms of the Plan and this Redevelopment Agreement (as and to the extent of any such assignment with respect to the Assignee). No assignment by the Redeveloper to the Assignee shall be effective until a written instrument binding the Assignee under the terms of the Plan and this Redevelopment Agreement (as and to the extent of such assignment), duly acknowledged and in recordable form, has been executed and delivered by the Assignee and recorded in the real estate records of Madison County with respect to the Land.

Section 12. Titles of Sections. Any titles of the several Sections of this Redevelopment Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions hereof.

Section 13. Notices. Except as otherwise specified herein, all notices hereunder shall be in writing and shall be given to the relevant Party at its address set forth below, or such other address as such party may hereafter specify by notice to the other given by United States mail or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices hereunder shall be addressed:

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

SCM 10X Norfolk 1130, LLC
Attention: Darren Hicks
1303 S. 72nd Street, Suite 209
Omaha, NE 68124

with a copy to:

Dvorak Law Group, LLC
Attention: Kendra Ringenberg
13625 California Street, Suite 110
Omaha, NE 68154

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

Community Development Agency
Offices of the City of Norfolk
Attention: City Treasurer
309 N. 5th Street
Norfolk, Nebraska 68701

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

Section 14. Severability. If any provision of this Redevelopment Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case, for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative and unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained, invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, sections or paragraphs in this Redevelopment Agreement shall not affect the remaining portions of this Redevelopment Agreement or any part thereof.

Section 15. Counterparts. This Redevelopment Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 16. Law Governing. The Parties agree that this Redevelopment Agreement shall be governed and construed in accordance with the laws of Nebraska.

Section 17. Time of the Essence. Time shall be of the essence of this Redevelopment Agreement.

Section 18. Termination. This Redevelopment Agreement shall commence as of the date first above written and shall terminate fifteen years after the effective date set forth in Section 2 of this Redevelopment Agreement.

Section 19. Force Majeure Event. Neither the Redeveloper nor the Agency shall be considered in breach of, or in default in its obligations with respect to any of the obligations under this Redevelopment Agreement in the event that an enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or

negligence, caused by a Force Majeure Event, which is defined herein as any failure or delay in performance by a Party that is proximately caused by acts of God, or wars or insurrections; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the Redeveloper or the Agency, as the case may be, shall be extended for the period of the enforced delay as determined by the mutual agreement of the Redeveloper and the Agency; provided, that the Redeveloper or the Agency, as the case may be, shall, within twenty (20) days after the beginning of any such enforced delay, have notified the Redeveloper or the Agency (as applicable) in writing of the cause or causes thereof, and requested an extension for the period of the enforced delay.

Section 20. Effect of Redevelopment Agreement. This Redevelopment Agreement (including the Plan as incorporated by reference) constitutes the entire understanding by and between the Parties concerning the subject matter hereof, and supersedes and replaces all prior agreements. No other prior or contemporaneous representations, inducements, promises or agreements, oral or otherwise, between or among the parties relating to the subject matter hereof and not embodied in this Redevelopment Agreement shall be of any force and effect.

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

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF NORFOLK, NEBRASKA

By: _____
_____, Chairperson

ATTEST:

_____, Secretary

STATE OF NEBRASKA)
) ss.
COUNTY OF MADISON)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by _____, Chairperson, and _____, Secretary, of the governing body of the Community Development Agency of the City of Norfolk, Nebraska on behalf of such agency.

SCM 10X NORFOLK 1130, LLC, a Nebraska
limited liability company

By: _____
Darren Hicks, Managing Member

STATE OF NEBRASKA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by
Darren Hicks, Managing Member of SCM 10X Norfolk 1130, LLC, a Nebraska limited liability
company.

Notary Public

Exhibit "A"

Lot 1, O.L. Scheer Second Addition, Norfolk, Madison County, Nebraska

and

Lot 2, O.L. Scheer Second Addition, Norfolk, Madison County, Nebraska

Exhibit “B”

Costs of Public Improvements

Exhibit "C"
Form of Investor Letter

June____, 2017

Community Development Agency of the City of Norfolk Nebraska
309 N 5th Street
Norfolk, NE 68701

Re: Tax Increment Revenue Bond (SCM 10X Norfolk 1120, LLC
Redevelopment Plan), Series 2017

Ladies and Gentlemen:

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

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

In connection with the purchase of the Bond, the undersigned hereby acknowledges and represents that the undersigned is acquiring the Bond for its own account for investment and not with a view to the resale or distribution. The undersigned has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment represented by the purchase of the Bond, has financial resources sufficient to sustain the risks related to holding the Bond and is aware of the intended use of the proceeds and risks involved therein.

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

The undersigned acknowledges that it has made its own investigation and inquiry concerning the due corporate authorization and execution of all documents executed and delivered by SCM 10X Norfolk 1130, LLC, a Nebraska limited liability company, as the Redeveloper related to the Bond and has not relied upon the City or its counsel or special bond counsel concerning any such matters.

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

The undersigned acknowledges further that the principal amount and interest rate on the Bond have also been established with respect to taxable valuations which are expected to be

related to estimated costs and that the final assessment and taxable valuations determined by the appropriate assessing officials may be materially different from such projected assessment and that such principal amount and interest have also been established based upon estimated taxing rates to apply in the future and that such taxing rates could also be materially different from such estimated rates.

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

Very truly yours,

SCM 10X Norfolk 1130, LLC

By: _____

Title: _____

DOCS/1889853.2

March 13, 2017

Dennis J. Smith, P.E.
Public Works Director
309 North 5th Street
Norfolk, NE 68701

Dear Dennis:

We have completed the surveying of our land for Fountain Point Development at the Southwest quadrant of Norfolk Avenue and 37th Street.

The proposed project is the redevelopment of the property providing for health care facilities and multi-family residential development. This redevelopment project will only be feasible and will only move forward if Tax Increment Financing (TIF) is available to help defray costs related to land preparation, utility infrastructure, streets and other TIF eligible expenses.

The subject properties are currently outside of the Norfolk City limits. Please consider this as our official request for the properties to be annexed by the City of Norfolk.

The reason for the requested annexation is twofold. First, we want to be an integral part of the City of Norfolk and believe there is no better way to show this than to request voluntary annexation. Secondly, TIF funds are only available within the corporate limits of a municipality.

If you have any questions or require additional information, please feel free to contact me at any time.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Anderson", with a long, sweeping horizontal line extending to the right.

Mike Anderson
Manager
Norfolk Medical Real Estate, LLC.
(402)304-9593
mja@conpoint.com

**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 82,000 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 82,000 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 3 multi-family residential buildings, aggregating 75 dwelling units, 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 multi-family residential buildings, consisting of approximately 25 units each for an aggregate of 75 units, 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

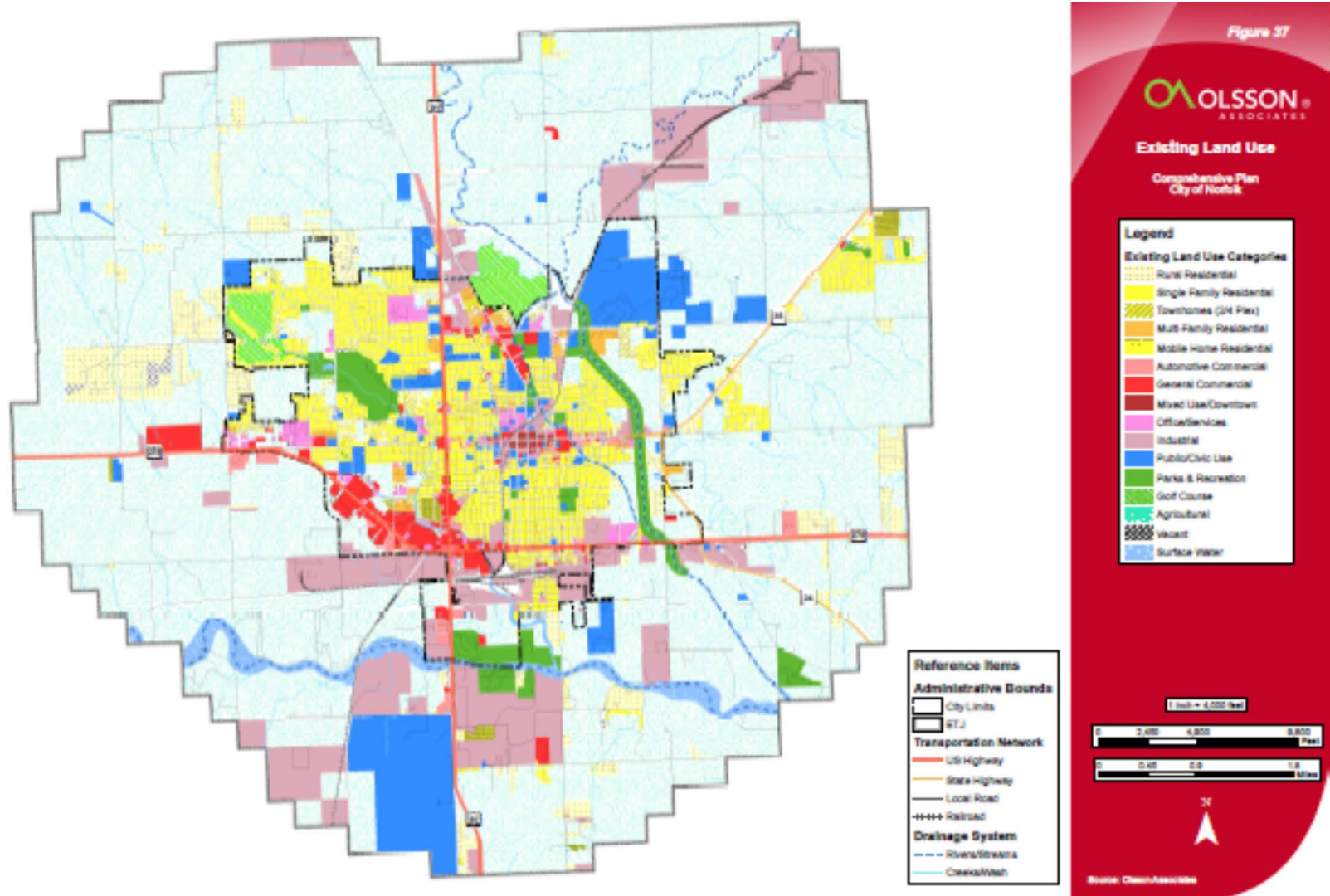


Exhibit "B"

EXHIBIT "C" FUTURE LAND USE

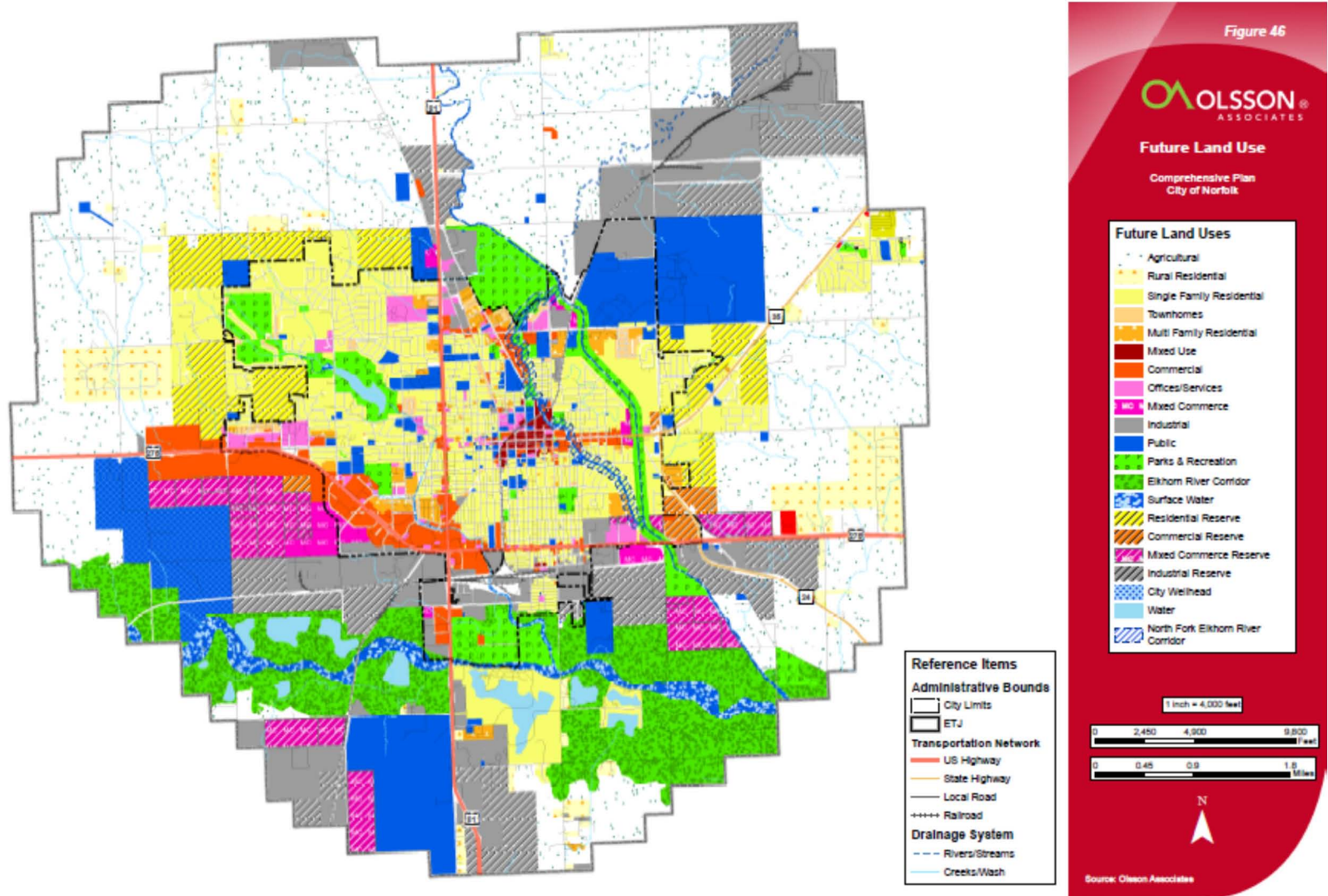


Exhibit "C"

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 "D"

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

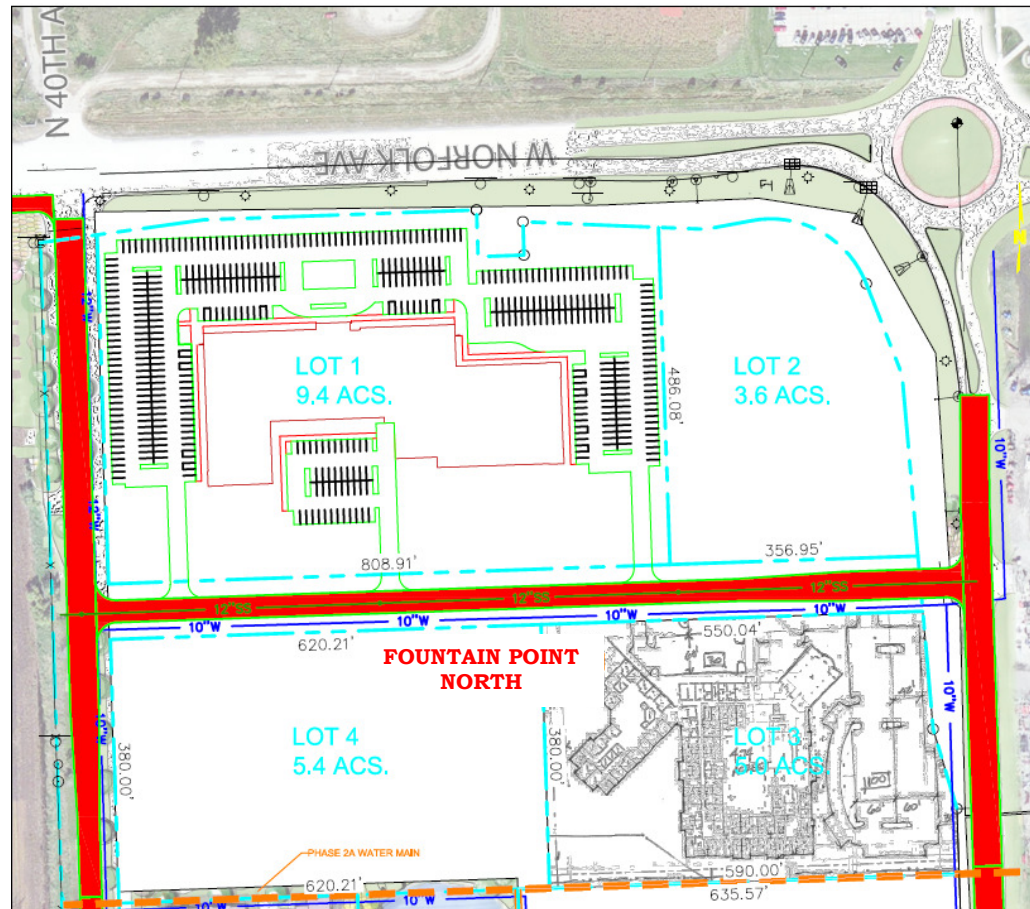


Exhibit "E"

EXHIBIT “F”
COST-BENEFIT ANALYSIS
PHASE I – FOUNTAIN POINT NORTH REDEVELOPMENT PROJECT

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

[ATTACH]

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 82,000 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.

EXHIBIT "I"
SITE PLAN - FOUNTAIN POINT SOUTH REDEVELOPMENT PROJECT

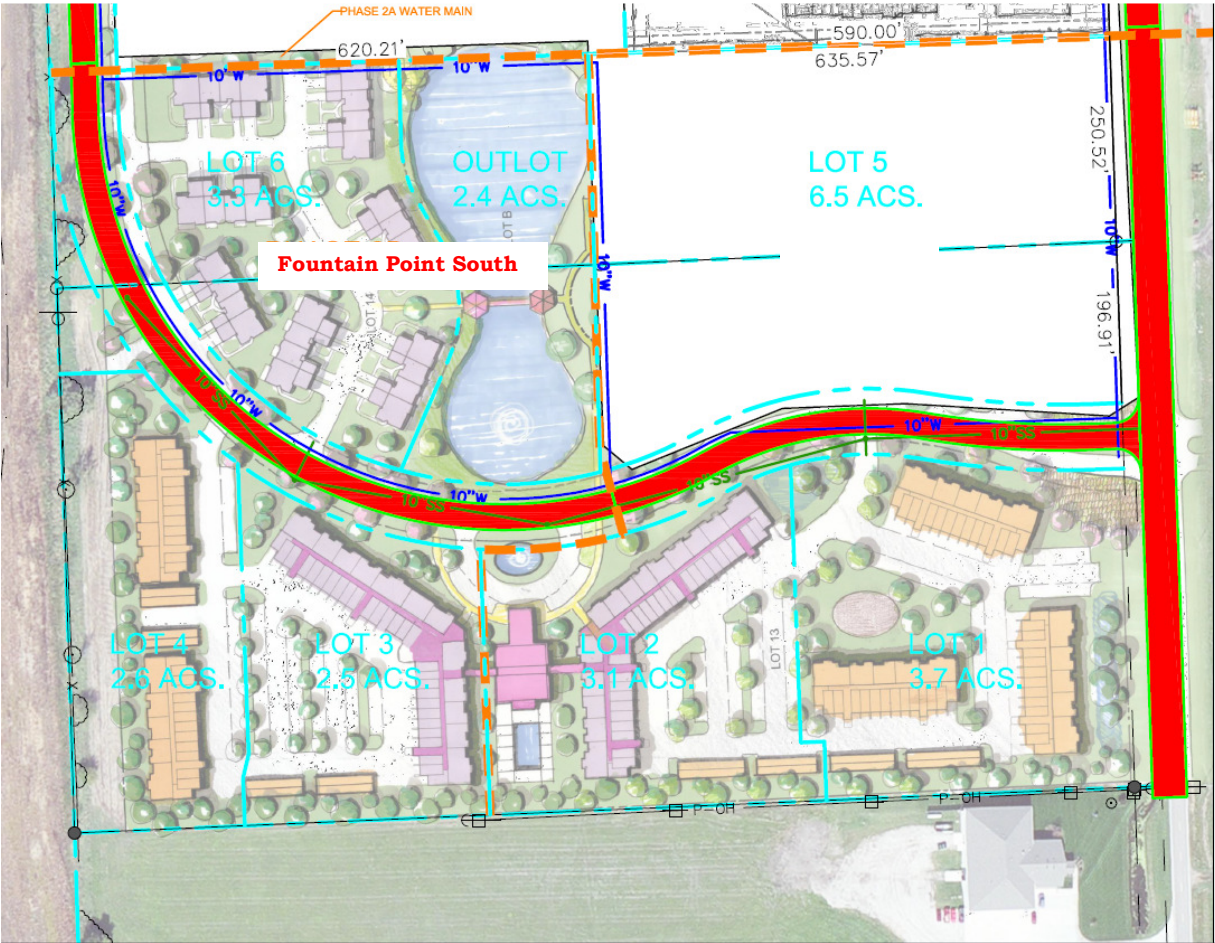


Exhibit "I"

**EXHIBIT “J”
COST-BENEFIT ANALYSIS
PHASE I – FOUNTAIN POINT SOUTH REDEVELOPMENT PROJECT**

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

[ATTACH]

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 3 new multi-family buildings, including approximately 75 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 3 new multi-family buildings, including approximately 75 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.