

# **Agenda Packet**

## **COMMUNITY DEVELOPMENT AGENCY**

Monday, September 20, 2021  
5:15 p.m.

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Notice of Meeting  
Community Development Agency

The Community Development Agency will meet on Monday, September 20, 2021 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.

Brianna Duerst  
Norfolk City Clerk &  
CDA Secretary

Publish (September 15, 2021)  
1 P.O.P.

# COMMUNITY DEVELOPMENT AGENCY

## AGENDA

September 20, 2021

### 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   | <b>Motion</b>             |
| 5. Approve the minutes of the August 2, 2021 Agency meeting.  | <b>Motion</b>             |
| 6. Consideration of Resolution No. 2021-13 amending Resolution No. 2020-9 authorizing issuance of a tax increment revenue bond not to exceed \$794,400 for the Norfolk Extended Lodging Project.                              | <b>Resolution 2021-13</b> |
| 7. Consideration of Resolution No. 2021-14 to revise the Notice to Divide Tax approved by Resolution No. 2021-5 for the Medelmans Lake Redevelopment Project Phase I, Sub-Phase 2 to specify the correct project description. | <b>Resolution 2021-14</b> |

STAFF MEMORANDUM  
COMMUNITY DEVELOPMENT AGENCY

September 20, 2021

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 | <b>Motion</b> |
|-------------------|---------------|

- |  |               |
|--|---------------|
| 5. Approve the minutes of the August 2, 2021 Agency meeting. | <b>Motion</b> |
|--|---------------|

See Enclosure 5.

- |  |                           |
|--|---------------------------|
| 6. Consideration of Resolution No. 2021-13 amending Resolution No. 2020-9 authorizing issuance of a tax increment revenue bond not to exceed \$794,400 for the Norfolk Extended Lodging Project. | <b>Resolution 2021-13</b> |
|--|---------------------------|

Resolution No. 2020-9 approved at the June 15, 2020 Agency meeting authorized issuing a tax increment revenue bond of up to \$794,400 for the Norfolk Extended Lodging Project. Closing of this bond issue was planned for June 26, 2020, but postponed when the Redeveloper's primary lender temporarily stopped financing hotel loans due to COVID-19. The Project is now moving forward and we are ready to issue the TIF bond. Resolution 2020-13 moves applicable dates in the original bond resolution back a year because of the delay and the Agency Treasurer recommends approval.

See Enclosure 6.

- |   |                           |
|---|---------------------------|
| 7. Consideration of Resolution No. 2021-14 to revise the Notice to Divide Tax approved by Resolution No. 2021-5 for the Medelmans Lake Redevelopment Project Phase I, Sub-Phase 2 to specify the correct project description. | <b>Resolution 2021-14</b> |
|---|---------------------------|

The Notice to Divide Tax approved by Resolution No. 2021-5 at the July 19, 2021 Agency meeting contained an incorrect project description. Subsequent to filing of the incorrect Notice to Divide Tax that was attached to Resolution No. 2021-5, the Agency Treasurer filed the revised Notice to Divide Tax with the correct project description that is attached to this Resolution No. 2021-14. Resolution No. 2021-14 ratifies filing of the revised Notice to Divide Tax and replaces the incorrect Notice to Divide Tax with the correct Notice to Divide Tax.

See Enclosure 7.



## COMMUNITY DEVELOPMENT AGENCY

The Community Development Agency of the City of Norfolk, Nebraska, met in the Council Chambers Conference Room, 309 North 5th Street, Norfolk, Nebraska, on Monday, August 2, 2021 beginning at 5:15 p.m.

Chairman Moenning called the meeting to order.

Roll call found the following Agency members present: Shane Clausen, Corey Granquist, Gary L. Jackson, Frank Arens, Rob Merrill, Thad Murren, Kory Hildebrand, Fred Wiebelhaus and Josh Moenning. Absent: None.

City staff members present were City Administrator Andy Colvin, City Clerk Brianna Duerst, Finance Officer Randy Gates, Public Works Director Steve Rames, City Planner Val Grimes, Operations Manager Lyle Lutt, Administrative Assistant Deb Johnson and Economic Developer Candace Alder.

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 Chairman and all members of the Agency prior to the meeting.

The Chairman presided and the Secretary recorded the proceedings.

The Chairman 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, Granquist, Jackson, Arens, Merrill, Murren, Hildebrand, Wiebelhaus and Moenning. Nays: None. Absent: None. Motion carried.

### Minutes

(July 19, 2021)

Granquist moved, seconded by Wiebelhaus to approve the minutes of the July 19, 2021 Agency meeting as printed. Roll call: Ayes: Clausen, Granquist, Jackson, Arens, Merrill, Murren, Hildebrand, Wiebelhaus and Moenning. Nays: None. Absent: None. Motion carried.

### Resolution No. 2021-10

(Legacy Bend Phase III Redevelopment Project)

Wiebelhaus moved, seconded by Granquist, to adopt Resolution No. 2021-10 approving the Redevelopment Contract with Innate Development, LLC for Phase III of the Legacy Bend Redevelopment Project.

Finance Officer Randy Gates provided information to agency members. Phase III will consist of approximately 64 multifamily dwelling and townhome units. Total cost of developing Phase III is almost \$7.6 million. The contract provides for up to \$1,736,058 of tax increment financing

Roll call: Ayes: Clausen, Granquist, Jackson, Arens, Merrill, Murren, Hildebrand, Wiebelhaus

and Moenning. Nays: None. Absent: None. Motion carried. Resolution 2021-10 was adopted.

Resolution No. 2021-11  
(Ballantyne Buildings revenue bond)

Granquist moved, seconded by Merrill, to adopt Resolution No.2010-11 authorizing issuance of a tax increment revenue bond of up to \$143,290 for the Ballantyne Buildings Redevelopment Project.

Finance Officer Randy Gates provided information to agency members. Gates noted the resolution on the agenda needs to be amended from 2010-10 to 2021-11. On December 18, 2017 the Agency entered into a Redevelopment Agreement providing for issuance of up to \$143,290 of tax increment financing (TIF) for the Ballantyne Buildings Redevelopment Project. The resolution authorizes the issuance of this TIF bond.

Merrill moved, seconded by Granquist to amend the resolution to 2021-11. Roll call: Ayes: Clausen, Granquist, Jackson, Arens, Merrill, Murren, Hildebrand, Wiebelhaus and Moenning. Nays: None. Absent: None. Motion carried.

Roll call to adopt Resolution 2021-11: Ayes: Clausen, Granquist, Jackson, Arens, Merrill, Murren, Hildebrand, Wiebelhaus and Moenning. Nays: None. Absent: None. Motion carried. Resolution 2021-11 was adopted.

Resolution No. 2021-12  
(Nor-Park Development, LLC, revise Notice to Divide)

Granquist moved, seconded by Arens, to adopt Resolution No. 2021-11, to revise the Notice to Divide Tax approved by Resolution No. 2021-6 to clarify that it is for Phase 2 of the Nor-Park Development, LLC Housing Development.

Finance Officer Randy Gates provided information to agency members. The Notice to Divide Tax approved by Resolution No. 2021-6 at the July 19, 2021 Agency meeting did not specify that it was for Phase 2 of the Nor-Park Development, LLC Housing Development. The Agency Treasurer filed a revised Notice to Divide Tax with the Madison County Assessor on July 26, 2021 specifying Phase 2. Resolution No. 2021-12 ratifies filing of the revised Notice to Divide Tax. Resolution No. 2021-6 also approved the Second Amendment to the Redevelopment Agreement with Nor-Park Development, LLC incorporating Phase 2 into the project. Exhibit 1 to the Second Amendment was the Notice to Divide Tax. Resolution No. 2021-12 replaces this Exhibit 1 with the revised Notice to Divide Tax.

Roll call: Ayes: Clausen, Granquist, Jackson, Arens, Merrill, Murren, Hildebrand, Wiebelhaus and Moenning. Nays: None. Absent: None. Motion carried. Resolution 2021-12 was adopted.

There being no further business the Mayor adjourned the meeting at 5:21 p.m.

ATTEST:

\_\_\_\_\_  
Josh Moenning, Chairman

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Brianna Duerst, Secretary

( S E A L )

## **RESOLUTION NO. 2021-13**

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF NORFOLK, NEBRASKA, ADOPTED BY THE MAYOR AND COUNCIL OF THE CITY OF NORFOLK, ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF NORFOLK, NEBRASKA, AMENDING RESOLUTION NO. 2020-9, RELATING TO THE AUTHORIZATION TO ISSUE A TAX INCREMENT REVENUE BOND; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND; AND PLEDGING REVENUES OF THE AGENCY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW.

WHEREAS, in conformance with Nebraska Community Development Law, sections 18-2101, et. seq., of the Nebraska Revised Statutes (the "Act"), the Council of the City of Norfolk, Nebraska (the "City"), acting as the governing body of the Community Development Agency of the City of Norfolk, Nebraska (the "Agency"), adopted and approved Resolution No. 2020-9 (the "Resolution"), authorizing the issuance of the Agency's tax-increment financing bond (the "Bond") pursuant to the terms in the Resolution; and

WHEREAS, due to unforeseen circumstances, the Agency wishes to amend the terms of the Resolution; and

WHEREAS, any capitalized terms herein shall have the meanings set forth in the Resolution; and

WHEREAS, except as explicitly amended hereby, the terms of the Resolution shall remain in full force and effect and are incorporated herein.

NOW, THEREFORE, BE IT RESOLVED by the Agency:

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

Section 2. Section 1(f) of the Resolution shall be amended and replaced in its entirety as follows:

that the Plan, among other things, calls for the construction of an approximately 50,000 square foot, four-story extended stay hotel within the Redevelopment Project Area (the "Project"), as more particularly described in the Plan and the redevelopment contract for the Project entered into between Norfolk Extended Lodging, LLC, a Nebraska limited liability company ("Redeveloper"), and the Agency, dated April 2, 2018, as amended September 16, 2019, as further amended June 21, 2021, each attached hereto as Exhibit B and incorporated herein by reference (the "Redevelopment Contract");

Section 3. Exhibit B of the Resolution shall be amended and replaced by Exhibit 1, attached hereto and incorporated herein.

Section 4. Section 1(h) of the Resolution shall be amended and replaced in its entirety as follows:

that the Agency shall timely file a "Notice to Divide Tax" with the county assessor for Madison County, Nebraska, with respect to the Project on or before August 1, 2022, in conformance with the Redevelopment Contract and Act;

Section 5. Section 1(j) of the Resolution shall be amended and replaced in its entirety as follows:

that the Redeveloper and the Agency have agreed in writing to a minimum valuation of the Project Area of \$4,300,000 by January 1, 2023, per the Redevelopment Contract;

Section 6. The first paragraph of Section 2 of the Resolution shall be amended and replaced in its entirety as follows:

The bond in an amount not to exceed Seven Hundred Ninety-Four Thousand Four Hundred Dollars (\$794,400) is hereby ordered issued in accordance with Section 18-2125, R.R.S. Neb. 2012, by the Agency and shall be designated as its "Tax Increment Revenue Bond of the Community Development Agency for City of Norfolk, Nebraska (Norfolk Extended Lodging Project)," in such series as determined by the Agency (hereinafter referred to as the "Bond"). The Bond shall be issued in the single denomination in an amount not to exceed \$794,400. The Bond shall be dated as of the date of delivery ("Dated Date"). The Bond shall bear interest from January 1, 2022, until maturity (or earlier redemption) at the rate of four and twenty-hundredths percent (4.20%) per annum. The principal of the Bond shall become due on December 31, 2037, provided that such principal amount shall be subject to mandatory redemption from "Available Funds" as described in Section 5 below on June 1 and December 1 of each year. All interest upon the Bond shall be payable on June 1, 2023, and semiannually thereafter on and June 1 and December 1 of each year until full maturity of the Bond.

Section 7. Section 6 of the Resolution shall be amended and replaced in its entirety as follows:

The Bond shall be in substantially the following form:

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

**TAX INCREMENT REVENUE BOND OF  
THE COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF NORFOLK, NEBRASKA  
(NORFOLK EXTENDED LODGING PROJECT)  
SERIES 2021**

Dated Date: \_\_\_\_\_, 2021

<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Final Maturity Date</u>
\$794,400	4.20%	December 31, 2037

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Norfolk, Nebraska (the "Agency"), hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to the registered owner designated on the reverse hereof, or registered assigns, the principal sum shown above in lawful money of the United States of America with such principal sum to become due on the maturity date set forth above, with interest on the unpaid balance from January 1, 2022, until maturity or earlier redemption at the rate per annum set forth above. Said interest shall be payable on June 1, 2023, and semiannually thereafter on June 1 and December 1 of each year.

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

This bond is the sole bond of its series of the total principal amount of Seven Hundred Ninety-Four Thousand Four Hundred Dollars (\$794,400) issued by the Agency for the purpose of paying a portion of the costs of redevelopment of certain real estate as described in the Redevelopment Contract (as defined in the Resolution) and as designated in that Redevelopment Plan recommended by the Agency and approved by the Mayor and City Council of the City of Norfolk, Nebraska, via Resolution No. 2018-13 on March 19, 2018, as amended by that certain first amendment approved by the Agency on September 16, 2019, via Resolution No. 2019-8 (the "Plan"), all in compliance with Article 21 of Chapter 18, Reissue Revised

Statutes of Nebraska, 2012, as amended, and has been duly authorized by resolution passed and approved by the City Council of the City of Norfolk, acting as the governing body of the Agency (the "Resolution").

The conditions for the issuance and purchase of this bond are set forth in the "Redevelopment Contract" (as defined in the Resolution) and the terms and conditions of the Redevelopment Contract are incorporated herein by reference.

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

A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. THE REGISTERED OWNER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH REGISTERED OWNER MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED BY THE RECORDS OF THE PAYING AGENT AND REGISTRAR IN THE MANNER PROVIDED IN THE RESOLUTION.

This bond constitutes a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in Section 18-2147, R.R.S. Neb. 2012, as levied, collected and apportioned from year to year with respect to certain real estate described in the Redevelopment Contract and located within the "Project Area" (as defined in the Resolution) for all taxes received by the Agency's Treasurer attributable to the Project Area which are received by said Treasurer as of and from and after January 1, 2023, and which are attributable to valuation increases of the real estate described in the Redevelopment Contract and within the Project Area based on any increase in the taxable value determined as of January 1, 2022.

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

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this bond for notation of transfer as



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

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

**IN THE EVENT THE VALIDITY OF THE RESOLUTION OR ISSUANCE OF THIS BOND IS LEGALLY CHALLENGED WITHIN THIRTY (30) DAYS OF THIS BOND'S DATED DATE, THE HOLDER SHALL IMMEDIATELY FORFEIT THIS BOND TO THE AGENCY, AND AT THE REASONABLE DISCRETION OF THE AGENCY, THIS BOND SHALL BE VOID AB INITIO WITHOUT ANY LIABILITY OF THE AGENCY OR THE CITY OF NORFOLK.**

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

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

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

COMMUNITY DEVELOPMENT AGENCY OF  
THE CITY OF NORFOLK, NEBRASKA

ATTEST:

By: (Sample – Do Not Sign)  
Chairperson (Mayor)

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



## PROVISION FOR REGISTRATION

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

Date of Registration	Name of Registered Owner	Signature of Paying Agent and Registrar
_____, 2021	Norfolk Extended Lodging, LLC	(Sample – Do Not Sign)

Section 8. The first paragraph of Section 7 of the Resolution shall be amended and replaced in its entirety as follows:

This Resolution hereby sets forth January 1, 2022, as the effective date after which ad valorem taxes on real property located within the Project Area are to be apportioned pursuant to Section 18-2147, R.R.S. Neb. 2012, as amended. As of and from and after January 1, 2023, that portion of the ad valorem taxes collected on the real estate located within the Project Area which is described in subdivision (1)(b) of Section 18-2147, R.R.S. Neb. 2012, as amended, and which ad valorem taxes received by the Agency's Treasurer attributable to the Project Area which are attributable to valuation increases determined as of January 1, 2022 (the "Project Area Tax Receipts"), shall be paid into a special fund of the Agency to be designated as the "Community Development Agency — Norfolk Extended Lodging Project Fund" (the "Bond Payment Account") to be held by the Agent for application to payments on the Bond.

Section 9. Except as modified hereby, the Resolution shall remain in full legal force and effect.

Section 10. This Resolution shall be in force and take effect from and after its adoption as provided by law.

Passed and Approved this 20<sup>th</sup> day of September, 2021.

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Chairperson (Mayor)

ATTEST:

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Secretary (City Clerk)

**Exhibit "1"**

Amendment to Exhibit "B" of the Resolution

(See attached)

Exhibit 1

## REDEVELOPMENT CONTRACT

### (NORFOLK LODGING REDEVELOPMENT PROJECT)

This Redevelopment Contract is made and entered into as of the 2 day of April, 2018, by and between the Community Development Agency of the City of Norfolk, Nebraska ("CDA") and Norfolk Extended Lodging, LLC, a Nebraska limited liability company ("Redeveloper").

### RECITALS

A. The CDA is a duly organized and existing community development agency, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Contract.

B. The City of Norfolk, Nebraska (the "City"), in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 to 18-2154, as amended (collectively the "Act"), has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

C. The Redeveloper owns or has contracted to purchase the Project Site and the Project Site is located in the Redevelopment Area. The Project Site is currently part of a larger parcel, which shall be subdivided and replatted so that the Project Site is a separate and distinct parcel. A preliminary legal description of the Project Site is provided on Exhibit "A", attached and incorporated by this reference, which shall be finalized upon final approval of the subdivision.

D. Redeveloper submitted a redevelopment project proposal as described in the Redevelopment Plan for the 13th and Omaha Redevelopment Area—Norfolk Lodging Redevelopment Project to redevelop the Project Site.

E. The Project consists of the construction of an approximately 85-95 room limited service and extended stay hotel, and associated improvements (the "Project").

F. The CDA has approved the Redeveloper's proposed redevelopment project, including the utilization of tax-increment financing to assist in the cost of the eligible public improvements defined in this Redevelopment Contract.

G. The CDA and the Redeveloper desire to enter into this Redevelopment Contract for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, the CDA and the Redeveloper do hereby covenant, agree and bind themselves as follows:

**ARTICLE I**  
**DEFINITIONS AND INTERPRETATION**

**Section 1.01      Terms Defined in this Redevelopment Contract.**

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Contract, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

A. "Act" means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended, and acts amendatory thereof and supplemental thereto.

B. "CDA" means the Community Development Agency of the City of Norfolk, Nebraska.

C. "City" means the City of Norfolk, Nebraska.

D. "Effective Date" means the date set forth in Section 3.01 of this Redevelopment Contract, for the purpose of dividing the ad valorem taxes generated by the Project pursuant to Section 18-2147 of the Act.

E. "Eligible Project Costs" means only costs or expenses incurred by Redeveloper for Public Improvements that are eligible for reimbursement under the Act.

F. "Project Site" means all that certain real property situated in the City, more particularly described on Exhibit "A".

G. "Private Improvements" means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit "A" attached and incorporated by this reference.

H. "Project" means the improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit "A".

I. "Public Improvements" shall mean all the public improvements more particularly described on Exhibit "A" which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments on the TIF Indebtedness.

J. "Redeveloper" means Norfolk Extended Lodging, LLC, a Nebraska limited liability company or its assignee, which is subject to the written approval of the CDA.

K. "Redevelopment Contract" means this Redevelopment Contract between the CDA and Redeveloper with respect to the Project.

L. "Redevelopment Area" means the Redevelopment Area that is legally described in the Redevelopment Plan.

M. "Redevelopment Plan" means the Redevelopment Plan for the 13th and Omaha Redevelopment Area of the City of Norfolk, Nebraska adopted by the City Council of the City on March 19, 2018 pursuant to Resolution No. 2018-13, as amended.

N. "TIF Indebtedness" means any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CDA or the City secured in whole or in part by TIF Revenues.

O. "TIF Revenues" or "Tax Increment" means incremental ad valorem taxes generated by the Project which are allocated to and paid to the CDA pursuant to the Act.

**Section 1.02      Construction and Interpretation.**

The provisions of this Redevelopment Contract shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Contract shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The word "including" shall be construed as meaning "including, but not limited to."

(d) The words "will" and "shall" shall each be construed as mandatory.

(e) The captions to the sections of this Redevelopment Contract are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

## **ARTICLE II REPRESENTATIONS**

### **Section 2.01      Representations by the CDA.**

The CDA makes the following representations and findings:

(a) The CDA is a duly organized and validly existing Community Development Agency under the Act.

(b) The CDA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing the tax base and lessening blighted and substandard conditions in the Redevelopment Area.

### **Section 2.02      Representations of Redeveloper.**

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company, having the power to enter into this Redevelopment Contract and perform all obligations contained herein and by proper action has been duly authorized to execute and deliver this Redevelopment Contract.

(b) The execution and delivery of this Redevelopment Contract and the consummation of the transactions herein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Contract or, except as disclosed in writing to the CDA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns or has contracted to purchase the Project Site, in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Contract by Redeveloper.



(e) Except as provided in Section 4.05, Redeveloper shall not assign this Contract to any successor or assignee without the written approval of the CDA.

### **ARTICLE III OBLIGATIONS OF THE CDA AND PUBLIC IMPROVEMENTS**

#### **Section 3.01      Capture of Tax Increment.**

(a) Subject to the contingencies described below and to all of the terms and conditions of this Contract, commencing for the tax year of the Effective Date of the Project and continuing thereafter, the CDA shall capture the Tax Increment, as defined below, from the Project pursuant to the Nebraska Community Development Law. The CDA shall capture the Tax Increment generated by the Project for a total period of not to exceed fifteen (15) years after the Private Improvements have been completed and included in the assessed valuation of the Project Site and the Project Site is generating the Tax Increment subject to capture by the CDA (the "TIF Period").

(b) The "Effective Date" of this provision shall be determined by the construction schedule of the Project. The Effective Date shall be determined as follows; provided, however, that in no case shall the Effective Date be later than January 1, 2021:

1. If the CDA receives a written request from Redeveloper to file with the County Assessor the "Notice to Divide Taxes" prior to June 30, 2019, the Effective Date shall be January 1, 2019.
2. If the CDA receives a written request from Redeveloper to file with the County Assessor the "Notice to Divide Taxes" between July 1, 2019, and June 30, 2020, inclusive, the Effective Date shall be January 1, 2020.
3. In all other cases, the Effective Date shall be January 1, 2021.

(c) The CDA's receipt of the written request, or lack thereof, as outlined under Section 3.01(b), shall determine the Effective Date based on the parameters of this Section without amending this Redevelopment Agreement if such determination does not result in a substantial modification of this Redevelopment Agreement. The CDA shall file with the County Assessor the "Notice to Divide Taxes" on or prior to August 1 in the year of the Effective Date. The Notice to Divide Taxes shall provide conclusive evidence of the date of the Effective Date. The base year, for purposes of capturing Tax Increment, shall be the calendar year immediately preceding the calendar year of the Effective Date.

(d) Under no circumstance shall the City or CDA incur any liability, and Redeveloper shall indemnify and hold the City and CDA harmless from any injuries or damages, arising from Redeveloper's failure to provide the CDA a



written request to file with the County Assessor the "Notice to Divide Taxes" in accordance with the deadlines provided under this Section 3.01 or the timing of Redeveloper providing such Notice to Divide Taxes to the City.

**Section 3.02      Tax Increment.**

The term Tax Increment shall mean, in accordance with Section 18-2147 of the Act, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the Madison County Board of Equalization) for the Project Site before the completion of construction of the Private Improvements, and the ad valorem tax which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project. The anticipated Tax Increment for the Project is more particularly set forth on Exhibit "B".

The parties acknowledge and understand that ad valorem taxes in Nebraska are typically paid in arrears in the year following the year said taxes are due. Accordingly, the Tax Increment created by the levy of real estate taxes in the fifteenth (15<sup>th</sup>) year following the Effective Date pursuant to Neb. Rev. Stat. § 18-2147 and this Contract may be paid in the sixteenth (16<sup>th</sup>) year according to customary practice in Nebraska. Said payment in arrears only affects the timing of tax payments, but does not in any way affect or limit the CDA's ability to capture the real estate taxes levied for the fifteenth (15<sup>th</sup>) year.

**Section 3.03      Issuance of TIF Indebtedness.**

The CDA shall incur or issue TIF Indebtedness through a TIF Promissory Note in the amount not to exceed Seven Hundred Ninety-Four Thousand Four Hundred and No/100 Dollars (\$794,400.00), as calculated on Exhibit "B", to be issued to the Redeveloper, or to a lender of the Redeveloper, which shall entitle the holder of the TIF Promissory Note to receive the semi-annual incremental tax payments generated by the Project.

The TIF Promissory Note shall be issued no sooner than thirty (30) days following the approval and execution of this Contract. The TIF Promissory Note shall not be a general obligation of the CDA or the City which shall issue each Note solely as a conduit. If the Redeveloper intends to monetize the TIF Promissory Note, then it shall locate a lender or other entity to acquire and fund the acquisition of each TIF Promissory Note for this TIF Indebtedness. Redeveloper may pledge or assign the TIF Promissory Note to such lender and the CDA shall consent to such pledge upon request, provided 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, and in substantially the same form as Exhibit "F". The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment to be captured by the CDA.

**Section 3.04      Use of TIF Indebtedness.**

The CDA will collect and use the Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.03 of this Redevelopment Contract. Notwithstanding the foregoing, the amount of the TIF Promissory Note that the CDA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified by Redeveloper pursuant to Section 4.02 and listed on Exhibit "C". The Tax Increment, less the CDA's costs, shall be paid pursuant to the terms of any TIF Promissory Note and/or TIF resolution issued by the CDA relating to this Project.

**Section 3.05      Tax Increment Receipts.**

The CDA will collect and hold the receipts of the Tax Increment for payment on the TIF Note. Such tax increment receipts shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.03 above.

**Section 3.06      Projected TIF Sources and Uses.**

In addition to the TIF Indebtedness calculation formula set forth on Exhibit "B", the anticipated TIF sources and eligible uses are set forth on the attached and incorporated Exhibit "C". The projected uses of the TIF funds are eligible under the Act, and are estimates which shall be confirmed upon construction completion and certified by the Redeveloper under Section 4.02 below.

**Section 3.07      Cyhawk Loop Road.**

As a part of the Project, the Redeveloper will extend Cyhawk Loop Road approximately four hundred twenty-five (425) feet in the right of way located to the East of the Project Site (the "Cyhawk Loop Extension"). The cost and expense to design and install the Cyhawk Loop Extension is an Eligible Project Cost under the Act. The Redeveloper agrees that the design and installation of the Cyhawk Loop Extension shall comply with all applicable codes and regulations.

**ARTICLE IV  
OBLIGATIONS OF REDEVELOPER**

**Section 4.01      Construction of Project; Insurance.**

(a) Redeveloper will complete the Public Improvements and the Private Improvements as described on Exhibit "A" no later than the Completion Date set forth on Exhibit "B".

Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the

Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CDA as to the actual progress of Redeveloper with respect to construction of the Public Improvements and the Private Improvements. Promptly after substantial completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall notify the CDA of the completion and request that the CDA issue a Certificate of Completion, the form of which is attached as Exhibit "D" and incorporated by this reference. Notwithstanding Redeveloper's liabilities under Section 4.07 of this Redevelopment Contract, once issued by the CDA, the Certificate of Completion for the Project shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Contract with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements, and Redeveloper shall be entitled to record the Certificate of Completion.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations and a penal bond as required by the Act or a reasonable substitute acceptable to the CDA. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "special causes of loss" insurance for physical loss or damage.

#### **Section 4.02      Cost Certification.**

Redeveloper shall submit to the CDA a certification of Eligible Project Costs, after expenditure of such project costs to verify the uses described on Exhibit "C". Redeveloper may, at its option, submit one or more partial Eligible Project Costs Certifications prior to expenditure of all Eligible Project Costs providing certification of receipt of billings for work in progress. Said certification(s) of Eligible Project Costs shall, in the aggregate, equal or exceed the TIF Indebtedness. Determinations by the CDA whether costs included in the certification(s) of Eligible Project Costs are properly included in Eligible Project Costs as defined in this Redevelopment Contract shall be made in the sole discretion of the CDA and shall be conclusive and binding on the Redeveloper.

#### **Section 4.03      No Discrimination.**

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Contract is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

#### **Section 4.04      Pay Real Estate Taxes.**

(a) Redeveloper intends to create a taxable real property valuation of the Project Site of not less than Four Million Three Hundred Thousand and No/100 Dollars (\$4,300,000.00) (the "Minimum Valuation") no later than as of the Completion Date of the Project, as set forth on Exhibit "B". During the period of this Contract and upon completion of the Public Improvements and Private Improvements, Redeveloper, its successors and assigns, will: (1) not protest a real estate property valuation of the Project Site to an amount less than or equal to the Minimum Valuation; and (2) not convey the Project Site or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes. Any purchaser of the Project Site shall be subject to this provision so as to agree to not protest any assessed value to an amount less than or equal to the Minimum Valuation.

(b) If, during the period of this Contract and after the filing of a Notice to Divide, the Project Site is assessed at less than the Minimum Valuation, the Redeveloper shall: (1) seek to protest the valuation of the Project Site upwards such that the average valuation of the Project Site is equal to or greater than the Minimum Valuation; (2) make a payment in lieu of taxes to the CDA upon thirty (30) days written notice in the amount of the shortfall equal to the amount the anticipated Tax Increment, as set forth on Exhibit "B", exceeds the actual Tax Increment; provided, however, that Redeveloper shall only be obligated to make such payment in lieu of taxes to the extent that the actual Tax Increment is insufficient to meet the current debt service payments on the TIF Promissory Notes; (3) if Redeveloper has monetized the TIF Promissory Note by pledging it to its lender, Redeveloper shall solely be responsible for all payments due such lender; or (4) if Redeveloper is the holder of the TIF Promissory Note described in Section 3.03 above, in the event of a shortfall of annual incremental taxes, Redeveloper agrees to defer receipt of any such shortfall. If Redeveloper is required to defer the receipt of any such shortfall amounts, the Redeveloper shall be entitled to receive reimbursement of any such shortfall payment to the extent TIF Revenues later become available during the TIF Period in an amount in excess of the amount necessary to meet the current debt service payments. Any such shortfall amounts not reimbursed at the end of the TIF Period shall be forgiven.

#### **Section 4.05      No Assignment or Conveyance.**

Redeveloper shall not convey, assign or transfer the Project Site, any interest therein, or this Contract prior to the termination of the TIF Period without the prior written consent of the CDA, which shall not be unreasonably withheld and which the CDA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyances, which shall be permitted without consent of the CDA:

(a) Any assignment as security for indebtedness previously incurred by Redeveloper or incurred by Redeveloper after the applicable Effective Date for Project costs or any subsequent physical improvements to the Project Site with the outstanding principal amount of all such indebtedness (whether incurred prior to or after the Effective Date) secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Contract, or

(b) Any assignment as security for indebtedness any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the Project Site provided that any such conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Contract.

**Section 4.06      Agency Costs.**

Redeveloper shall reimburse the Agency and the City, as applicable, for legal fees and costs incurred by the City or the Agency in connection with this Redevelopment Contract and the issuance of the TIF Indebtedness. The total amount to be reimbursed pursuant to this provision shall not exceed \$15,000.00. One-half of said legal fees and costs shall be due and payable by the Redeveloper to the Agency or City, as applicable, upon the City's approval and adoption of this Redevelopment Contract and Redeveloper's receipt of an accounting of such costs from the City or Agency. The balance of said legal fees and costs, not to exceed \$15,000.00 in the aggregate, shall be due and payable by the Redeveloper to the Agency or City, as applicable, at closing of the Agency's issuance of the TIF Indebtedness.

**ARTICLE V  
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

**Section 5.01      Financing.**

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

**Section 5.02      Encumbrances.**

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except: (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such



lien is discharged or bonded within 90 days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within 90 days of Redeveloper receiving notice thereof.

## **ARTICLE VI DEFAULT, REMEDIES; INDEMNIFICATION**

### **Section 6.01      General Remedies of the CDA and Redeveloper.**

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Contract or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Contract shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Contract, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CDA set out in Section 6.02, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

### **Section 6.02      Additional Remedies of the CDA.**

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Completion Date set forth on Exhibit "B", or shall abandon construction work for any period of 120 days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, or successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CDA made for such payment within thirty (30) days following written notice from the CDA;
- (c) Redeveloper, successor in interest, or assignee does not maintain an assessed valuation equal to or greater than the Minimum Valuation for the Project Site for the term of this Contract and fails to satisfy the obligations of Section 4.04(b) of this Contract;

- (d) There is, in violation of Section 4.05 of this Redevelopment Contract, transfer of the Project Site or any part thereof, and such failure or action by Redeveloper has not been cured within 30 days following written notice from the CDA; or
- (e) Redeveloper, successor in interest, or assignee, does not, prior to notification to CDA of substantial completion of the Public Improvements and Private Improvements as contemplated under Section 4.01(a) of this Redevelopment Contract, provide CDA with Eligible Project Costs Certifications equal to or exceeding the TIF Indebtedness.

then Redeveloper shall be in default of this Redevelopment Contract. To the extent that a failure results in the fact that the CDA is not able to capture the full amount of the Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the anticipated Tax Increment exceeds the actual Tax Increment. If Redeveloper defaults under Section 6.2(e) of this Section, Redeveloper shall, within fifteen (15) days after receipt of a written demand from the CDA, reimburse the CDA in an amount equal to the difference between the principal and interest of the TIF Indebtedness on the date of the CDA's written demand less the aggregate amount of the Eligible Project Costs Certification(s).

**Section 6.03      Remedies in the Event of Other Redeveloper Defaults.**

In the event Redeveloper fails to perform any other provisions of this Redevelopment Contract (other than those specific provisions contained in Section 6.02), and such failure has not been cured within 30 days following written notice from the CDA, then Redeveloper shall be in default. In such an instance, the CDA may seek to enforce the terms of this Redevelopment Contract or exercise any other remedies that may be provided in this Redevelopment Contract or by applicable law; provided, however, that the default covered by this Section shall not give rise to a right of rescission or termination of this Redevelopment Contract.

**Section 6.04      Limitation of Liability; Indemnification.**

(a) Notwithstanding anything in this Article VI or this Redevelopment Contract to the contrary, neither the CDA, the City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. The obligation of the CDA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither the City nor the CDA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CDA and the City from and agrees that the CDA and the City shall not be liable for any loss or damage to property or any injury to or death

of any person that may be occasioned by any cause whatsoever pertaining to the Private Improvements. Provided, however, such release shall not be deemed to include such liability actions as arise directly out of the willful misconduct of the CDA or the City.

(b) Redeveloper agrees to indemnify, defend (at the CDA's and/or the City's option) and hold harmless the CDA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Contract. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of acts, omissions, or willful misconduct of the CDA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Contract.

## **ARTICLE VII MISCELLANEOUS**

### **Section 7.01      Memorandum.**

A Memorandum of this Redevelopment Contract in the form attached hereto as Exhibit "E" and incorporated by this reference shall be recorded with the Madison County Register of Deeds subsequent to the City's approval of the replat of the Project Site, as described in Exhibit "A".

### **Section 7.02      Governing Law.**

This Redevelopment Contract shall be governed by the laws of the State of Nebraska, including the Act.

### **Section 7.03      Binding Effect; Amendment.**

This Redevelopment Contract shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Contract shall run with the Project Site. The Redevelopment Contract shall not be amended except by a writing signed by the parties to be bound.

### **Section 7.04      No Agency or Partnership.**

This Redevelopment Contract is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or



association as between the CDA and the City, on the one hand, and Redeveloper, on the other hand, nor between the CDA and the City, on the one hand, and any officer, employee, contractor or representative of Redeveloper, on the other hand. No joint employment is intended or created by this Redevelopment Contract for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Redevelopment Contract.

**[Signature and Notary Pages to Follow]**

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

**"CDA"**

COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
NORFOLK, NEBRASKA

ATTEST:

By: *Elizabeth A. Deek*  
Secretary

By:

*[Signature]*  
Chairman

STATE OF NEBRASKA    )  
                                      ) ss.  
COUNTY OF MADISON    )

The foregoing instrument was acknowledged before me this 2<sup>nd</sup> day of April, 2018, by Josh Moenning and Elizabeth A. Deek, Chairman and Secretary respectively of the Community Development Agency of the City of Norfolk, Nebraska, a public body corporate and politic, on behalf of the Agency.

*Bethene A. Hoff*  
Notary Public  
*Bethene A. Hoff*



**"REDEVELOPER"**

NORFOLK EXTENDED LODGING,  
LLC, a Nebraska limited liability  
company

By: \_\_\_\_\_

Name: Mike Works

Title: Manager

STATE OF NEBRASKA     )  
  ) ss.  
COUNTY OF Lancaster    )

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of July, 2018, by Mike Works, Manager of Norfolk Extended Lodging, LLC, a Nebraska limited liability company, on behalf of the company.



Jessica A. Ernesti  
Notary Public Jessica A Ernesti

TABLE OF EXHIBITS:

Exhibit "A" – Description of Project  
Exhibit "B" – TIF Indebtedness  
Exhibit "B-1" – TIF Promissory Note  
Exhibit "C" – Projected TIF Sources and Uses  
Exhibit "D" – Certificate of Completion  
Exhibit "E" – Memorandum of Redevelopment Contract  
Exhibit "F" – Form of Investor Letter

**EXHIBIT "A"**  
**DESCRIPTION OF PROJECT**

The Project shall be undertaken by Redeveloper on the Project Site, which is currently part of Lot 2, Oban's Cyhawk Addition, as surveyed, platted and recorded in the City of Norfolk, Madison County, Nebraska. Said Lot 2 will be subdivided and replatted so that the Project Site is a separate and distinct lot. The legal description of the Project Site will depend upon subdivision approval and the legal description set forth below shall be confirmed upon final subdivision approval:

All of Lot 2, Oban's Cyhawk Addition, as surveyed, platted and recorded in the City of Norfolk, Madison County, Nebraska, except approximately the eastern 109 feet of the north 246 feet of Lot 2, together with the north 425 feet of the 60 foot wide Cyhawk Loop right-of-way abutting Lot 2 (the "Project Site").

The Project shall consist of the following Private Improvements and Public Improvements on the Project Site:

- (a) Private Improvements. The construction of an approximately 85–95 room limited service and extended stay hotel, with a parking lot and associated improvements on the Project Site.
- (b) Public Improvements. The Public Improvements shall consist of site acquisition, site preparation, installation of public street improvements (extension of Cyhawk Loop Road), landscaping, hardscaping and streetscaping, installation and extension of public utilities, façade improvements, and other improvements deemed feasible and necessary in support of the public health, safety and welfare which qualify as eligible expenditures under the Act.

**EXHIBIT "B"**  
**TIF INDEBTEDNESS**

1. **Principal Amount.** The TIF Indebtedness shall be issued in a TIF Promissory Note. The TIF Indebtedness for the Project shall not exceed Seven Hundred Ninety-Four Thousand Four Hundred and No/100 Dollars (\$794,400.00).
2. **Anticipated Tax Increment:** The principal amount of the TIF Indebtedness for the Project shall be the amount, together with interest accruing thereon, which can be amortized by the Maturity Date, solely from the Tax Increment Revenues based upon the current aggregate ad valorem tax rate applicable to the Project Site multiplied by an assumed completed valuation of \$4,300,000.00, subject to required debt service coverage, required reserve, and cost of issuance.
3. **Payments.** Semi-annually with interest only until real estate taxes are fully collected for the tax year of the applicable Effective Date in an amount sufficient to fully amortize the TIF Indebtedness together with an interest rate approved by lender on or before the Maturity Date.
4. **Maturity Date.** The Maturity Date shall be December 31 of the year that is fifteen (15) years after the Effective Date.

Exhibit "B"

**EXHIBIT "B-1"**  
**TIF PROMISSORY NOTE**

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

No. 1

\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF NEBRASKA  
THE COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF NORFOLK

COMMUNITY REDEVELOPMENT REVENUE NOTE  
(NORFOLK LODGING REDEVELOPMENT PROJECT)  
SERIES 2018A

Registered Holder	Principal Amount
Norfolk Extended Lodging, LLC	\$_____

Maturity Date	Interest Rate	Original Issuance Date
	_____%	

THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF NORFOLK, NEBRASKA (the "Issuer"), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the Norfolk City Treasurer, as Paying Agent and Registrar, from the Original Issuance Date identified above. Interest on this Note shall begin to accrue on an after the Effective Date, as defined in the Redevelopment Agreement between Issuer and Norfolk Extended Lodging via Resolution \_\_\_\_ and incorporated herein by reference. Accrued interest shall be payable in \_\_\_\_\_ installments due \_\_\_\_\_; provided, however, that to the extent the Tax Increment is insufficient to pay accrued interest due above, accrued interest shall be capitalized and added to principal. Thereafter, principal and accrued interest shall be payable in thirty (30) equal semi-annual installments due June 30 and December 31 of the year following the year of the Effective Date and each June 30 and December 31

Exhibit "B-1"

thereafter through December 31 of the year fifteen (15) years from the Effective Date, when all principal and accrued interest shall be due and payable. Payments on this Note will be made by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the calendar day next preceding the applicable payment date at his address as it appears on such note registration books. The principal of this Note is payable in any coin or currency of the United States of America which on the respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated The Community Development Agency of the City of Norfolk, Nebraska Redevelopment Revenue Note (Norfolk Lodging Redevelopment Project), Series 2018A, aggregating \_\_\_\_\_ and No/100 Dollars (\$\_\_\_\_\_.00) (the "Note"), which has been issued pursuant to Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the "Act") and under and pursuant to a Resolution adopted by the Governing Body of the Issuer (the "Resolution"), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment Revenues generated by the Project as identified in the Redevelopment Contract by and between the Issuer and the Registered Holder hereof. All such revenue has been duly pledged for that purpose.

THIS NOTE DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF NORFOLK, NEBRASKA, OR THE CITY OF NORFOLK, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF NORFOLK, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Contract against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible "redevelopment project" as defined in the Act; that the issuance of

Exhibit "B-1"



this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of Norfolk, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not constitute a debt of the Issuer or City within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by his duly authorized attorney, upon surrender of this Note together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney, together with a purchase letter, and thereupon a new registered Note or Notes in the same aggregate principal amounts shall be issued to the transferee in exchange therefor, and upon payment of the charges therein prescribed. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is issuable in the form of a registered Note without coupons. Subject to such conditions and upon the payment of such charges provided in the Resolution, the owner of any registered Note or Notes may surrender the same (together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney), in exchange for an equal aggregate principal amount of registered Notes of any other authorized denominations.

The Agency reserves the right and option of prepaying principal of this bond, in whole or in part, from any available sources at any time, at the principal amount thereof designated for redemption plus accrued interest to the date fixed for redemption of the principal amount so designated for optional redemption. Notice of any such optional pre-payment shall be given by mail, sent to the registered owner of this bond at said registered owner's address in the manner provided in the Redevelopment Contract. The principal of this bond shall be subject to mandatory optional redemptions made in part on any interest payment date from available Tax Increment (as defined in the Redevelopment Contract) without any requirement for notice.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Contract to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

Exhibit "B-1"



This Note shall not be entitled to any benefit under the Redevelopment Contract referred to herein or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF NORFOLK, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

THE COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF NORFOLK,  
NEBRASKA

ATTEST:

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Chairman

CERTIFICATE OF AUTHENTICATION

This Note is delivered pursuant to the within-mentioned Resolution.

Norfolk City Treasurer,  
as Paying Agent and Registrar

By: \_\_\_\_\_  
Authorized Signature

Exhibit "B-1"

**EXHIBIT "C"**  
**PROJECTED TIF SOURCES AND USES**

**1. Assumptions:**

Tax Levy	1.968713
Interest Rate	4.50%
Number of Years	15

**Property Valuation:**

	Assessed Val.	Est. Taxes
Pre-Project	\$449,000	\$8,840
Completed Project	\$4,300,000	\$84,655
Difference	\$3,851,000	\$75,056.99 <sup>1</sup>

**2. TIF Calculations:**

Annual TIF Amount	\$75,056.99
Total TIF Amount	\$1,125,854.85

**3. TIF Uses:**

Site Acquisition	\$400,000
Legal	\$24,000
Engineering	\$65,000
Site Prep	\$175,000
Site Utilities	\$145,000
Façade Improvements	\$126,000
Cyhawk Loop Road	\$125,000
Total	\$1,060,000

\*All costs are estimates and are subject to final confirmation and adjustment upon construction completion.

\*\*Eligible TIF Uses are projected to be in excess of \$ 794,400, but the TIF Indebtedness is limited to \$ 794,400, which, when factoring in an interest rate of 4.5%, is approximately the sum generated by the projected incremental taxes.

---

<sup>1</sup> This figure accounts for a one-percent administrative commission collected by the County Treasurer.  
Exhibit "C"

**EXHIBIT "D"**  
**CERTIFICATE OF COMPLETION**

The Community Development Agency of the City of Norfolk, Nebraska, a municipal corporation in the State of Nebraska (the "CDA"), hereby makes the conclusive determination and certification that, with regard to the following real property situated in the City of Norfolk, Madison County, Nebraska, to wit:

[Legal description to be inserted after City of Norfolk's approval of  
replat of Project Site],

("Redeveloper Property"), all the improvements required to be constructed upon the above-described Redeveloper Property have been satisfactorily completed in accordance with the requirements of the REDEVELOPMENT CONTRACT (Norfolk Lodging Redevelopment Project) by and between the Community Development Agency of the City of Norfolk, Nebraska, a municipal corporation in the State of Nebraska, and Norfolk Extended Lodging, LLC, a Nebraska limited liability company, and its successors and assigns ("Redeveloper"), said Contract dated as of \_\_\_\_\_, 2018 and a Memorandum of which is recorded as Instrument No. \_\_\_\_\_, in the office of the Register of Deeds for Madison County, Nebraska.

The CDA further makes the conclusive determination that the Private Improvements (as defined in the Contract) to the above-described Redeveloper Property are presently in conformance with the Contract.

**(Signature page follows)**

Exhibit "D"

IN WITNESS WHEREOF, the CDA and Redeveloper have executed this instrument this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_.

**"CDA"**

COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
NORFOLK, NEBRASKA

\_\_\_\_\_  
Chairperson

STATE OF NEBRASKA    )  
                                  ) ss.  
COUNTY OF MADISON    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, Chairperson of the Community Development Agency of the City of Norfolk, Nebraska, on behalf of the Agency.

\_\_\_\_\_  
Notary Public

**"REDEVELOPER"**  
NORFOLK EXTENDED LODGING,  
LLC, a Nebraska limited liability  
company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF NEBRASKA    )  
                                  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, \_\_\_\_\_ of Norfolk Extended Lodging, LLC, a Nebraska limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

Exhibit "D"

**EXHIBIT "E"**  
**MEMORANDUM OF REDEVELOPMENT CONTRACT**  
**(NORFOLK LODGING REDEVELOPMENT PROJECT)**

This Memorandum of Redevelopment Contract ("Memorandum") is made this 2 day of April, 2018 by and between the Community Development Agency of the City of Norfolk, Nebraska ("CDA") and Norfolk Extended Lodging, LLC, a Nebraska limited liability company ("Redeveloper").

1. **Redevelopment Contract.** CDA and Redeveloper have entered into that certain Redevelopment Contract dated as of this even date, describing the public improvements being made by the CDA in the Redevelopment Area and the private improvements being made to real property owned by Redeveloper and legally described as:

Lot 1, Nightcap Addition to the City of Norfolk, Madison County,  
Nebraska

2. **Tax Increment Financing.** The Redevelopment Contract provides for the capture of the Tax Increment, as defined therein, by the CDA of the private improvements to be made by the Redeveloper for a period not to exceed fifteen (15) years after the Effective Date. The Tax Increment so captured by the CDA shall be used to make the public improvements as described in the Redevelopment Contract.

3. **Minimum Valuation.** The Redevelopment Contract establishes a minimum taxable real property valuation the Project Site of not less than Four Million Three Hundred Thousand and No/100 Dollars (\$4,300,000.00) (the "Minimum Valuation"). The Redevelopment Contract further provides that neither Redeveloper, nor its successors and assigns, shall: (a) protest the real property valuation of the Project Site to a sum less than the Minimum Valuation; or (b) convey the Project Site, any lot in the Project Site, or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

4. **Remaining Terms.** The rest and remaining terms of the Redevelopment Contract are hereby incorporated into this Memorandum as if they

Exhibit "E"

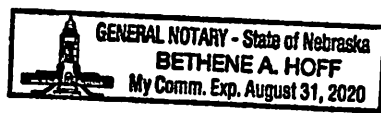
were set forth in full. A full and correct copy of the Redevelopment Contract may be inspected at the CDA offices in Norfolk, Nebraska.

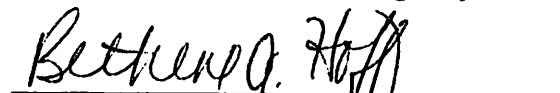
**"CDA"**  
COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
NORFOLK, NEBRASKA

  
Chairperson

STATE OF NEBRASKA    )  
                                  ) ss.  
COUNTY OF MADISON    )

The foregoing instrument was acknowledged before me this 2<sup>nd</sup> day of April, 2018, by Josh Moenning, Chairperson of the Community Development Agency of the City of Norfolk, Nebraska, on behalf of the Agency.



  
Notary Public  
Bethene A. Hoff  
**"REDEVELOPER"**  
NORFOLK EXTENDED LODGING,  
LLC, a Nebraska limited liability  
company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF NEBRASKA    )  
                                  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2018, by \_\_\_\_\_, \_\_\_\_\_ of Norfolk Extended Lodging, LLC, a Nebraska limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

were set forth in full. A full and correct copy of the Redevelopment Contract may be inspected at the CDA offices in Norfolk, Nebraska.

**"CDA"**  
COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
NORFOLK, NEBRASKA

  
Chairperson

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF MADISON )

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of July, 2018, by Mike Works, Chairperson of the Commur Development Agency of the City of Norfolk, Nebraska, on behalf of the Agency.

\_\_\_\_\_  
Notary Public

**"REDEVELOPER"**  
NORFOLK EXTENDED LODGING,  
LLC, a Nebraska limited liability  
company

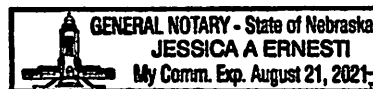
By: 

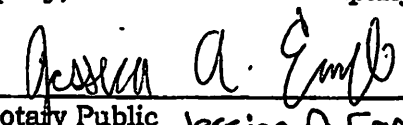
Name: Mike Works

Title: Manager

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF Lancaster )

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of July, 2018, by Mike Works, Manager of Norfolk Extended Lodging, LLC, a Nebraska limited liability company, on behalf of the company.



  
Notary Public Jessica A Ernesti

**EXHIBIT "F"**  
Form of Investor Letter

\_\_\_\_\_, 201\_\_

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

Re: Tax Increment Revenue Bond (Norfolk Lodging Redevelopment Project)  
Series 2018A

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

Exhibit "F"



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 Norfolk Extended Lodging, 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,

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FIRST AMENDMENT TO REDEVELOPMENT CONTRACT  
(NORFOLK LODGING REDEVELOPMENT PROJECT)**

This First Amendment to Redevelopment Contract ("First Amendment") dated this 16 day of Sept, 2019 is entered into by and between the Community Development Agency of the City of Norfolk, Nebraska ("CDA") and Norfolk Extended Lodging, LLC, a Nebraska limited liability company ("Redeveloper").

**RECITALS**

A. The CDA and Redeveloper entered into that certain Redevelopment Contract dated April 2, 2018 (the "Redevelopment Contract") to implement the Redevelopment Project, as defined therein.

B. The CDA and Redeveloper desire to amend the Redevelopment Contract to reflect certain changes to the project, as set forth in this First Amendment.

NOW THEREFORE, in consideration of mutual promises contained herein and in the Redevelopment Contract, the parties agree to amend the Redevelopment Contract as follows:

1. Recital C. Recital C is hereby deleted and restated as follows:

"The Redeveloper owns or has contracted to purchase the Project Site and the Project Site is located in the Redevelopment Area."

2. Exhibit A. Exhibit "A" to the Redevelopment Contract is hereby deleted and replaced with the Exhibit "A" attached to this First Amendment and incorporated by this reference.
3. Exhibit D. Exhibit "D" to the Redevelopment Contract is hereby deleted and replaced with the Exhibit "D" attached to this First Amendment and incorporated by this reference.
4. Exhibit E. Exhibit "E" to the Redevelopment Contract is hereby deleted and replaced with the Exhibit "E" attached to this First Amendment and incorporated by this reference.
5. Reconfirm other Terms. The CDA and Redeveloper hereby reconfirm all other terms and conditions of the Redevelopment Contract, except as expressly modified by the terms of this First Amendment. In the event of any conflict between the terms and provisions of this First Amendment and the terms and provisions of the Redevelopment Contract, the terms and provisions of this First Amendment shall supersede and control.

**(Signature page follows)**

This First Amendment to Redevelopment Contract is effective as of the date reflected in the first paragraph above.

**"CDA"**

COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF NORFOLK, NEBRASKA

ATTEST:

By: [Signature]  
Secretary

By: [Signature]  
Chairman

**"REDEVELOPER"**

NORFOLK EXTENDED LODGING, LLC, a  
Nebraska limited liability company

By: [Signature]  
Mike Works, Manager

**EXHIBIT A**  
**DESCRIPTION OF PROJECT**

The Project shall be undertaken by Redeveloper on the Project Site, which is legally described as follows:

Lot 2, Oban's Cyhawk Addition, Norfolk, Madison County, Nebraska together with the 60' wide Cyhawk Loop right-of-way abutting Lot 2 (the "Project Site").

The Project shall consist of the following Private Improvements and Public Improvements on the Project Site:

- (a) Private Improvements. The construction of an approximately 85-95 room limited service and extended stay hotel, with a parking lot and associated improvements on the Project Site.
- (b) Public Improvements. The Public Improvements shall consist of site acquisition, site preparation, installation of public street improvements (extension of Cyhawk Loop Road), landscaping, hardscaping and streetscaping, installation and extension of public utilities, façade improvements, and other improvements deemed feasible and necessary in support of the public health, safety and welfare which qualify as eligible expenditures under the Act.

Exhibit "A"

**EXHIBIT "D"**  
**CERTIFICATE OF COMPLETION**

The Community Development Agency of the City of Norfolk, Nebraska, a municipal corporation in the State of Nebraska (the "CDA"), hereby makes the conclusive determination and certification that, with regard to the following real property situated in the City of Norfolk, Madison County, Nebraska, to wit:

Lot 2, Oban's Cyhawk Addition, Norfolk, Madison County,  
Nebraska

("Redeveloper Property"), all the improvements required to be constructed upon the above-described Redeveloper Property have been satisfactorily completed in accordance with the requirements of the Redevelopment Contract (Norfolk Lodging Redevelopment Project) by and between the Community Development Agency of the City of Norfolk, Nebraska, a municipal corporation in the State of Nebraska, and Norfolk Extended Lodging, LLC, a Nebraska limited liability company, and its successors and assigns ("Redeveloper"), said Contract dated as of April 2, 2018, as amended, and a Memorandum of which is recorded as Instrument No. \_\_\_\_\_, in the office of the Register of Deeds for Madison County, Nebraska.

The CDA further makes the conclusive determination that the Private Improvements (as defined in the Contract) to the above-described Redeveloper Property are presently in conformance with the Contract.

**(Signature page follows)**

Exhibit "D"

IN WITNESS WHEREOF, the CDA and Redeveloper have executed this instrument this \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

**"CDA"**

COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
NORFOLK, NEBRASKA

\_\_\_\_\_  
Chairperson

STATE OF NEBRASKA     )  
                                  ) ss.  
COUNTY OF MADISON    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by \_\_\_\_\_, Chairperson of the Community Development Agency of the City of Norfolk, Nebraska, on behalf of the Agency.

\_\_\_\_\_  
Notary Public

**"REDEVELOPER"**  
NORFOLK EXTENDED LODGING,  
LLC, a Nebraska limited liability  
company

By: \_\_\_\_\_  
Mike Works, Manager

STATE OF NEBRASKA     )  
                                  ) ss.  
COUNTY OF LANCASTER    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, by Mike Works, Manager of Norfolk Extended Lodging, LLC, a Nebraska limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

Exhibit "D"



No	04238 ✓	#Pages	2
Doc Tax \$			
Fee \$	16. <sup>00</sup>	P&M \$	3.00
Fees Pd \$			
Gen Fee \$	13.00		
Ck#			
Refund			
Due	\$ 16. <sup>00</sup>		

04238 ✓

THE STATE OF NEBRASKA } ss  
MADISON COUNTY

This instrument filed for record  
the 2 day of October 20 19  
at 10:30 A.M. and recorded in  
Book 2019 Page 04238

*Diana S. Rykodym* Register of Deeds

By City of Norfolk, 309 N 5<sup>th</sup> St., Norfolk, NE 68701

### MEMORANDUM OF REDEVELOPMENT CONTRACT (NORFOLK LODGING REDEVELOPMENT PROJECT)

This Memorandum of Redevelopment Contract ("Memorandum") is made this 16 day of Sept, 2019 by and between the Community Development Agency of the City of Norfolk, Nebraska ("CDA") and Norfolk Extended Lodging, LLC, a Nebraska limited liability company ("Redeveloper").

1. **Redevelopment Contract.** CDA and Redeveloper have entered into that certain Redevelopment Contract dated April 2, 2108, describing the public improvements being made by the CDA in the Redevelopment Area and the private improvements being made to real property owned by Redeveloper and legally described as:

Lot 2, Oban's Cyhawk Addition, Norfolk, Madison County, Nebraska

2. **Tax Increment Financing.** The Redevelopment Contract provides for the capture of the Tax Increment, as defined therein, by the CDA of the private improvements to be made by the Redeveloper for a period not to exceed fifteen (15) years after the Effective Date. The Tax Increment so captured by the CDA shall be used to make the public improvements as described in the Redevelopment Contract.

3. **Minimum Valuation.** The Redevelopment Contract establishes a minimum taxable real property valuation the Project Site of not less than Four Million Three Hundred Thousand and No/100 Dollars (\$4,300,000.00) (the "Minimum Valuation"). The Redevelopment Contract further provides that neither Redeveloper, nor its successors and assigns, shall: (a) protest the real property valuation of the Project Site to a sum less than the Minimum Valuation; or (b) convey the Project Site, any lot in the Project Site, or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

4. **Remaining Terms.** The rest and remaining terms of the Redevelopment Contract are hereby incorporated into this Memorandum as if they were set forth in full. A full and correct copy of the Redevelopment Contract may be inspected at the CDA offices in Norfolk, Nebraska.

Exhibit "E"



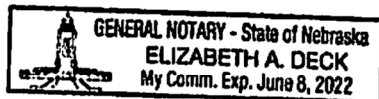
IN WITNESS WHEREOF, the CDA and Redeveloper have executed this instrument as of the date first set forth above.

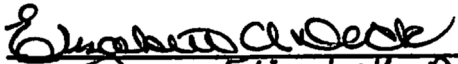
**"CDA"**  
COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
NORFOLK, NEBRASKA

  
Chairperson

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF MADISON )

The foregoing instrument was acknowledged before me this 16 day of Sept, 2019, by Josh Noering Chairperson of the Community Development Agency of the City of Norfolk, Nebraska, on behalf of the Agency.



  
Notary Public Elizabeth A. Deck

**"REDEVELOPER"**  
NORFOLK EXTENDED LODGING,  
LLC, a Nebraska limited liability  
company

By:

  
Mike Works, Manager

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16 day of September, 2019, by Mike Works, Manager of Norfolk Extended Lodging, LLC, a Nebraska limited liability company, on behalf of the company.



  
Notary Public

4817-6628-9542, v. 2

Exhibit "E"

**SECOND AMENDMENT TO REDEVELOPMENT CONTRACT  
(NORFOLK LODGING REDEVELOPMENT PROJECT)**

This Second Amendment to Redevelopment Contract ("Second Amendment") dated this 21<sup>st</sup> day of June, 2021, is entered into by and between the Community Development Agency of the City of Norfolk, Nebraska ("CDA") and Norfolk Extended Lodging, LLC, a Nebraska limited liability company ("Redeveloper").

**RECITALS**

A. The CDA and Redeveloper entered into that certain Redevelopment Contract dated April 2, 2018, as amended by that certain First Amendment to Redevelopment Contract dated September 16, 2019 (collectively, the "Redevelopment Contract") to implement the Redevelopment Project, as defined therein.

B. The CDA and Redeveloper desire to amend the Redevelopment Contract to reflect certain changes to the project, as set forth in this Second Amendment.

NOW THEREFORE, in consideration of mutual promises contained herein and in the Redevelopment Contract, the parties agree to amend the Redevelopment Contract as follows:

1. Section 3.01(b). Section 3.01(b) of the Redevelopment Contract shall be amended and replaced in its entirety as follows:
  - (b) The "Effective Date" for the Project shall be January 1, 2022.
2. Exhibit B. The Completion Date set forth on Exhibit "B" of the Redevelopment Contract shall be January 1, 2022.
3. Exhibit B-1. Exhibit "B-1" of the Redevelopment Contract shall be deleted in its entirety, and the TIF Promissory Note shall be issued on a form approved by the CDA, in its sole discretion.
4. Certification of Eligible Project Costs. Prior to the earlier of completion of the Project or the first disbursement of Tax Increment, Redeveloper shall certify that it has incurred Eligible Project Costs in an amount equal to or exceeding the principal amount on the TIF Promissory Note, as evidenced by paid invoices or other evidence acceptable to the Agency. If Redeveloper has not made such certification prior to the first disbursement of Tax Increment, the principal amount of the TIF Promissory Note shall be reduced to reflect the Eligible Project Costs certified to the CDA as of such date.
5. Reconfirm other Terms. The CDA and Redeveloper hereby reconfirm all other terms and conditions of the Redevelopment Contract, except as expressly modified by the terms of this Second Amendment.

**(Signature page follows)**

This Second Amendment to Redevelopment Contract is effective as of the date reflected in the first paragraph above.

**"CDA"**

COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF NORFOLK, NEBRASKA

ATTEST:

By: Brian Duerst  
Secretary

By: [Signature]  
Chairman



**"REDEVELOPER"**

NORFOLK EXTENDED LODGING, LLC, a  
Nebraska limited liability company

By: [Signature]  
Mike Works, Manager

4817-6628-9542, v. 1

DOCS/2478673.1

RESOLUTION NO. 2021-14

**WHEREAS**, Members of the Community Development Agency of the City of Norfolk (the Agency) approved Resolution No. 2021-5 on July 19, 2021 authorizing the Agency Treasurer to file on or before August 1, 2021 the Notice to Divide Tax for Phase I, Sub-Phase 2 of the Medelmans Lake Redevelopment Project, which was attached to Resolution No. 2021-5; and

**WHERAS**, the Notice to Divide Tax attached to Resolution No. 2021-5 contained an incorrect project description; and

**WHEREAS**, the Agency Treasurer filed the revised Notice to Divide Tax attached to this resolution containing the correct project description with the Madison County Assessor subsequent to the filing of the incorrect Notice to Divide Tax.

**NOW, THEREFORE, BE IT RESOLVED** by the Members of the Community Development Agency of the City of Norfolk, Nebraska,

Section 1. The filing of the revised Noticed to Divide Tax is hereby ratified.

Section 2. The Notice to Divide Tax attached to Resolution No. 2021-5 is replaced by the revised Notice to Divide Tax attached to this resolution.

PASSED AND APPROVED this 20th day of September, 2021.

\_\_\_\_\_  
Chairperson (Mayor)

ATTEST:

\_\_\_\_\_  
Secretary (City Clerk)

( S E A L )

Approved as to form: \_\_\_\_\_  
Danielle Myers-Noelle, City Attorney

# Notice to Divide Tax for Community Redevelopment Project Tax Increment Financing (TIF) Project

This section must be completed by the City or Community Redevelopment Authority (CRA).

County Name

Madison

City Where TIF Project is Located

Norfolk

Number of Years for Project

15

Name of TIF Project

Medelmans Lake Redevelopment Project – Phase I, Sub-Phase 2

Redevelopment Plan Type



Standard



Expedited



Extremely Blighted

Provide a brief description of the TIF project and what the funds will be used for.

The project encompasses: site preparation; installation of streets, trails, and sidewalks; landscaping, hardscaping and streetscaping, including buffering of the residential areas from the industrial area to the West; extension of public utilities necessary to serve the private improvements to be constructed during Phase I and subsequent phases of the redevelopment project; and other improvements deemed feasible and necessary in support of the public health, safety and welfare which qualify as eligible expenditures. The project is expected to provide approximately 18 single family residential homes.

Calendar year in which the division of real property tax becomes effective.

2021

Base Value Year (Year prior to the calendar year in which the division of real property becomes effective).

2020

Specify the real property parcels, as defined in [Neb. Rev. Stat. § 77-132](#), and as contained in the files of the county assessor, included in the TIF project. Please provide legal descriptions, parcel ID numbers, or street addresses. Additionally, describe the location and boundaries of all parcels included in the redevelopment plan. Attach a map, if one is available.

- 1) Lot 8 in Medelmans Lake Subdivision in the City of Norfolk, as surveyed, platted and recorded in Madison County, Nebraska (PID 590026670)
- 2) Lot 1A in R & L Properties Medelmans Lake Subdivision a replat of Lot 200 Medelmans Lake Subdivision, as surveyed, platted and recorded in Madison County, Nebraska (PID 590259201)
- 3) Lot 1B in R & L Properties Medelmans Lake Subdivision a replat of Lot 200 Medelmans Lake Subdivision, as surveyed, platted and recorded in Madison County, Nebraska (PID 590259203)

City/CRA Official Name (print)

Randy Gates

Phone Number

402-844-2011

Email Address

rgates@norfolkne.gov

Under penalties of law, I declare that I am the authorized representative of the city or CRA, and that I have provided all required information to the county assessor on or before August 1 of the calendar year that the division of real property tax becomes effective.

sign  
here

  
Authorized Signature

Treasurer

Title

07/19/2021

Date

This Section Must Be Completed by the County Assessor

Amount of Real Property Base Value Determined for the TIF Project specified on this Notice: \$ \_\_\_\_\_

Parcel ID Numbers (if not stated above):

TIF Excess Authority/Fund Code: \_\_\_\_\_

TIF Base Tax District Code: \_\_\_\_\_

CTL Report TIF Sequence Number: \_\_\_\_\_

School District Code: \_\_\_\_\_



County Assessor's Signature

Date

Upon completion of the Notice to Divide Tax for TIF, the county assessor must retain the original and provide copies to the City/CRA, county treasurer, and Nebraska Department of Revenue, Property Assessment Division.