

**COMMUNITY DEVELOPMENT AGENCY
LEXINGTON NEBRASKA
April 17, 2023**

A Regular Meeting of the Community Development Agency was held Monday, April 17, 2023, at Lexington City Hall, located at 406 East 7th Street, Lexington, Nebraska at 5:30 p.m. Members present were Chris Denker, Jason Fagot, John Fagot, Steve Smith, Gail Hall, Kory Cetak and Seth McFarland. City Officials present were City Manager Joe Peplitsch, Assistant City Manager Dennis Burnside, City Attorney Brian Copley, and Secretary Pamela Baruth. The press was represented by Clipper-Herald.

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 Chair Denker 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 3-20-2023: Minutes of the Regular meeting held Monday, March 20, 2023, were presented for consideration. Moved by Smith, seconded by McFarland, to approve the minutes as presented. Roll call. Voting “aye” were Hall, Jason Fagot, John Fagot, Cetak, McFarland, Smith, Denker. Motion carried.

REDEVELOPMENT PLAN: Peplitsch reviewed a redevelopment plan entitled “Amended and Restated Amendment to the Redevelopment Plan of the City of Lexington, Nebraska (Lex Hotel Redevelopment Project)”. He stated the redevelopment project for a 82-room hotel with amenities was approved in 2019 but due to unforeseen circumstances, the project was paused. He noted a substantial change in costs and the completion date requires the project be reviewed and approved following guidelines. Resolution No. 2023-03 was presented. Following discussion, moved by McFarland, seconded by John Fagot, to approve Resolution No. 2023-03. Roll call. Voting “aye” were Smith, Hall, Cetak, Jason Fagot, John Fagot, McFarland, Denker. Motion carried.

RESOLUTION NO. 2023-03

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

RECITALS

A. The General Redevelopment Plan for Redevelopment Area #1 (the “**Redevelopment Plan**”) was amended by the City Council of the City of Lexington, Nebraska (the “**City**”) on July 23, 2019, pursuant to Resolution No. 2019-11, to create the Lex Lodging Redevelopment Project (the “**Original Plan Amendment**”).

B. The Community Development Agency of the City of Lexington, Nebraska (the “**Agency**”),

pursuant to and in furtherance of the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), has prepared an Amended and Restated Amendment to the Redevelopment Plan for the project (the “**Amended Plan Amendment**”), which shall now be known as the “Lex Hotel Redevelopment Project” (the “**Project**”). A copy the Amended Plan Amendment is attached hereto as **Exhibit A**.

C. The Amended Plan Amendment would replace the Original Plan Amendment to reflect certain substantial modifications to the Project.

D. Pursuant to Section 18-2112 of the Act, the Agency is required to submit the Amended Plan Amendment to the Planning Commission for its review and recommendation as to the Amended Plan Amendment’s conformity to the general plan for development of the City as a whole.

NOW, THEREFORE, BE IT RESOLVED, the Community Development Agency of the City of Lexington, Nebraska, does hereby submit the Amended Plan Amendment to the Planning Commission for its review and recommendation as to the Amended Plan Amendment’s conformity to the general plan for development of the City as a whole.

PASSED AND APPROVED this 17th day of April, 2023.

RESOLUTION: Peplitsch reviewed a proposed redevelopment project entitled “Amendment to the Redevelopment Plan of the City of Lexington, Nebraska (Taco John’s Redevelopment Project). He noted the project has been reviewed and approved by the Planning Commission and will be forwarded to the City Council for their review. Resolution No. 2023-04 was presented for consideration. Moved by John Fagot, seconded by Smith, to approve Resolution No. 2023-04. Roll call. Voting “aye” were McFarland, Cetak, Hall, Jason Fagot, Smith, John Fagot, Denker. Motion carried.

RESOLUTION NO. 2023-04

(Amendment to Redevelopment Plan and Cost-Benefit Analysis—Taco John’s Redevelopment Project)

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA, APPROVING AND ADOPTING AN AMENDMENT TO REDEVELOPMENT PLAN #1 IN THE CITY OF LEXINGTON, NEBRASKA AND COST-BENEFIT ANALYSIS FOR THE TACO JOHN’S REDEVELOPMENT PROJECT.

RECITALS

A. The General Redevelopment Plan for Redevelopment Area #1 (the “**Redevelopment Plan**”), which covers certain portions of the City of Lexington, Nebraska that have been declared blighted and substandard and in need of redevelopment (the “**Redevelopment Area**”), was adopted by the City Council of the City of Lexington, Nebraska (the “**City**”).

B. The Community Development Agency of Lexington, Nebraska (the “**Agency**”), in furtherance of the purposes and pursuant to the provisions of the Community Development Law, Neb. Rev. Stat. §§ 18-2101 to 18-2155, as amended (the “**Act**”), has prepared an Amendment to the Redevelopment Plan for the Taco John’s Redevelopment Project (the “**Project**”), which is attached hereto as **Exhibit A** and incorporated by this reference (the “**Amendment**”).

C. The Project would use tax increment financing from a specified project site pursuant to Section 18-2147 of the Act to assist in paying for the costs incurred by the Redeveloper to construct the eligible public improvements for the Project.

D. The Agency, as required under Section 18-2113(2) of the Act, has conducted a Cost-Benefit Analysis for the Project, which is attached as Exhibit "C" to the Amendment.

E. On March 20, 2023, a meeting of the Agency was held at the Lexington City Council Chambers, 406 E. 7th Street in Lexington, Nebraska in order to determine whether the Amendment and the Cost-Benefit Analysis should be approved.

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

1. The Amendment will, in accordance with the present and future needs of the City, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.

2. The Amendment is feasible and is in conformance with the general plan for development of the City as a whole, as set forth in the City of Lexington Comprehensive Plan, as amended.

3. The costs and benefits of the Project, including the costs and benefits to other affected political subdivisions, the economy of the City, and the demand for public and private services are in the long-term best interest of the City.

4. The Project Site, as defined in the Amendment, is within the Redevelopment Area.

5. The Project would not be economically feasible and would not occur in the Redevelopment Area without the use of Tax Increment Financing on the Project.

BE IT FURTHER RESOLVED, pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Agency hereby approves and adopts the Cost-Benefit Analysis as the cost-benefit analysis for the Project.

BE IT FURTHER RESOLVED, pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Agency hereby adopts the Amendment and recommends that the City Council of the City of Lexington, Nebraska approve the Amendment.

PASSED AND APPROVED this 17th day of April, 2023

DEVELOPMENT AGREEMENT: Peplitsch reviewed a development agreement with DekmX Homes LLC for single-family housing construction in St. Ann's Second Addition. Austin Hillis, project developer, explained a new concept in precast concrete walls to be used in a shortened housing construction time. The agreement would convey up to 16 lots in the subdivision over a 24-month period for the housing development. Following discussion, moved by Jason Fagot, seconded by John Fagot, to

approved the development agreement and to authorize the execution of necessary documents. Roll call. Voting “aye” were McFarland, Smith, Cetak, Hall, John Fagot, Jason Fagot, Denker. Motion carried.

COVENANTS: Peplitsch presented a set of proposed restrictive covenants for the O’Donnell Fourth Addition. He noted the covenants are similar to those in other developments within the city. Following discussion, moved by McFarland, seconded by Smith, to approve restrictive covenants for the O’Donnell Fourth Addition as presented. Roll call. Voting “aye” were John Fagot, Jason Fagot, Hall, Cetak, Smith, McFarland, Denker. Motion carried.

ROUNDTABLE DISCUSSION: Peplitsch gave an update on upcoming projects.

ADJOURNMENT: There being no further business to discuss, Chair Denker declared the meeting adjourned.

Respectfully submitted,
Pamela Baruth
CDA Secretary