

**CITY OF LEXINGTON
COMMUNITY DEVELOPMENT AGENCY**

RESOLUTION NO. 2013-_____

RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF LEXINGTON, NEBRASKA, APPROVING THE
ISSUANCE OF ADDITIONAL TIF INDEBTEDNESS PURSUANT TO A
REDEVELOPMENT CONTRACT WITH CORNHUSKER ENERGY, LLC;
PROVIDING FOR GRANTS FROM THE PROCEEDS OF SUCH
INDEBTEDNESS AND OTHER MATTERS

WHEREAS, the Community Development Agency of the City of Lexington, Nebraska (“Agency”) is a duly organized and existing Agency, a body politic and corporate under the laws of the State of Nebraska and is successor in interest to the Community Redevelopment Authority of the City of Lexington, Nebraska, (“Authority”); and

WHEREAS, the Authority, on the 30th day of July, 2002, entered into a Redevelopment Contract (“Contract”) with Cornhusker Energy, LLC, (“Redeveloper”), a copy of which is attached hereto as Exhibit A, which provided for the issuance of a Series A and a Series B TIF Indebtedness; and

WHEREAS, the City Council of the City of Lexington passed its ordinance number 2312 creating the Agency and transferred the interest of the Authority in the Contract to the Agency; and

WHEREAS, the Agency is authorized, as successor to the Authority under the Contract, and by the Act (hereinafter defined) to issue and sell its revenue Notes, notes or other obligations for the purpose of providing money to pay or otherwise provide funds to pay costs of the redevelopment project described in the Contract and is further authorized to pledge the revenues as herein provided to secure the payment of principal, premium, if any, and interest on its obligations; and

WHEREAS, the Redeveloper has certified to the Agency that Redeveloper has incurred project costs in addition to those subject to the Series A and Series B TIF Indebtedness previously issued, which certification is attached hereto as Exhibit B; and

WHEREAS, the City of Lexington (“City”) has certified to the Agency that City has incurred project costs in addition to those subject to the Series A and Series B TIF Indebtedness previously issued, which certification is attached hereto as Exhibit C; and

WHEREAS, the Agency has determined that there are sufficient TIF Revenues, as defined in the Contract to pay the principal and interest on additional TIF Indebtedness, as

set forth hereafter, for the purpose of making funds available for payment of project costs as defined in the Contract; and

WHEREAS, the Agency has made the necessary arrangements for financing a portion of the costs of the project in part by issuing Promissory Notes, Series B-1, 2013, and Series B-2, 2013, of the Development Agency (“Notes”) and for use of the proceeds of such Notes in connection with the project costs; and

WHEREAS, the issuance of the Notes has been in all respects duly and validly authorized by the Agency pursuant to this Resolution (the “Resolution”); and

WHEREAS, the Notes are in substantially the form attached hereto as Exhibits D and E which are incorporated herein by this reference, with the necessary and appropriate variations, omissions and insertions as permitted or required by this Resolution.

NOW, THEREFORE, BE IT RESOLVED and expressly declared, that the Notes shall be issued and delivered upon and subject to the terms, conditions, stipulations, uses and purposes as hereinafter expressed, which are:

ARTICLE I

THE NOTES

Section 1.01. Form and Maturity of Notes.

The Notes to be issued pursuant to this Resolution shall be issued pursuant to the Act, including specifically but without limitation Sections 18-2124 et seq., shall be dated as of the date of their issuance, and shall be issued in two series designated "Community Development Agency of the City of Lexington, Nebraska, Community Development Revenue Notes, Series B-1, 2013 and Series B-2, 2013". The Notes shall be substantially in the form and of the tenor as set forth in the form of the Notes attached hereto as Exhibit D (Series B-1 Note) and Exhibit E (Series B-2 Note) with such appropriate variations, omissions and insertions as are permitted or required by this Resolution.

The Series B-1 Note shall be issued in one series in the amount of \$800,000.00, and shall be dated as of the date its issuance. The Series B-1 Note shall be delivered to Cornhusker Energy, LLC, upon issuance and shall be immediately redeemed by the Agency from funds on hand in the Cornhusker Energy, LLC, TIF Revenue Account. The Series B-1 Note shall bear interest at the rate of 0.0% per annum from and after the date of issuance of such Note.

Series B-2 Note shall be issued in the amount of \$730,000.00, and shall be dated as of the date of its issuance. The series B-2 Note shall mature on

December 31, 2018, and shall bear 0.0% interest.

Principal and interest on the Series B-2 Note shall be paid only after payment of the Series A and Series B payments of principal and interest and on the dates of provided for such payments, from remaining funds on hand in the Cornhusker Energy, LLC, TIF Revenue Account.

Section 1.02 Execution. Limited Obligation.

The Notes shall be signed in the name and on behalf of the Development Agency by the manual or facsimile signature of the Chair or Vice Chair of the Development Agency and attested with the manual or facsimile signature of its Secretary. In the event that any of the officers who shall have signed and sealed the Notes shall cease to be officers of the Development Agency before the Notes shall have been issued and delivered, the Notes may, nevertheless, be issued and delivered, and upon such issue and delivery shall be binding upon the Development Agency as though those officers who signed and sealed the same had continued to be such officers of the Development Agency. The Notes may be signed and sealed on behalf of the Development Agency by such person who, at the actual date of execution of the Notes, shall be the proper officer of the Development Agency, although at the date of the Notes such person shall not have been such an officer of the Development Agency.

The Notes shall not be a general obligation of the Development Agency, but only a limited obligation payable solely from the tax increment revenues pledged as security for the Notes, and from any other security pledged by Redeveloper pursuant to the Redevelopment Contract or other financing documents (except to the extent paid out of monies attributable to income from the temporary investment of the proceeds of the Notes) and shall be a valid claim of the registered owner thereof and otherwise secured for the payment of the Notes and shall be used for no other purpose than to pay the principal and interest on the Notes, except as may be otherwise expressly authorized by this Resolution.

Neither the Development Agency, the State of Nebraska, the City nor any other political subdivision of the State of Nebraska shall be obligated to pay the principal of the Notes or the interest thereon or other costs incident thereto except from the money pledged therefore. Neither the faith and credit nor the taxing power (except to the extent of ad valorem taxes pledged hereunder) of the Development Agency, the City, the State of Nebraska or any political subdivision of the State of Nebraska shall be pledged to the payment of the principal of the Notes or the interest thereon or other costs incident thereto. The Notes shall never constitute an indebtedness of the Development Agency or the City within the meaning of any state constitutional provision or statutory limitation, nor shall the Notes or the interest thereon ever give rise to any pecuniary liability of the Development Agency or the City or a charge against its general credit or taxing powers.

Section 1.03 Delivery of Series B-2, 2012, Notes.

The Development Agency shall execute and deliver the Series B-2, 2013, Note to the City.

ARTICLE II

APPLICATION OF NOTES PROCEEDS

One hundred percent of the proceeds of the B-1, 2013, Note shall be granted to Redeveloper and one hundred percent of the proceeds of the B-1, 2013, Note shall be delivered to the City upon receipt of such proceeds and used to pay Project Costs pursuant to the Redevelopment Contract.

ARTICLE III

PAYMENT OF NOTES

IN WITNESS WHEREOF, the undersigned hereby certify that the members of the Community Development Agency of the City of Lexington, Nebraska passed and adopted this Resolution, and caused these presents to be signed in its name and behalf by a majority of its members and its official seal to be hereunto affixed, and to be attested by its Secretary, on the date first above written.

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF LEXINGTON,
NEBRASKA

Chairman

ATTEST:

Secretary

Exhibit A
Redevelopment Contract

Exhibit B
Certification and Consent

Cornhusker Energy, LLC, hereby consents to the issuance of the B-1, 2013 and B-2, 2013 Notes by the Community Development Agency of the City of Lexington and the payment of proceeds as provided in a Resolution of the Agency dated January 21, 2013.

Cornhusker Energy, LLC, further certifies that the following costs have been incurred in pursuant to the Redevelopment Contract dated July 30, 2002.

Dated January ____, 2013

Cornhusker Energy, LLC,

Manager

Exhibit C
City Redevelopment Project Costs

Exhibit D

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF DAWSON

TAX INCREMENT REVENUE NOTE OF THE COMMUNITY
DEVELOPMENT AGENCY OF THE CITY
OF LEXINGTON, NEBRASKA
(Cornhusker Energy PROJECT)
SERIES B-1, 2013

<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Final Maturity Date</u>
\$800,000.00	0.0%	January ____, 2013

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Lexington, Nebraska, hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to cornhusker Energy, LLC, 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 date of delivery hereof until maturity or earlier redemption at the rate of Zero percent (0.0%) per annum, subject to limitation as set forth in the authorizing Resolution. The payment of principal due upon the final maturity is payable upon presentation and surrender of this Note to the Treasurer of said Agency, as Paying Agent and Registrar for said Agency, at the offices of the Community Development Agency of the City of Lexington at City Hall, in Lexington, Nebraska.

This Note constitutes a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1)(b) of Section 18-2147, Nebraska Revised Statutes, as levied, collected and apportioned from year to year with respect to certain real estate located within the "Project" as defined in the Resolution. Pursuant to the Resolution and Section 18-2150, Nebraska Revised Statutes, said portion of taxes has been pledged for the payment of this Note, both principal and interest as the same fall due or become subject to mandatory redemption. This Note 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 Note shall not constitute an obligation of the State of Nebraska or of the City or Lexington (except for such receipts as have been pledged pursuant to Section 18-2150, Nebraska Revised Statutes) and neither the State of Nebraska nor the City of Lexington shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged pursuant to Section 18-2150, Nebraska Revised Statutes). Neither the members of the Agency's governing body nor any person executing this Note shall be liable personally on this Note by reason of the issuance hereof. The Resolution authorizing said issue designates the terms upon which additional Notes payable from said taxes may be issued in the future.

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

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Note, 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 Note, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, the Community Development Agency of the City of Lexington, Nebraska has caused this Note to be executed on behalf of said Agency by being signed by the Chairman and Secretary and by causing the official seal of said Agency to be affixed hereto, all as of the date of issue shown above.

Delivered this _____ day of January, 2013.

(SEAL)

COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
LEXINGTON, NEBRASKA

By: _____
Chairman

ATTEST:

Secretary

Exhibit E

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF DAWSON

TAX INCREMENT REVENUE NOTE OF THE COMMUNITY
DEVELOPMENT AGENCY OF THE CITY
OF LEXINGTON, NEBRASKA
(Cornhusker Energy PROJECT)
SERIES B-2, 2013

<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Final Maturity Date</u>
\$730,000.00	0.0%	December 31, 2018

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Lexington, Nebraska, hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to the City of Lexington, Nebraska, 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 date of delivery hereof until maturity or earlier redemption at the rate of 0.00% per annum, subject to limitation as set forth in the authorizing Resolution.

The Agency, however, reserves the right and option of prepaying principal of this Note, in whole or in part, from any available sources at any time at the principal amount thereof plus accrued interest to the date fixed for redemption. Notice of any such optional prepayment shall be given by mail, sent to the registered owner of this Note at said registered owner's address in the manner provided in the Resolution authorizing this Note. The principal of this Note shall be subject to mandatory redemptions made in part on any interest payment date from available funds 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 authorizing this Note.

This Note is junior to the Series A and Series B Notes issued to Cornhusker Energy LLC, by the Agency's predecessor and shall be paid only from the excess fund available from time to time in the funds on hand in the Cornhusker Energy, LLC, TIF Revenue Account.

This Note constitutes a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in subdivision (1)(b) of Section 18-2147, Nebraska Revised Statutes, as levied, collected and apportioned from year to year with respect to certain real estate located within the "Project" as defined in the Resolution. Pursuant to the Resolution and Section 18-2150, Nebraska Revised Statutes, said portion of taxes has been pledged for the payment of this Note, both principal and interest as the same

fall due or become subject to mandatory redemption. This Note 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 Note shall not constitute an obligation of the State of Nebraska or of the City of Lexington (except for such receipts as have been pledged pursuant to Section 18-2150, Nebraska Revised Statutes) and neither the State of Nebraska nor the City of Lexington shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged pursuant to Section 18-2150, Nebraska Revised Statutes). Neither the members of the Agency's governing body nor any person executing this Note shall be liable personally on this Note by reason of the issuance hereof. The Resolution authorizing said issue designates the terms upon which additional Notes payable from said taxes may be issued in the future.

This Note 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 Note for notation of transfer as provided on the reverse hereof and subject to the conditions provided for in the Resolution authorizing the issuance of this Note. The Agency, the Paying Agent and Registrar and any other person may treat the person in whose name this Note 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 Note be overdue or not.

THIS NOTE, 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.

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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 Note, 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 Note, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, the Community Development Agency of the City of Lexington, Nebraska has caused this Note to be executed on behalf of said Agency by being signed by the Chairman and Secretary and by causing the official seal of said Agency to be affixed hereto, all as of the date of issue shown above.

Delivered this _____ day of January, 2013.

(SEAL)

COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
LEXINGTON, NEBRASKA

By: _____
Chairman

ATTEST:

Secretary