

**COMMUNITY DEVELOPMENT AGENCY
LEXINGTON NEBRASKA
August 21, 2017**

A Regular Meeting of the Community Development Agency was held Monday, August 21, 2017, at Lexington City Hall, located at 406 East 7th Street, Lexington, Nebraska at 5:30 p.m. Members present were Abby Brecks, Steve Smith, Kory Cetak, Jason Fagot and John Fagot. Seth McFarland and Gail Hall were absent. City Officials present were City Manager Joe Peplitsch, Assistant City Manager Dennis Burnside, City Attorney Brian Copley and City Clerk Pamela Baruth.

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-Chairman Brecks 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.

MINUTES – REGULAR MEETING 7-24-17: Minutes of the regular meeting held Monday, July 24, 2017, were presented. Moved by John Fagot, seconded by Smith, to approve the minutes as presented. Roll call. Voting “aye” were Jason Fagot, Cetak, John Fagot, Smith, Brecks. Motion carried.

REDEVELOPMENT AGREEMENT: Peplitsch presented a draft redevelopment agreement with K-Lawn of Lexington for a portion of Lot 16, Greater Lexington Addition. He reviewed the responsibilities of the CDA and the Developer as listed in the agreement. Following discussion, Resolution No. 2017-12 was presented. Moved by Smith, seconded by John Fagot, to approve Resolution No. 2017-12 as presented. Roll call. Voting “aye” were Cetak, Jason Fagot, John Fagot, Smith, Brecks. Motion carried.

RESOLUTION NO. 2017-12

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 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, K-Lawn of Lexington, Inc., has submitted a redevelopment contract proposal for the redevelopment of certain property located in a redevelopment area; and

WHEREAS, the Agency deems it to be in the public interest and in furtherance of the purposes of the Act to accept the redevelopment agreement proposal submitted in the form of the proposed redevelopment agreement 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 days notice required by Section 18-2119 of the Act of its intention to accept such redevelopment agreement proposal with K-Lawn of Lexington, Inc., a Nebraska Corporation, in substantially the attached form and with such modifications, additions or deletions deemed necessary or appropriate by the Agency.

Passed and approved this 21st day of August, 2017.

RESOLUTION: Peplitsch reviewed Resolution No. 2017-10 authorizing the sale of real estate to The Row Lexington, LP, per the terms of a redevelopment agreement. He noted the developer intends to begin construction following the closing of the sale. Following discussion, moved by Jason Fagot, seconded by Smith, to approve Resolution No. 2017-10 as presented. Roll call. Voting “aye” were John Fagot, Cetak, Smith, Jason Fagot, Brecks. Motion carried.

RESOLUTION NO. 2017-10

A RESOLUTION AUTHORIZING THE SALE OF REAL ESTATE TO THE ROW LEXINGTON, LP

WHEREAS, the Mayor and City Council of the City of Lexington, Nebraska, (the “City”) by its Ordinance, created the Community Development Agency of Lexington, Nebraska (the “Agency”) pursuant to Section 18-2101 R.R.S. Neb., being a part of the Nebraska Community Development Law (the “Act”); and

WHEREAS, pursuant to and in furtherance of the Act, the ROW DEVELOPMENT PROJECT Redevelopment Plan (the “Redevelopment Plan”) has been prepared and approved by the Agency, for the purpose of eliminating blight and substandard conditions in the City; and

WHEREAS, the Agency, pursuant to the Redevelopment Plan, has or will acquire the real estate described in **Exhibit A** attached hereto and intends to authorize the conveyance of the same at fair value and subject to certain restrictions; and

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

Section 1. The actions set forth herein are authorized by the Redevelopment Plan and a previous resolution of the Agency

Section 2. The redeveloper, The Row Lexington, LP, has offered to purchase the

real estate described on **Exhibit A**, from the Agency, as contemplated by the Redevelopment Plan and as authorized by previous resolution of the Agency. The amount of the purchase shall be \$300,000.00.

Section 3. The Agency finds that the disposition of the real estate contemplated in the Redevelopment Plan, and as described on the attached **Exhibit A**, is for fair value, as defined in 18-2103(12)(d) R.R.S. Neb.

Section 4. The Agency further finds that the Agency shall utilize the proceeds from the disposition of the real estate to reimburse the CITY OF LEXINGTON, NEBRASKA for infrastructure.

Section 5. The Chair and Secretary of the Agency are hereby authorized and directed to execute the Deed to the real estate described on **Exhibit A** attached hereto and to execute such other documents, as may be necessary to acquire and sell the real estate, and to deliver the proceeds derived therefrom to the CITY OF LEXINGTON, NEBRASKA.

PASSED AND APPROVED this 21st day of August, 2017.

RESOLUTION: Peplitsch reviewed Resolution No. 2017-11 which authorizes the Chairman to enter into contracts for construction of speculative housing and to authorize the direct borrowing of funds to support the project. He noted Pinnacle Bank will hold a note capped at \$480,000.00 at an interest rate of 3.49% for one year. Following discussion, moved by John Fagot, seconded by Jason Fagot, to approve Resolution No. 2017-11 as presented. Roll call. Voting “aye” were Cetak, Smith, Jason Fagot, John Fagot, Brecks. Motion carried.

RESOLUTION NO. 2017-11

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA AUTHORIZING THE CHAIRMAN TO ENTER INTO CONTRACTS FOR THE CONSTRUCTION OF SPECULATIVE HOUSING AND AUTHORIZING THE CHAIRMAN TO BORROW FUNDS FOR THE PURPOSES OF SPECULATIVE HOUSING

WHEREAS, the Community Development Agency of Lexington, Nebraska (the “Agency”), created pursuant to Nebraska Community Development Law (the “Act”), has the authority to do all things necessary or convenient to carry out and effectuate the purposes and provisions of the Act;

WHEREAS, said authority includes the power to engage in development activity including but not limited to speculative housing development in the City of Lexington, Dawson County, Nebraska;

WHEREAS, said authority of the Agency includes the power to borrow money and to apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from any sources, public or private, and to give such security as may be required, and to enter into and carry out contracts in connection therewith;

WHEREAS, the Agency will be requesting bids from multiple contractors for the provision of labor in regards to the speculative housing, and further the Agency has received bids for the borrowing of funds in relation to the construction of speculative housing;

WHEREAS, the Agency deems it to be in the public interest and in furtherance of the purposes of the Act to authorize the Chairman to enter into contracts for the construction of speculative housing;

WHEREAS, the Agency deems it to be in the public interest and in furtherance of the purposes of the Act to borrow funds for the purposes of speculative housing, and to give such security as may be required to borrow said funds;

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

Section 1. The Chairman of the Agency is hereby authorized and directed on behalf of said Agency to enter into such contracts as are necessary for the construction of speculative housing, including but not limited to separate contracts for any and all portions of the construction process, subject to the requirement the Chairman enter into said contracts with the lowest responsible bidder.

Section 2. The Chairman of the Agency is further authorized and directed to borrow money and accept advances, and any other form of financial assistance, from Pinnacle Bank of Lexington, Nebraska, for the purposes of the construction of speculative housing, pursuant to the terms identified in **Exhibit A**. The Chairman is further authorized to give such security as may be required, including a first lien on the real estate to be developed.

Section 3. The Chairman of the Agency is further authorized to execute all documents on behalf of the Agency in order to effectuate the financing of the project and the Agency further designates the City Manager, Joe Peplitsch, as an additional party who may request advances on any lines of credit with Pinnacle Bank.

PASSED AND APPROVED this 21st day of August, 2017.

ROUNDTABLE: Peplitsch gave an update on other current projects.

ADJOURNMENT: There being no further business to discuss, Vice-Chairman Brecks declared the meeting adjourned.

Respectfully submitted,
Pamela Baruth
CDA Secretary