

REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the ___ day of October, 2014, by and between the Community Development Agency of Lexington, Nebraska (the "Agency") and Central Nebraska Housing Corp., a Nebraska corporation (the "Company").

WITNESSETH:

WHEREAS, the Agency 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, acting by and through its Chair or Vice Chair and Members;

WHEREAS, the City of Lexington, Nebraska (the "City"), in furtherance of the purposes and pursuant to the provisions of Section 12 of Article VIII of the Nebraska Constitution and Sections 18-2101 to 18-2154, Reissue Revised Statutes of Nebraska, 2012, as amended (collectively the "Act"), has adopted a Redevelopment Plan for a blighted and substandard area designated by the City; and

WHEREAS, pursuant to Section 18-2119 of the Act, the Agency has solicited proposals for redevelopment of a redevelopment area included in the Redevelopment Plan, and the Company submitted a redevelopment contract proposal;

WHEREAS, the Agency and the Company desire to enter into this Redevelopment Contract for acquisition and redevelopment of that certain property located within redevelopment area and more particularly described on Exhibit A attached hereto;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the Agency and the Company 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:

"Act" means Section 12 of Article VIII of the Nebraska Constitution, Sections 18-2101 through 18-2154, Reissue Revised Statutes of Nebraska, 2012, as amended, and acts amendatory thereof and supplemental thereto.

"Bondholder" means the holders of Bonds issued by the Agency from time to time outstanding.

"Bond" or ""Bonds" means the Agency's Community Development Revenue Bonds (Ponderosa

Project), authorized to be issued by the Agency pursuant to the terms and conditions of the Resolution.

"City" means the City of Lexington, Nebraska.

"Governing Body" means the City Council of the City.

"Paying Agent" means the paying agent with respect to the Bonds appointed pursuant to the Resolution, and who shall initially be the treasurer of the City.

"Premises" means all that certain real property situated in Lexington, Dawson County, Nebraska, more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

"Project" means the improvements to the Premises, as further described in Exhibit C attached hereto and incorporated herein by reference.

"Project Costs" means only costs or expenses incurred by Redeveloper for the purposes set forth in §18-2103 (a) through (f), inclusive, of the Act as identified on Exhibit E.

"Redevelopment Contract" means this Redevelopment Contract between the Agency and the Company with respect to the Project.

"Redevelopment Plan" means the Lexington Community Redevelopment Area #5 Redevelopment Plan, duly adopted by the City and Agency as amended by Exhibit C attached hereto and supplemented by this Redevelopment Contract and the attachments hereto, adopted by the Agency and the City pursuant to the Act, as amended from time to time.

"Resolution" means the Resolution of the Agency dated _____, 2014, as supplemented from time to time, approving this Redevelopment Contract, Redevelopment Plan and providing for the issuance of the Bonds.

"TIF Revenues" means incremental ad valorem taxes generated by the Project which are allocated to and paid to the Agency 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:

1. This Redevelopment Contract shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.
2. 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.

3. The phrase "at any time" shall be construed as meaning "at any time or from time to time."
4. The word "including" shall be construed as meaning "Including, but not limited to."
5. The words "will" and "shall" shall each be construed as mandatory.
6. The words "herein," "hereof," "hereunder," "hereinafter" and words of similar import shall refer to the Redevelopment Contract as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.
7. Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.
8. 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 Agency.

The Agency makes the following representations and findings:

1. Agency is a duly organized and validly existing Community Development Agency under the Act;
2. The proposed land uses and building requirements in the Project are designed with the general purpose of accomplishing, in conformance with the general plan of development of the City, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, or conditions of blight;
3. The Redevelopment Contract is feasible and in conformity with the general plan for the development of the City as a whole and the plan is in conformity with the legislative declarations and determinations set forth in the Act;
4. Based on the representations of Company and other information provided to the Agency,
 - (i) the Project would not be economically feasible without the use of tax increment financing;

- (ii) the Project would not occur in the Redevelopment Area without the use of tax-increment financing; and
 - (iii) the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the governing body and the Agency and have been found to be in the long-term best interest of the community impacted by the Project;
5. Exhibit C to this Redevelopment Contract (and other attachments hereto) constitute a redevelopment plan amendment and has been duly approved and adopted by the Community Development Agency of the City pursuant to Section 18-2116 and 18-2117 of the Act;
 6. The Agency has requested proposals for redevelopment of the Redevelopment Area pursuant to section 18-2119 of the Act, and deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Company as specified herein; and
 7. The Redevelopment Project will achieve the public purposes of the Act by, among other things, increasing the tax base, and lessening blight and substandard conditions in the Redevelopment Area.

Section 2.02 Representations of the Company.

The Company makes the following representations:

1. The Company is a corporation organized and existing in good standing under the laws of the State of Nebraska, having the power to enter into this Redevelopment Contract, transact business in the state of Nebraska, and perform all obligations contained herein and by proper action has been duly authorized to execute and deliver this Redevelopment Contract.
2. The execution and delivery of the Redevelopment Contract and the consummation of the transactions therein 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 the Company 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 the Company contrary to the terms of any instrument or agreement.
3. There is no litigation pending or to the best of its knowledge threatened against the Company 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 Agency, as to any other matter materially affecting

the ability of the Company to perform its obligations hereunder.

4. Company has made a fiscal analysis of the project and specifically represents to the City and Agency that:
 - (i) the Project would not be economically feasible without the use of tax-increment financing, and Company will not undertake the Project without tax-increment financing;
 - (ii) the Project would not occur in the Redevelopment Area and Company will not construct the Project without the use of tax-increment financing;

ARTICLE III OBLIGATIONS OF THE AUTHORITY

Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act, the Agency hereby includes in the Redevelopment Plan of the Agency a provision that any ad valorem tax on real property in that portion of the Project, described in Exhibit A, for the benefit of any public body be "divided" for a period of up to fifteen years after the effective date of this provision as provided in Section 18-2147 of the Act. The effective date of this provision shall be January 1, 2016.

The City and Agency will timely file all appropriate notice with the Dawson County Treasurer and Assessor regarding the division of ad valorem taxes, as provided in Section 18-2147 of the Act.

Section 3.02 Issuance of Bonds.

Agency shall issue a Bond in the form and principal amount and bearing interest and being subject to such terms and conditions as are specified on Exhibit D attached hereto. No Bond will be issued until the Company has (a) acquired fee title to the Premises; and (b) entered into a contract for construction of the Project. The Agency shall have no obligation to find a lender or investor to acquire the Bond, but rather shall issue the Bond to or to the order of Company upon payment of the principal amount thereof.

Section 3.03 Pledge of TIF Revenues.

Pursuant to the Resolution, the Agency will pledge the TIF Revenues as security for the Bonds as provided herein. The Agency hereby represents that the aggregate mill levy on real property within its jurisdiction for fiscal 2014 is _____. The Agency is not aware of any facts which would result in a material reduction of such mill levy. Based upon the foregoing, and the anticipated construction costs of the Project, the amount of TIF Revenues which the Company reasonably believes will be generated annually from the Project is set forth in Exhibit D hereto.

Section 3.04 Grant.

The Agency shall grant one hundred percent (100%) of the proceeds of the Bonds issued pursuant to Section 3.02 above, to the Company for the purpose of paying Project Costs. Provided, however, the amount of the grant shall not exceed the total of Redevelopment Project Costs as set forth on Exhibit E.

Section 3.05 Creation of Fund.

In accordance with Sections 18-2147 of the Act, the Agency will create a special fund pursuant to the Resolution to collect, hold and disburse the TIF Revenues. TIF Revenues deposited into such special fund shall be used for no purpose other than to pay the principal of, interest, if any, and premium, if any, due on the Bonds issued pursuant to Section 3.02 above. The description and operation of such special fund shall be set forth in more detail in the Resolution.

Section 3.06 Perform Obligations of Redevelopment Plan.

Agency will perform, or provide for the performance, in a timely manner, of all obligations to set forth in the Redevelopment Plan required to be performed by the Agency or City, as provided in this Redevelopment Contract, and attached Exhibit C.

Infrastructure:

1. Extend to the Project potable water and sanitary sewer lines providing sufficient capacity for the intended use by the Company.

The water line and sanitary sewer line extension shall be without additional cost to the Company. Agency further assures the Company that the City shall not create special improvement districts for such installation.

Section 3.07 Sale of Real Estate.

The Agency shall sell to the Company the Premises for the sum of \$20,000.00 pursuant to a purchase agreement between the Agency and Company, subject to the condition that the Company begin construction of the Project on the Premises within _____ days after the Agency executes this Redevelopment Contract.

ARTICLE IV
OBLIGATIONS OF THE COMPANY

Section 4.01 Construction of Project; Insurance.

The Company construct twenty-two (22) residential apartments on the Premises. Construction on the project shall begin prior the 4th quarter of 2014 and shall be complete and ready for occupancy prior to January 1, 2016, pursuant to the Plan set forth on attached Exhibit C.

The Company shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Project. Until construction of the Project has been completed, the Company shall make reports in such detail and at such times as may be reasonably requested by the Agency (not to exceed one report per month) as to the actual progress of the Company with respect to construction of the Project. Promptly after completion by the Company of the Project, the Company shall furnish to the Agency a certificate of completion. The certification by the Company shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Contract with respect to the obligations of the Company and its successors and assigns to construct the Project. As used herein, the term "completion" shall mean substantial completion of the Project.

Any contractor chosen by the Company or the Company 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, completed operations and automobile liability. The minimum acceptable limits of liability to be provided by such insurance are: bodily injury of \$2 million per person or occurrence and property damage of \$2 million per occurrence. The Agency, the Company, the City and the Agency shall be named as additional insured parties.

Any contractor chosen by the Company or the Company 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 "All Risk" insurance for physical loss or damage. Notwithstanding the foregoing, the Company reserves the right to self-insure against the risks described herein. The contractor or the Company, as the case may be, shall furnish the Agency with a Certificate(s) of Insurance evidencing policies as required above. Such certificates shall specifically indicate that the public liability insurance includes all extensions of coverage required and shall state that the insurance companies shall give the Agency and all other named insureds at least thirty (30) days' written notice in the event of cancellation of or material change in any of the policies.

Section 4.02 The Company to Operate Project.

The Company shall operate the Project until the earlier to occur of (a) the Company sells, transfers and/or conveys its interest in the Project to a bona fide third party purchaser, (b) the

Bonds are paid in full, or (c) December 31, 2030. The Company shall be deemed to be operating the Project so long as the Company is operating in the in the ordinary course of its business on a substantial and continuous basis. Any transferee of the Project shall be bound by the terms of this contract.

Section 4.03 Other Agreements.

The Company will enter into and perform its obligations under such other agreements as are reasonably necessary in connection herewith, including but not limited to those documents set forth and described in Section 7.01 hereof.

Section 4.04 Performance Bond.

Pursuant to *Neb. Rev. Stat.* § 18-2151, Company shall furnish or cause to be furnished to the City, prior to commencement of construction of the Project, a payment and performance bond in an amount of Ten Thousand and No/100 Dollars (\$10,000) with a corporate surety authorized to do business in the State of Nebraska. Such performance bond shall be conditioned upon the Company at all times making payment of all amounts lawfully due to all persons supplying or furnishing the Company, the Company's contractor, or his or her subcontractors who performed labor or applied materials performed or used in the prosecution of the Project. Proof of such payment and performance bond shall be supplied to the City prior to the start of construction of the Project. The payment and performance bond shall be released or cancelled upon the substantial completion of the Project and the issuance by the City of a certificate of occupancy for the same.

Section 4.05 No Discrimination.

The Company agrees and covenants for itself, its successors and assigns that as long as any Bonds are outstanding, it will not knowingly 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. The Company, for itself and its successors and assigns, agrees that during the construction of the Project, the Company will not knowingly discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance, The Company will use its best efforts to comply with all applicable federal, state and local laws related to the Project.

Section 4.06 Pay Real Estate Taxes.

The Company intends to create a taxable real property base attributable to the Project of not less than \$1,600,000.00, no later than January 1, 2016. During the period that any Bonds are outstanding, the Company will (1) not convey the Premises 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; and (2) cause all real estate taxes and assessments levied on the Premises to be paid prior to the time such become delinquent during the term that any Bonds are outstanding.

Section 4.07 Payment of Expenses.

Upon the execution of this Redevelopment Contract, the Company shall pay the sum of \$5,000.00 for certain legal costs incurred by the Agency in connection with this Redevelopment Contract.

Section 4.08 No Assignment or Conveyance.

The Company may convey, assign or transfer the Premises, the Project or any interest therein during the 15 year period commencing on the effective date specified in Section 3.01 hereof, without the prior written consent of the Agency, subject, however, to each of the following conditions:

1. No conveyance, assignment, or transfer shall relieve the Company from primary liability for the Company's obligations under the Redevelopment Contract, or the Bonds (collectively the "Financing Documents") and in the event of any such conveyance, assignment or transfer, the Company shall remain primarily liable for the Company's obligations under the Financing Documents to the same extent as though no conveyance, assignment or transfer had been made;
2. Any proposed transferee and its successors and assigns, shall expressly, in writing, assume all of the Company's obligations under the Financing Documents and agree to be subject to all of the conditions and restrictions to which the Company is subject there under; and
3. The Company shall, within thirty (30) days after delivery thereof, furnish or cause to be furnished to the Agency a true and complete copy of each assignment, transfer or assumption of obligation, as the case may be.

Section 4.09 Immigration Status.

The Company agrees that any contractor for the Project shall be required to agree to use a federal immigration verification system (as defined in Nebraska Revised Statute §4-114 to determine the work eligibility status of new employees physically performing services on the Project and to comply with all applicable requirements of Nebraska Revised Statute §4-114.

Section 4.10 Purchase of Bond.

Upon issuance, the Company shall purchase, at the full principal amount thereof the Bond or Bonds issued pursuant to Section 3.02 hereof pursuant to a purchase agreement in a form acceptable to the Agency.

Section 4.11 Parking Constructed on Redevelopment Project Property to be Public Parking.

The Redeveloper hereby agrees that a portion of the grant provided by the Agency shall be allocated to the full costs of providing parking facilities for the Project and that such parking

facilities shall constitute public parking facilities during the term that the Bond is outstanding.

ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

Section 5.01 Financing.

The Company shall pay all Project Costs, if any, which are in excess of the amounts paid from the proceeds of the Bonds granted to the Company. Prior to issuance of the Bonds, the Company shall provide to the Agency evidence satisfactory to the Agency that private funds have been committed to the Redevelopment Project in amounts sufficient to complete the Redevelopment Project.

ARTICLE VI
DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of Agency and Company.

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.

Section 6.02 Additional Remedies of Agency.

In the event that Company, or its successor in interest, shall fail to commence the construction of the Project on or before _____2015, such event shall be deemed a failure to perform under this Redevelopment Contract.

In the event of such failure to perform, breach or default occurs and is not cured in the period herein provided, the parties agree that the damages caused to the Agency would be difficult to determine with certainty and that a reasonable estimation of the amount of damages that could be incurred is the unpaid portion of the principal of the Bond as of the date of declaration of default (the "Liquidated Damages Amount"). The Liquidated Damages Amount shall be paid by Company to Agency within 30 days of demand from Agency and may be paid in full by transferring ownership of the Bond to the Agency.

Interest shall accrue on the Liquidated Damages Amount at the rate of one percent (1%) over the

prime rate as published and modified in the Wall Street Journal from time to time and interest shall commence from the date that the Agency gives notice to the Company demanding payment.

Section 6.03 Enforced Delay Beyond Party's Control.

For the purposes of this Redevelopment Contract, neither party, as the case may be, nor any successor shall be in breach of or in default in its performance of obligations within its control, when and without its fault, a default in such obligation occurs caused by acts of God, or Government, acts of terrorism, or in the event of enforced delay in the project due to unforeseeable causes beyond the control of the parties or either of them, including fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays in subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the Agency or of Company with respect to construction of the Project, as the case may be, shall be extended for the period of the enforced delay: Provided, that the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof and requested an extension for the period of the enforced delay.

Section 6.04 Limitation of Liability;.

Notwithstanding anything in this Article VI or this Redevelopment Contract to the contrary neither Agency, City, nor their officers, directors, employees, agents, attorneys or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract.

ARTICLE VII
MISCELLANEOUS

Section 7.01 Notice Recording.

This Redevelopment Contract or a notice memorandum of this Redevelopment Contract shall be recorded with the Dawson County Register of Deeds with respect to the Premises.

Section 7.02 Governing Law.

This Redevelopment Contract shall be governed by the laws of the State of Nebraska, including but not limited to 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 Premises, The Redevelopment Contract shall not be amended except by a writing signed by the party to be

bound.

Section 7.04 Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

Section 7.05 Severability.

The invalidity or unenforceability of any one or more phrases, sentences, clauses or Sections contained in this Redevelopment Contract shall not affect the validity or enforceability of the remaining portions of this Redevelopment Contract, or any part thereof.

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

COMMUNITY DEVELOPMENT
AGENCY OF
LEXINGTON, NEBRASKA

CENTRAL NEBRASKA
HOUSING CORP.

By:_____

By:_____

EXHIBIT A
DESCRIPTION OF PREMISES

Lots 8, 9, 10, 11, and 12, Block 6, Southaven Addition to the City of Lexington, Dawson County, Nebraska; together with all of Vacated Pioneer Drive lying South of and contiguous to said Block 6, having been vacated by Ordinance No. 1901, dated June 12, 1990 and recorded April 20, 2004 as Inst. 2004-1751.

EXHIBIT B
DESCRIPTION OF PROJECT

OVERVIEW:

This plan is intended to redevelop an area within the City of Lexington, which has been declared blighted and substandard within the meaning of the Community Redevelopment Law of the State of Nebraska.

The Company intends to develop and rehabilitate the real estate shown on Exhibit A to the Redevelopment Contract by constructing twenty-two (22) residential apartment units, with associated private drive, parking, office/maintenance facility, playground, and green space.

The Company will not develop the project in the redevelopment area or elsewhere without the benefit of the benefits under the redevelopment contract. The costs and risks of the project are simply too great to be absorbed by the Company without this assistance.

The Agency shall grant to the Company 100% of the proceeds of the Bonds. The Company shall use the proceeds of the Bond solely to acquire the Project Premises, prepare the Premises for development and for those costs described in Nebraska Revised Statute §18-2103 (12) (a) through (c), inclusive related to the Project.

EXHIBIT C
PONDERSOA REDEVELOPMENT PLAN

THE REDEVELOPMENT PLAN:

1. Relationship of Plan to Local objectives for appropriate land use: This plan contemplates a change in current land use. R-3 residential zoning is currently appropriate for the intended use. Reutilization of the existing real estate meets existing local objectives for appropriate land use for the area affected by this plan.
2. Relationship of Plan to Local objectives for improved traffic flow and public utilities in plan area:

Streets: Streets will conform to current layout and design as set forth in the various subdivision plats affecting the project.

Potable Water Lines: The City will install potable water lines required to the Premises.

Sanitary Sewer Lines: The City will install sanitary sewer lines to the real property.

No special assessment districts will be established for the initial installation of the water and sewer lines.
3. Redevelopment project boundaries: Exhibit B-1 to the Redevelopment Contract shows the boundaries of the project. The property is currently unimproved.
4. Proposed land use plan: Exhibit B-2 shows the proposed land use plan after redevelopment as a residential development. This plat will be amended and changed as circumstances require for development.
5. Information on standards for population densities; land coverage; building intensities; and land coverage after redevelopment: Population density will change for the area. Currently there is no residential occupancy. Twenty-two apartment units will be developed in conformance with the current zoning of the property and harmonious with surrounding uses.
6. Statement regarding change in street layouts: This Plan proposes no change in street layouts.
7. Site plan after redevelopment: Exhibit B2 is an accurate proposed site plan of the redevelopment project after redevelopment.
8. Statement as to the kind and number of additional public facilities or utilities required to support land use after redevelopment: Additional public utilities are required to support the proposed plan, as discussed above.

9. Estimated costs to be incurred by the Agency for the project are as follows:

City expenditures:

Water Lines \$10,000.00

Sanitary Sewer \$10,000.00

Total \$20,000.00

10. Pledge of Incremental Taxes. Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in described in attached Exhibit A to the Redevelopment Contract shall be divided, for the period not to exceed 15 years after the effective date of the provision, which effective date shall be January 1, 2016. Said taxes shall be divided as follows:

- a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and
- b. That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of; the interest on, and any premiums due in connection with the bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such redevelopment project shall be paid into the funds of the respective public bodies.

11. Cost Benefit Analysis. This Plan when presented for recommendation and approval shall be accompanied by a cost benefit analysis. Such analysis is as follows:

- a. Tax shifts resulting from the approval of the use of funds pursuant to section 18-2147: This project will create twenty-two new housing units in the community. The new units are intended to be an alternative to existing housing units in the community that are occupied but in substandard condition. This is not likely to result in a great number of new City residents and therefore, will not increase student load for the school system.

- b. Public infrastructure and public service needs: No additional public services are anticipated. A minimal amount of public infrastructure will be required, and offset by utility fees realized from the operation of the housing units over time. Property and sales tax generated by construction of the facility will more than reimburse the City for any unforeseen expenses over time.
- c. Impacts on employers and employees within the project area: None exist. Therefore no impact is expected.
- d. Impacts on employers and employees in the city, but not in the project area: The construction of the facility will result in a slight increase in temporary employment.
- e. Other impacts: No significant negative additional impacts are anticipated.

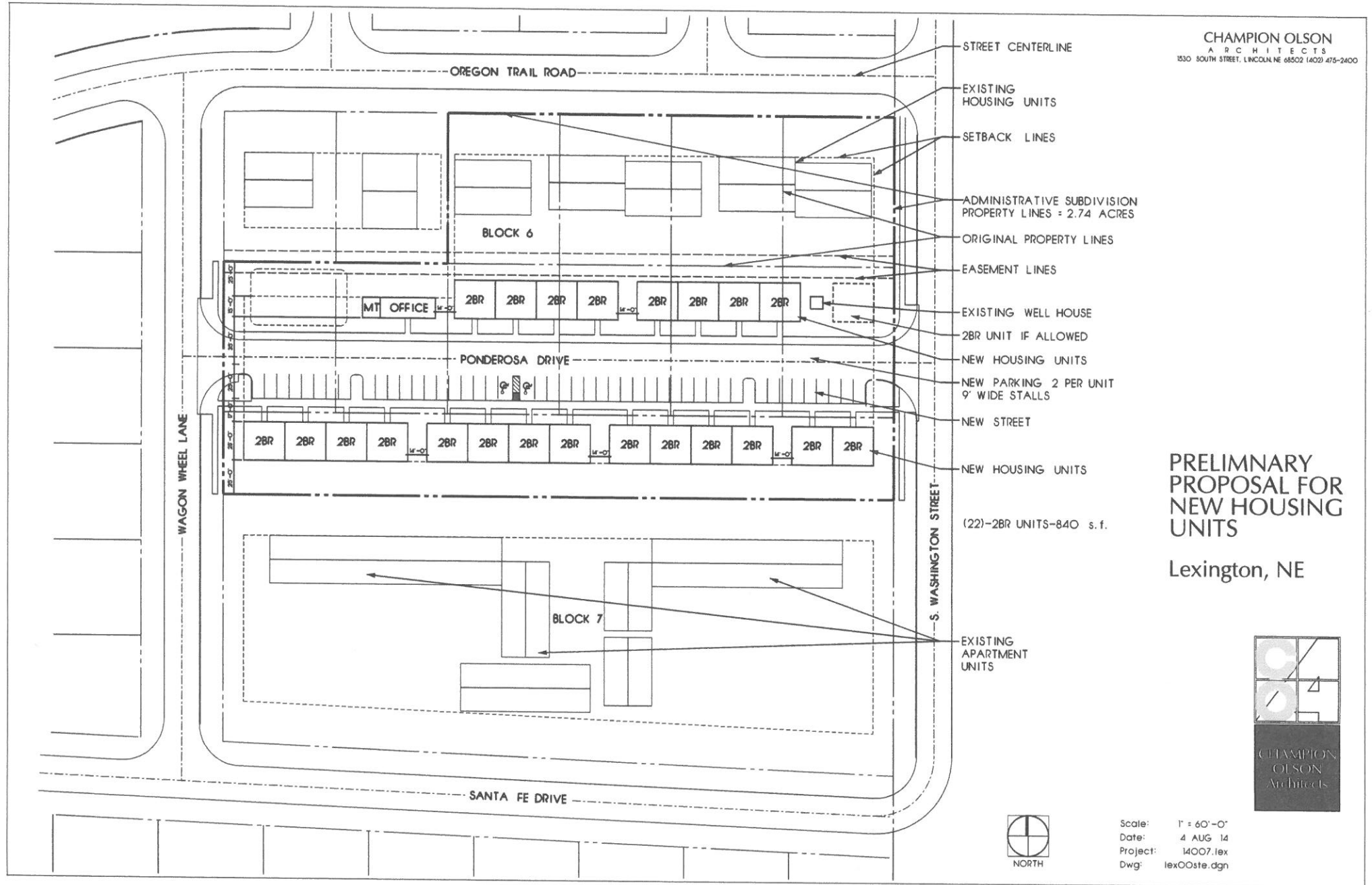
EXHIBIT D

1. Principal amount An amount calculated to be amortized by incremental tax revenues from and after January 1, 2016 for a period of 15 years.
2. Payments: Semi-annually or more frequent, with interest only until 2016, In substantially equal amounts sufficient to fully pay the TIF indebtedness in full on or before December 31, 2030.
3. Interest Rate: 6%.
4. Maturity Date: On or before December 31, 2030.

Exhibit E

Project Costs

Site Acquisition	\$20,000
Street, public parking, sidewalks and utilities	\$220,000
Site Preparation	\$35,000
Legal, engineering, survey fees	\$25,000
Architectural fees	\$30,000
Playground	\$20,000



- STREET CENTERLINE
- EXISTING HOUSING UNITS
- SETBACK LINES
- ADMINISTRATIVE SUBDIVISION PROPERTY LINES = 2.74 ACRES
- ORIGINAL PROPERTY LINES
- EASEMENT LINES
- EXISTING WELL HOUSE
- 2BR UNIT IF ALLOWED
- NEW HOUSING UNITS
- NEW PARKING 2 PER UNIT 9' WIDE STALLS
- NEW STREET
- NEW HOUSING UNITS
- (22)-2BR UNITS-840 s.f.
- EXISTING APARTMENT UNITS

**PRELIMINARY
PROPOSAL FOR
NEW HOUSING
UNITS**

Lexington, NE



Scale: 1" = 60'-0"
Date: 4 AUG 14
Project: 14007.lex
Dwg: lex00ste.dgn