

**COMMUNITY DEVELOPMENT AGENCY
LEXINGTON NEBRASKA
May 9, 2014**

A Special Meeting of the Community Development Agency was held Friday, May 9, 2014, at Lexington City Hall, located at 406 East 7th Street, Lexington, Nebraska at 12:00 p.m. Members present were Kory Cetak, Steve Smith, Seth McFarland, Jason Fagot, John Fagot and Linda Miller. Member Gail Hall was absent. City Officials present were City Manager Joe Pepplitsch, Assistant City Manager Dennis Burnside, Finance Director Hodges, Development Services Manager Bill Brecks and Secretary Pamela Baruth. The press was represented by Lexington Clipper-Herald and Kearney Hub.

NOTICE: Notice of the meeting was given in advance notice, thereof by publication in the Lexington Clipper-Herald, the designated method for giving notice, as shown by the Affidavit of Publication attached to these Minutes. The proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public. All items presented and discussed on the Agenda were available for public inspection.

CALL TO ORDER: The Meeting was called to order by Vice Chair Kory Cetak who informed the public that the Open Meetings Act is posted in the Council Chambers at the Lexington City Hall, located at 406 E. 7th Street, Lexington, Nebraska.

INTENT RESOLUTION: Resolution No. 2014-01 was presented. Pepplitsch explained that the redevelopment agreement and plan with Orthman Investments LLC needed amendments to satisfy funding structure changes for the project and such amendments will need to be approved through the statutory process. Following review of the amendments and discussion, moved by McFarland, seconded by Miller, to approve Resolution No. 2014-01. Roll call. Voting "aye" were John Fagot, Jason Fagot, Smith, Miller, McFarland, Cetak. Motion carried.

RESOLUTION NO. 2014-01

RESOLUTION OF THE COMMUNITY DEVELOPMENT
AGENCY OF LEXINGTON, NEBRASKA, PROVIDING
NOTICE TO THE GOVERNING BODY OF THE CITY OF
LEXINGTON, OF INTENT TO ENTER INTO A
REDEVELOPMENT AGREEMENT ON THE EXPIRATION OF
30 DAYS FROM THE DATE OF THIS RESOLUTION

WHEREAS, this Community Development Agency of the City of Lexington, Nebraska ("Agency"), has pursuant to Section 18-2119 of the Nebraska Community Development Law (the "Act"), solicited proposals for redevelopment of an area within the City limits of the City of Lexington; and

WHEREAS, the Agency has considered all of the redevelopment proposals and financial and legal ability of the prospective redevelopers to carry out their proposals;

WHEREAS, the Agency deems it to be in the public interest and in furtherance of the purposes of the Act to accept the redevelopment contract proposal submitted in the form of the proposed redevelopment contract attached hereto;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. By copy of this Resolution delivered to the City of Lexington on this date, the Agency hereby gives the 30 day notice required by Section 18-2119 of the Act of its intention to accept such redevelopment contract proposal with the Orthman Investments, LLC, (Orthman project) in substantially the attached form and with such modifications, additions or deletions deemed necessary or appropriate by the Agency.

Passed and approved this 9th day of May, 2014.

RESOLUTION:

Resolution No. 2014-02 was presented. Peplitsch indicated the amended redevelopment plan will need to be forwarded to the Planning Commission for review and comment. Following discussion, moved by John Fagot, seconded by McFarland, to approve Resolution No. 2014-02. Roll call. Voting “aye” were Jason Fagot, Smith, Miller, McFarland, John Fagot, Cetak. Motion carried.

RESOLUTION NO. 2014-02

A RESOLUTION FORWARDING A PROPOSED REDEVELOPMENT PLAN AMENDMENT OF THE CITY OF LEXINGTON, NEBRASKA, TO THE PLANNING COMMISSION OF THE CITY OF LEXINGTON, NEBRASKA FOR REVIEW AND RECOMMENDATION PURSUANT TO THE COMMUNITY DEVELOPMENT LAW; AND APPROVAL OF RELATED ACTIONS

WHEREAS, the Mayor and City Council of the City of Lexington, Nebraska (the “City”), upon the recommendation of the Planning Commission of the City of Lexington, Nebraska (the “Planning Commission”), and in compliance with all public notice requirements imposed by the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “Act”), duly declared the redevelopment area legally described in the Redevelopment Plan Amendment, set forth hereafter to be blighted and substandard and in need of redevelopment; and

WHEREAS, pursuant to and in furtherance of the Act, a Redevelopment Plan Amendment, including a Redevelopment Contract (collectively the “Redevelopment Plan”), has been

prepared and submitted to the Agency by Orthman Investments, LLC, a Nebraska limited liability company (the “Redeveloper”), in the form attached hereto as Exhibit A, for the purpose of redeveloping a Blighted and Substandard Area and includes a provision to divide certain ad valorem taxes as provided in Section 18-2147 of the Act on that portion of the Blighted and Substandard Area legally described in Exhibit A to assist in the redevelopment thereof; and

WHEREAS, pursuant to the §18-2112 of the Act the Agency is required to submit the Redevelopment Plan to the Planning Commission of the City for its review and recommendation as to the Redevelopment Plan’s conformity to the general plan for development of the City as a whole;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF LEXINGTON, NEBRASKA AS FOLLOWS:

Section 1. The Agency hereby submits the Redevelopment Plan in the form attached hereto as Exhibit A to the Planning Commission of the City for its review and recommendation as to the Redevelopment Plan’s conformity to the general plan for development of the City as a whole.

PASSED AND APPROVED this 9th day of May, 2014.

TERM SHEET:

Pepplitsch presented a term sheet for the Orthman Investments, LLC Project for conditional financing commitment. Following discussion, moved by Smith, seconded by McFarland, to approve the execution of the term sheet by the Chairman. Roll call. Voting “aye” were Jason Fagot, Miller, John Fagot, McFarland, Smith, Cetak. Motion carried.

RESOLUTION:

Resolution No. 2014-03 was presented. Pepplitsch explained the structure of the Orthman Investments, LLC Project includes a plan for the CDA to purchase an existing Orthman facility on East Walnut Street. As this facility is not within a redevelopment area but furthers the goal of the general redevelopment plan of Area #1 it must stand as its own plan and be reviewed per statutory requirements. Following discussion, moved by Jason Fagot, seconded by Miller, to approve Resolution No. 2014-03. Roll call. Voting “aye” were John Fagot, Smith, McFarland, Miller, Jason Fagot, Cetak. Motion carried.

RESOLUTION NO. 2014-03

A RESOLUTION FORWARDING A PROPOSED REDEVELOPMENT PLAN OF THE CITY OF LEXINGTON, NEBRASKA, TO THE PLANNING COMMISSION OF THE CITY OF LEXINGTON, NEBRASKA FOR REVIEW AND RECOMMENDATION PURSUANT TO THE COMMUNITY

DEVELOPMENT LAW; AND APPROVAL OF RELATED ACTIONS

WHEREAS, pursuant to and in furtherance of the Nebraska Community Development Law, (the "Act"), a Redevelopment Plan ("Redevelopment Plan") attached hereto as Exhibit A, has been prepared by the Agency for purposes of acquiring real estate in the City, not within a Blighted and Substandard area; and

WHEREAS, the real estate to be acquired is currently utilized by Orthman Manufacturing ("Orthman"), and is legally described on attached Exhibit A; and

WHEREAS, said acquisition is necessary for redeveloping Blighted and Substandard Areas within the City and will assist in the redevelopment of Blighted and Substandard areas in the City; and

WHEREAS, pursuant to the §18-2112 of the Act the Agency is required to submit the Redevelopment Plan to the Planning Commission of the City for its review and recommendation as to the Redevelopment Plans conformity to the general plan for development of the City as a whole;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA AS FOLLOWS:

Section 1. The Agency hereby submits the Redevelopment Plan in the form attached hereto as Exhibit A to the Planning Commission of the City for its review and recommendation as to the Redevelopment Plans conformity to the general plan for development of the City as a whole.

PASSED AND APPROVED this 9th day of May, 2014.

ROUNDTABLE:

Peplitsch noted that the CDA will be meeting for a regular meeting on Monday, May 19th.

ADJOURNMENT:

There being no further business to discuss, Vice Chair Cetak declared the meeting adjourned.

Respectfully submitted,
Pamela Baruth
CDA Secretary