

**COMMUNITY DEVELOPMENT AGENCY
LEXINGTON NEBRASKA**

September 17, 2012

A Regular Meeting of the Community Development Agency was held Monday, September 17, 2012, at the Lexington City Hall, located at 406 East 7th Street, Lexington, Nebraska at 5:30 p.m. Members present were Steve Smith, Gail, Hall, Steve Atwood, Jason Fagot, John Fagot, and Linda Miller. Jeff Wightman was absent. City Officials present were City Manager Joe Peplitsch, Assistant City Manager Dennis Burnside, City Attorney Will Weinhold, and Secretary Pamela Berke. The press was represented by the Kearney Hub and KRVN. Clayton and Justin Nitsch were also in attendance.

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 Steve Smith 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 8-20-2012 Minutes of the Regular meeting held Monday August 20, 2012, were presented. Moved by John Fagot, seconded by Hall, to approve the minutes as presented. Roll Call. Voting “aye” were Jason Fagot, Atwood, Hall, John Fagot, Smith. Miller was absent from the vote. Motion carried.

JEFFERY ROAD: Peplitsch described a conceptual project in Redevelopment Area #1, located at Lot 3, Wightman Addition. Clayton Nitsch is planning a used car dealership on the property, and is asking for potential assistance in extending Jeffery Road as access to the property. Discussion included the extent of paving, site plan, and amount of project investment. Following discussion, moved by John Fagot, seconded by Atwood, to request the City of Lexington to proceed with a conceptual design of Jeffery Road abutting the lot in question to determine the costs involved. Roll call. Voting “aye” were Miller, Jason Fagot, Hall, Atwood, John Fagot, Smith. Motion carried.

REDEVELOPMENT PROPOSAL: Peplitsch reviewed a redevelopment plan and contract from Orthman Investments LLC for a project located in Redevelopment Area #1. Following discussion, moved by Miller, seconded by Jason Fagot, to approve Resolution No. 2012-03 as presented. Roll call. Voting “aye” were Hall, Atwood, John Fagot, Jason Fagot, Miller, Smith. Motion carried.

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF LEXINGTON, NEBRASKA

RESOLUTION NO. 2012-03

A RESOLUTION RECOMMENDING APPROVAL OF A REDEVELOPMENT PLAN OF THE CITY OF LEXINGTON, NEBRASKA, INCLUDING A REDEVELOPMENT CONTRACT, APPROVING A REDEVELOPMENT PROJECT OF THE CITY OF LEXINGTON, NEBRASKA; 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 Contract, 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 Contract, including a Redevelopment Plan (collectively, the "Redevelopment Contract"), 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 portion of the 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 B to assist in the redevelopment thereof; and

WHEREAS, pursuant to the Redevelopment Contract, the Agency would agree to incur indebtedness and make a grant for the purposes specified in the Redevelopment Contract (the "Project") in accordance with and as permitted by the Act; and

WHEREAS, the Agency has made certain findings and pursuant thereto has determined that it is in the best interests of the Agency and the City to enter into the Redevelopment Contract and to carry out the transactions contemplated thereby.

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

Section 1. The Agency has determined that the proposed land uses and building requirements in the Project Area are designed with the general purposes of accomplishing, and in conformance with the general plan 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 in 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 provisions for light and air, the promotion of the 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.

Section 2. The Agency has conducted a cost benefit analysis for the Project in accordance with the Act, and has found and hereby finds that the Project would not be economically feasible without the use of tax increment financing, the Project would not occur in the Project Area without the use of tax increment financing and 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 and have been found to be in the long term best interests of the community impacted by the Project.

Section 3. The Planning Commission of the City of Lexington has recommended approval of the Redevelopment Contract.

Section 4. 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 contract proposal with the Redeveloper, and after approval thereof by action of the City Council, in substantially the attached form Exhibit A and with such modifications, additions or deletions deemed necessary or appropriate by the Agency.

Section 5. The Agency recommends approval of the Redevelopment Contract by the City Council.

Section 6. This resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED this 17th day of September, 2012.

COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF LEXINGTON DAWSON COUNTY, NEBRASKA

By: Steven H. Smith, Vice-Chair

ATTEST: Pamela Berke, Clerk

DEVELOPMENT AGMT:

Pepplitsch presented a proposed development agreement from Stan and Stephanie Vodehnal for property located in Redevelopment Area #1. He reviewed the project and outlined the obligations of each entity. Following discussion, Resolution No. 2012-04 was presented. Moved by Hall, seconded by Atwood, to approve

Resolution No. 2012-04 as presented. Roll call. Voting "aye" were Miller, John Fagot, Jason Fagot, Atwood, Hall, Smith. Motion carried.

RESOLUTION NO. 2012-04

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

WHEREAS, this Community Development Agency of the City of Lexington, Nebraska ("Authority"), 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 and development proposals and financial and legal ability of the prospective redevelopers and developers 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 development agreement proposal submitted in the form of the proposed development 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 development agreement proposal with Stanley W. and Stephanie A. Vodehnal, in substantially the attached form and with such modifications, additions or deletions deemed necessary or appropriate by the Agency.

Passed and approved this 17th day of September, 2012.

COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF LEXINGTON, NEBRASKA.

BY: Steven H. Smith, Vice-Chairperson

ATTESTED: Pamela Berke, Secretary

RESOLUTION:

Pepplitsch discussed the acquisition of undeveloped and vacant land in Redevelopment Area #1 currently owned by the Greater Lexington Corporation. He noted that there has been past discussion on acquiring the property for development purposes; as resources are currently available and development opportunities are

surfacing, the CDA has a good opportunity to act. Following discussion, Resolution No. 2012-05 was presented. Following discussion, moved by Miller, seconded by Jason Fagot, to approve Resolution No. 2012-05 as presented. Roll call. Voting "aye" were Hall, Atwood, John Fagot, Jason Fagot, Miller, Smith. Motion carried.

RESOLUTION NO. 2012-05

RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF LEXINGTON FINDING THAT THE ACQUISITION AND DEVELOPMENT OF UNDEVELOPED AND VACANT LAND IS ESSENTIAL TO THE PROPER CLEARANCE AND REDEVELOPMENT OF SUBSTANDARD AND BLIGHTED AREAS AND IS A NECESSARY PART OF THE GENERAL COMMUNITY REDEVELOPMENT PROGRAM AND AUTHORIZING THE ACQUISITION OF THE SAME BY THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF LEXINGTON, DAWSON COUNTY, NEBRASKA.

WHEREAS, Section 18-2123 R.R.S provides that a Community Development Agency may acquire undeveloped land when the same is essential to the proper clearance or redevelopment of a substandard or blighted area; and

WHEREAS, the governing body of the City of Lexington has determined that the property described herein is necessary for the proper clearance and redevelopment of substandard and blighted areas within the City of Lexington and has approved the acquisition thereof; and

WHEREAS, the Agency finds and determines that acquisition of such area is beneficial to the removal of blight and substandard conditions in redevelopment areas within the City; and

WHEREAS, the Agency has determined that it is in the best interests of the City and the Agency to acquire the real estate hereafter described;

NOW, THEREFORE, BE IT RESOLVED BY THE CHAIRMAN AND MEMBERS OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF LEXINGTON, DAWSON COUNTY, NEBRASKA, AS FOLLOWS:

Section 1. The Agency finds that the following described lands are located within the limits of the City; that said lands are vacant and undeveloped; are essential to the proper clearance or redevelopment of substandard or blighted areas; and are a necessary part of the general community redevelopment program of the city, to wit:

Lot 16 and Lot 17, Greater Lexington Addition to the City of Lexington, Dawson County, Nebraska.

Section 2. The officers of the Community Development Agency of the City of Lexington are authorized and directed to acquire and provide for the development and redevelopment of said lands according to the Community Development Law.

Passed and approved this 17th day of September, 2012.

COMMUNITY DEVELOPMENT AGENCY OF CITY OF
LEXINGTON, NEBRASKA.

Steven H. Smith, Vice-Chair

ATTEST: Pamela Berke, Secretary

ROUNDTABLE:

Peplitsch noted that discussions regarding the Southeast Business Park will continue at future meetings.

John Fagot encouraged Agency members to attend focus group meetings for the Comprehensive Plan which are scheduled for Thursday, September 20, and Friday, September 21, 2012.

ADJOURNMENT:

There being no further business to discuss, Vice-Chairman Steve Smith declared the meeting adjourned.

Respectfully submitted,

Pamela Berke
CDA Secretary