

REDEVELOPMENT AREA #5—LEXINGTON, NEBRASKA

REDEVELOPMENT PLAN

Introduction

The purpose of this Redevelopment Plan is to serve as a guide for implementation of redevelopment activities within Redevelopment Area #5, in the City of Lexington, Nebraska. Redevelopment activities associated with the Community Development Law, State Statutes, 18-2101 through 18-2154 should be utilized to promote the general welfare, the enhancement of the tax base, the economic and social well being, the development of any public activities and promotion of public events in the Area, along with any and all other purposes, as outlined in the Community Development Law.

A Redevelopment Plan prepared must contain the general planning elements required by Nebraska State Revised Statutes, Section 18-2111 re-issue 1991 items (1) through (6), a description of these items are as follows:

- (1) The boundaries of the redevelopment project area with a map showing the existing uses and condition of the real property therein;
- (2) A land-use plan showing proposed uses of the area;
- (3) Information showing the standards of population densities, land coverage and building intensities in the area after redevelopment;
- (4) A statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances;
- (5) A site plan of the area; and
- (6) A statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment.

Furthermore, a Redevelopment Plan must further address the items required under Section 18-2113, “Plan; considerations”, which the CRA must consider prior to recommending a redevelopment plan to the Planning Commission and City Council for adoption. These “considerations” are defined as follows:

“...whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, 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 the healthful

and convenient distribution of population, the provision of adequate transportation, water, sewage, 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.”

This Redevelopment Plan applies to Redevelopment Area #5 in Lexington, Nebraska (see **Illustration 1**). The area included in the Redevelopment Plan equals an estimated 300 acres. The southwest portion of the City, generally located between Plum Creek Parkway and the western Corporate Limits, south of the Union Pacific Railroad to Oak Street, as well as vacant parcels adjacent, and beyond the incorporated areas of Lexington are included in the Redevelopment Area. The official boundary description of Redevelopment Area #5 is as follows:

Beginning at the intersection of the center line of the Union Pacific Railroad Right-of-Way and the west extended line of the Plum Creek Parkway, thence south along said west line and continuing along the west line of the Plum Creek Parkway to its intersection with the south line of Ash Street, thence west along said south line to its intersection with the west line of Washington Street, thence north along said west line to its intersection with the south line of Oak Street, thence west along said south line to its intersection with the east line of Adams Street, thence south along said east line to its intersection with the northern line of the Dawson County Drainage Canal, thence northwesterly along said northern line to its intersection with the east line of West Acres 2nd Addition (also known as Hayden Lane), thence north along said east line to its intersection with the south line of Spruce Street (also the Corporate Limit Line), thence north along an extended line of the east line of West Acres 2nd Addition, crossing Spruce Street and continuing north along the west line of Lot 18 Block “F” of the Price’s Addition, thence continuing north along the west line of Lot 11 of said block and Addition, crossing Elm Street and continuing north along said extended west line to the north line of Prices Addition, thence east along said north line to its intersection with the west line of C.L. Ervins Subdivision, thence north along said west line to its intersection with the south line of the Union Pacific Railroad Right-of-Way, thence southeasterly along said south line to its intersection with the west line of Madison Street, thence north along the extended west line to its intersection with the center line of the Union Pacific Railroad Right-of-Way, thence southeasterly along said center line to its intersection with the west extended line of the Plum Creek Parkway, also known as the point of beginning, all located within or adjacent to the City of Lexington, Dawson County, Nebraska.

The redevelopment planning process for Redevelopment Area #5 has resulted in a listing of planning and implementation recommendations. As previously discussed in the Blight/Substandard Determination Study, there are many existing land uses and structural and substandard conditions that are nonconforming in nature, detrimental to the health, safety and general welfare of the community and generally obsolete in respect to the development and living environment norms of today's Nebraska communities and the City of Lexington. To eliminate these conditions and enhance private development activities within the Redevelopment

Area, the City of Lexington will need to consider the following general planning and redevelopment actions:

- Annexation of vacant agricultural lands within the Redevelopment Area, to provide development opportunities; [the City and the Authority deem this property to be essential to the proper clearance and redevelopment of substandard and blighted areas; is a necessary part of the general community redevelopment program of the city; is necessary or convenient to the proper clearance or redevelopment of one or more substandard or blighted areas within the city or is a necessary adjunct to the general community redevelopment program of the city and the acquisition, planning and preparation for development or disposal of such land should be undertaken by the Authority.]
- Encourage removal and replacement of dilapidated and substandard structures within the Redevelopment Area;
- Rehabilitation of public/quasi public, residential, commercial and industrial properties that are cost effective to revitalize;
- Improve existing public infrastructure, water, sanitary sewer, streets and sidewalks, to better service portions of the Area;
- Provide incentives for existing businesses within the Redevelopment Area to expand in place and/or make needed improvements to their properties;
- Further develop a variety of residential and commercial uses to expand shopping and employment opportunities for all income groups.
- Extend new infrastructure (water, sanitary sewer, electricity, streets and sidewalks) to vacant agricultural areas southwest of Walnut and Adams Streets intersection to promote further residential and commercial development in south Lexington;
- Improve overall efficiency of vehicular circulation within the Redevelopment Area. Future commercial uses along the west side of the Adams Street corridor should be accessed by frontage roads to limit the number of access points along the corridor.
- Encourage relocation of incompatible, socially undesirable land uses;
- Develop a plan for screening and/or buffering of industrial outside storage areas from residential and commercial land uses. Remove equipment and vehicles from right-of-

ways, install sidewalks and hard surfaced parking lots and outside storage areas to improve the appearance of commercial and industrial areas;

- Develop new safe pedestrian routes along and across the Adams Street and Plum Creek Parkway corridors. Extend pedestrian routes from the Madison Street pedestrian bridge south through the Redevelopment Area, as well as require all new development to install sidewalks to improve pedestrian safety throughout the Redevelopment Area; and
- Replace all gravel surfaced streets with concrete paving within the Redevelopment Area as development and redevelopment efforts progress.

The Redevelopment Planning process has also resulted in a specific infrastructure related redevelopment project, Project Area #1.

General Plan for Project Area #1

The boundary of the project area is shown in **Exhibit #1** at the end of this document. Site acquisition by a local non-profit development group coupled with infrastructure installation and new residential neighborhood development will result in additional redevelopment throughout Redevelopment Area #5.

Specific Costs of redevelopment for Project Area #1 are estimated to be:

Site clearing and development:	\$125,000
Paving/Strom Sewer:	\$692,000
Sanitary Sewer:	\$297,000
Water Mains and hydrants:	\$205,000
Engineering, Platting, etc.:	\$180,000
Legal and Misc:	<u>\$ 60,000</u>
Total	\$1,559,000

Currently, with the diversity in ownership and the obvious differences in financial motives, there is no way to demand or drive the installation of the needed infrastructure. Special Assessment districts can be easily voted out. Additionally, no public entity has the fiscal ability to install the needed infrastructure. Therefore, it is obvious that this project is not financially feasible in the project area with out tax increment financing, and simply would not occur in the area without the use of tax increment financing.

This plan intends that the City of Lexington, and or the CRA of the City of Lexington, issue bonds to fund the redevelopment plan as it relates to Project Area #1.

Pursuant to Section 18-2147 of the Nebraska Community Development Law, any ad valorem tax levied upon real property in the redevelopment project specified in the plan, namely

Lots 1-22 CED Addition to the City of Lexington, Dawson County, Nebraska 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, 2008.

- 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 Agency 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 Agency 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 Agency 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.

This plan specifically intends that any additional property in Redevelopment Area #5 may have the real property ad valorem taxes divided pursuant to Section 18-2147 to provide additional payment for principal and interest on the bonds issued pursuant to this plan.

Designation of such additional areas shall be deemed a minor and not substantial modification of this redevelopment plan and shall not require further hearing or approval by the City Council, or Planning and Zoning Commission.

Such incremental taxes shall be the source for repayment of the bonds, the principal, interest, premium, and associated cost of issuance for such bonds.

Implementation

Both a time-line and budget should be developed for the implementation of the Redevelopment Plan. Each of these processes should be designed in conformance with the resources and time available to the City. A reasonable timeline to complete the redevelopment activities identified in the Plan would be 7 to 10 years. Implementation timeline for Project Area #1 should begin in 2007, and be completed within 3 years. Failure to complete all projects shall not invalidate any portion of this plan.

Various funding sources exist for the preparation and implementation of a capital improvement budget designed to meet the funding needs of proposed redevelopment activities. These include city and federal funds commonly utilized to finance street improvement funds, (i.e. Community Development Block Grants, special assessments, general obligation bonds, and Tax Increment Financing or TIF). The use of TIF for redevelopment projects in the Redevelopment Area is

deemed to be an essential and integral element of the Redevelopment Area and use of TIF in connection with such projects is contemplated by the Plan and such designation and use of TIF will not constitute a substantial modification to the Plan. The City agrees, when approving the Plan, to the utilization of TIF for redevelopment projects and agrees to pledge the taxes generated in redevelopment projects for such purposes in accordance with the Act.

Any redevelopment program receiving TIF is subject to a cost benefit analysis. TIF, as a source of public financing, ultimately impacts taxing authorities in the City of Lexington and Dawson County. Proposed redevelopment projects using TIF must meet the cost benefit analysis and the "But For" test. Accordingly, "But for TIF" a redevelopment project could not be fully executed and constructed in the community.

Future Land Use Patterns

The existing land use patterns within Redevelopment Area #5 are depicted in **Illustration 2** and described in detail in the Blight/Substandard Determination Study. In general, Redevelopment Area #5 consists of several land use types. The primary land uses are single family and mobile home residential, commercial, industrial, vacant/agricultural, and public open spaces. The field survey identified properties and structures in substandard condition, as well as vacant lands that have remained undeveloped in spite of available utilities.

Illustration 4, the Future Land Use Map, represents an effort to encourage land uses that stimulate future growth opportunities in the Redevelopment Area, while creating compatible land uses resulting in the efficient use of the physical features of the landscape. The recommended future land use classifications are in conformance with "The Lexington Comprehensive Plan." Identified in **Illustration 4** is the eventual annexation of vacant agricultural lands, which are deemed to be essential to the proper clearance and redevelopment of substandard and blighted areas; is a necessary part of the general community redevelopment program of the city; is necessary or convenient to the proper clearance or redevelopment of one or more substandard or blighted areas within the city or is a necessary adjunct to the general community redevelopment program of the city and the acquisition, planning and preparation for development or disposal of such land should be undertaken by the Authority.

In **Illustration 4**, commercial land uses are primarily planned to remain in their current locations, the Plum Creek Parkway and Washington Street along the eastern portion of the Redevelopment Area. Secondary commercial land uses, comprised of professional and neighborhood commercial uses are planned to be located along the west side of the Adams Street south of Walnut Street. These commercial uses are recommended to be incorporated into planned residential uses along the Adams Street corridor. Two family residential uses are recommended between Spruce Street and the alley between Elm and Vine Streets, to buffer industrial uses along Vine Street from single family uses to the south. Mobile home parks are planned to remain in their current location, northwest of the Adams and Walnut Street intersection. Industrial uses are located generally north of Elm Street, to the Union Pacific Railroad corridor. Single family residential uses are planned to remain and expand within the

area between Adams and Washington Streets, from Spruce Street, south to the southern boundary of the Redevelopment Area.

Lastly, areas beyond the current corporate limits line of Lexington, specifically the area located southwest of the intersection of Walnut and Adams Streets, north of the Dawson County Drainage Canal, is recommended as a residential growth area, with commercial development incorporated and adjacent to the west side of Adams Street, to facilitate the continued growth and development of the City of Lexington. Lands and parcels located beyond the current corporate limits will need to be annexed into the City, prior to the use of TIF as an incentive for development.

The private sector should be attracted to these areas with the use of public incentive programs such as Tax Increment Financing and Community Development Block Grants. Once finalized, Redevelopment Area #5 will provide the mechanism by which these public programs can be made available to the City of Lexington.

It is recommended that substantially deteriorated structures throughout Redevelopment Area #5, too deteriorated to rehabilitate, be replaced with new uses in conformance with the Future Land Use Plan.

Future Zoning Districts

The recommended future Zoning Map for Redevelopment Area #5 is identified in **Illustration 5**. Areas are depicted to be in conformance with the Lexington Comprehensive Plan 2005 Update and specifically with the proposed Future Land Use Plan, **Illustration 4**.

Current zoning classifications throughout the Redevelopment Area generally reflect recent development trends. Changes to the Zoning Districts are primarily focused on planning for the development of the vacant agricultural area southwest of the Walnut and Adams Street intersection. Highway commercial use, C-3, are recommended along portions of the west side of the Adams Street corridor, with Planned Residential District uses behind and west of the corridor. Recommended changes to the Zoning Map include changing the R-1 Single Family area between Spruce Street and the alley between Elm and Vine Streets to R-3 Multifamily. This will allow higher density residential uses to buffer single family residential uses south of Spruce Street from industrial uses along the north side of Vine Street. Lastly, C-3 commercial uses are recommended to be expanded west from the Plum Creek Parkway to Washington Street to limit the conflicting land uses and infill vacant lots between.

The above recommendations are proposed to be in conformance with the Future Land Use Map, **Illustration 5**, all in an effort to support existing building types and maintain the integrity of the neighborhoods.

FUTURE LAND USE MAP REDEVELOPMENT AREA #5 LEXINGTON, NEBRASKA

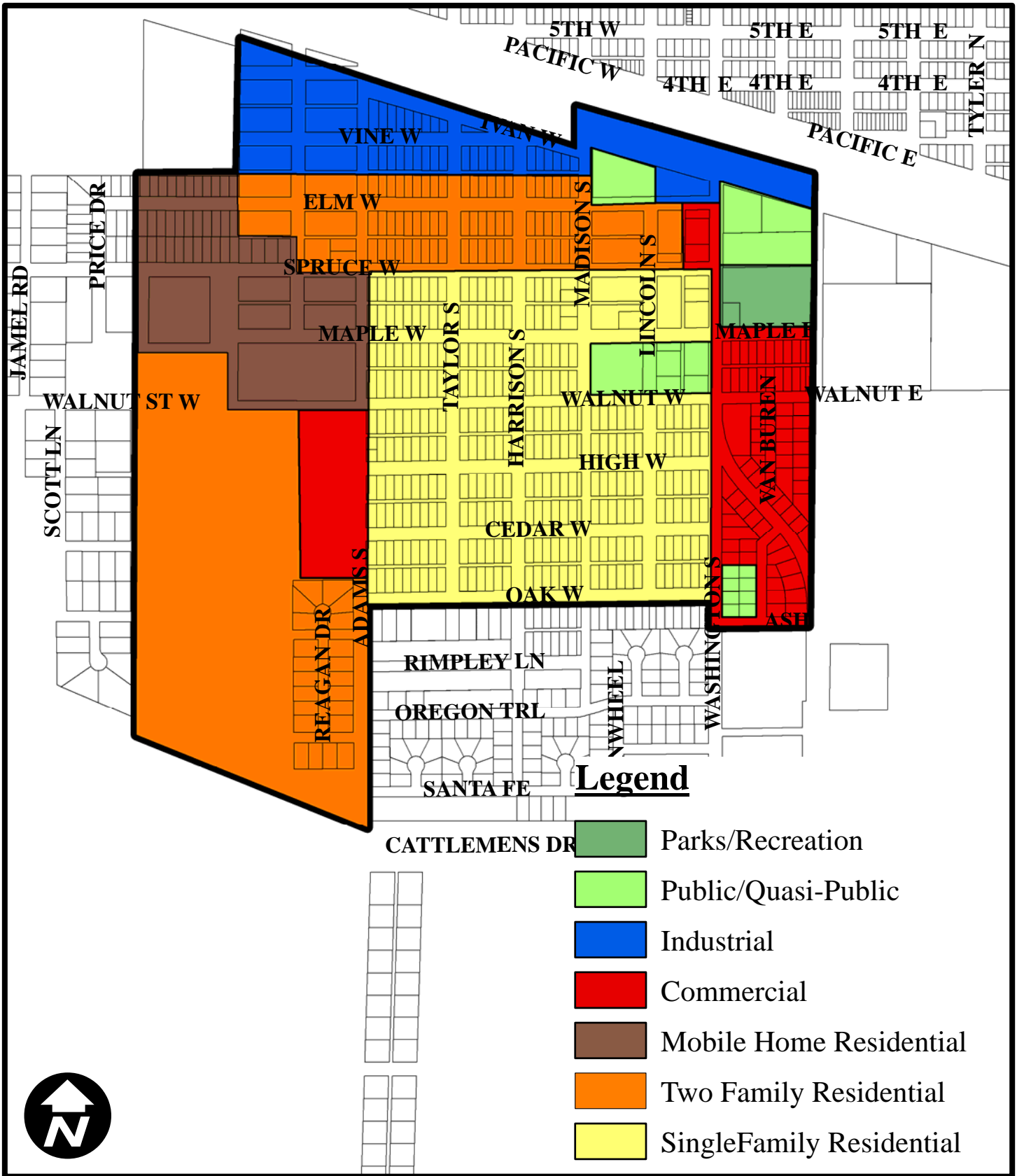
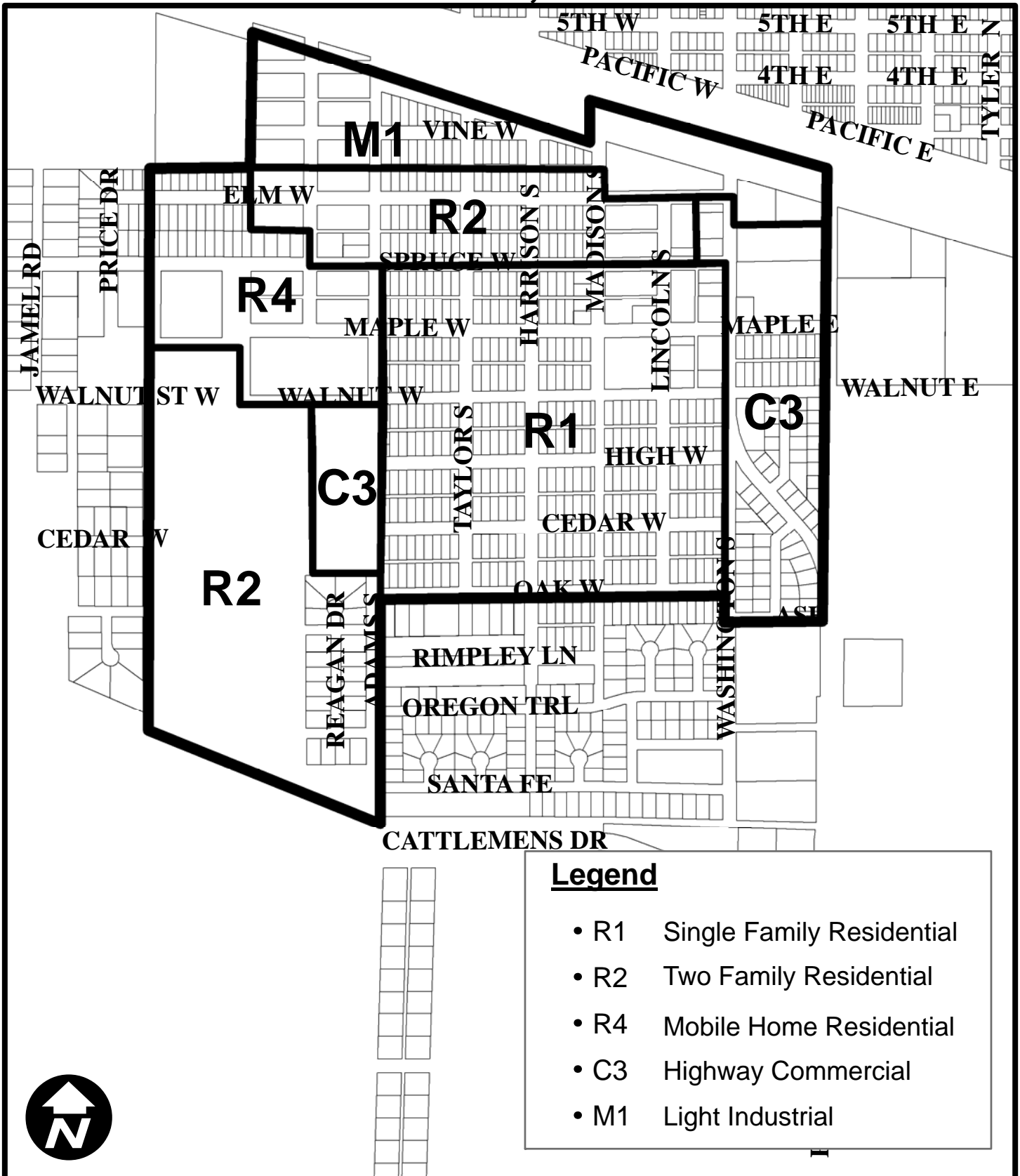


ILLUSTRATION 4

Lexington Redevelopment Area #5
Redevelopment Plan

FUTURE ZONING MAP REDEVELOPMENT AREA #5 LEXINGTON, NEBRASKA



Legend

- R1 Single Family Residential
- R2 Two Family Residential
- R4 Mobile Home Residential
- C3 Highway Commercial
- M1 Light Industrial



ILLUSTRATION 5

Lexington Redevelopment Area #5
Redevelopment Plan

Recommended Public Improvements

The primary purpose for a Redevelopment Plan, accompanied with the preceding Blight/Substandard Determination Study, is to allow for the use of public financing in a specific area. This public financing is planned and implemented to serve as a "first step" for public improvements and encourage private development within the designated Redevelopment Area. The most common forms of public improvements occur with infrastructure, specifically streets, water, sanitary sewer and storm sewer systems, sidewalks, open space and recreational uses. The primary infrastructure concerns in the Redevelopment Area #5 are controlled access intersections, the platting and future development of streets, hard surfacing of gravel streets, sidewalks, the need for extensions of underground water, storm water and sanitary sewer systems and open spaces (see **Illustration 6**), to further expand development of vacant areas.

Streets throughout the Redevelopment Area are generally in "good" to "excellent" condition (74.7%). However, 25.3% (142 parcels) front on streets in "fair" to "poor" condition, which are generally gravel surfaced. Additionally, a total of 126 parcels (22.4%) have no sidewalks adjacent to the property. A planned program of street and sidewalk improvements should be established in the Redevelopment Area, in conjunction with improvements planned within the One-and-Six Year Street Improvement Plan and the City's Capital Improvement Plan. This process will allow Community Development Block Grants and Tax Increment Financing to be used to finance public improvements.

As identified in the Blight and Substandard Determination Study, underground sanitary sewer mains, in the Redevelopment Area, range in age between 70 to 90+ years of age, and thus, are prone to breakage and repeated maintenance problems. Further complicating municipal water service is the fact that a majority of the water mains throughout the Redevelopment Area are 4" in diameter. Current engineering standards recommend not smaller than 6" water mains in residential areas, 8" in commercial and industrial areas, to provide adequate pressure and supply for service and fire protection purposes.

Redevelopment planning tools, such as Tax Increment Financing, will provide incentives to facilitate development. As identified in the City's current Comprehensive Plan, Lexington should identify regions of greatest priority and budget for selective reconstruction projects. Tax Increment Financing can serve as a valuable source of additional monies to defer the cost of reconstruction projects within the Redevelopment Area. The Community Development Block Grant Program is one example of State and Federal programs that become economically viable in designated Blighted and Substandard areas.

PUBLIC IMPROVEMENTS MAP REDEVELOPMENT AREA #5 LEXINGTON, NEBRASKA

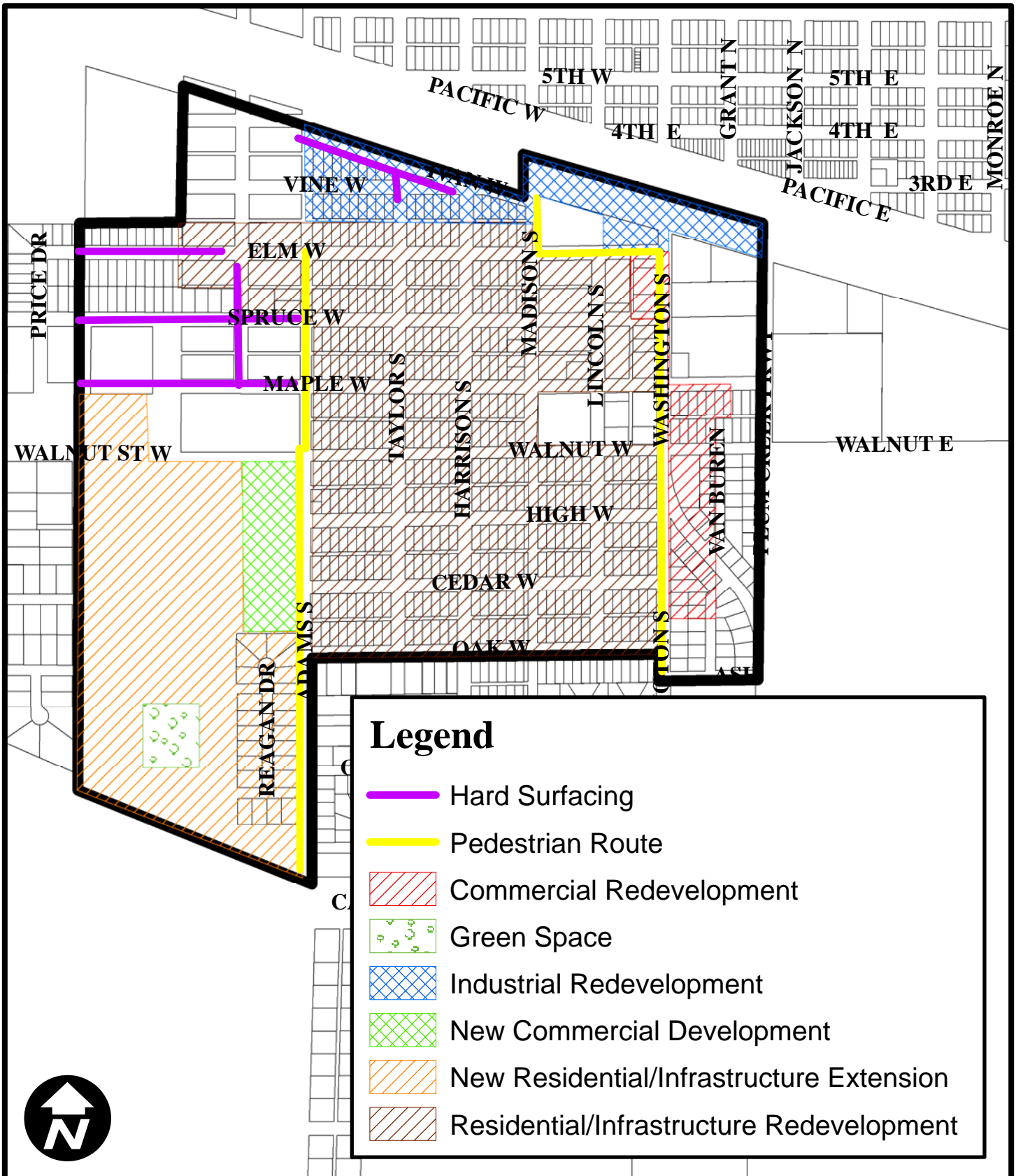


ILLUSTRATION 6

Lexington Redevelopment Area #5
Redevelopment Plan

Creation of improvement Districts.

This plan allows for the creation of street, water, sewer and drainage districts, as and when needed by the City of Lexington in the project area. However, the levy of the assessments for the proposed improvements shall not occur, until such time as it is determined that the incremental ad valorem taxes pledged under this plan are insufficient to pay the principal, interest and premium, if any on the tax increment revenue bonds. Should the special assessments be levied, the assessments shall be allocated to and paid on the tax increment revenue bonds, or other infrastructure related bonds issued by the City of Lexington, to the extent of such insufficiency.

The receipt of ad-valorem taxes pledged under this plan will constitute a payment source for such bonds and any warrants issued for district purposes.

Installation of Improvements and Bonding.

The City of Lexington will install the paving, curb, gutter, water, sanitary and storm sewer, and acquire necessary right of way therefore, in accordance with the plans and specifications of the City Engineer. The CRA of the City of Lexington will issue its tax increment revenue bonds on the project to pay for all or a portion of the projects costs, including engineering, principal, interest, premium, underwriting fees, special counsel fees, and costs of blight and substandard studies, and other costs.

Conclusion

The Capital Improvement Program, in Lexington, should include activities in Redevelopment Area #5, with emphasis upon serving current and future Lexington residents, as well as highway travelers. The role of Redevelopment Area #5 as a developing residential area with adjacent commercial uses, in combination with open space and recreation facilities, will foster an appreciation for its image, character and uniqueness in Lexington.

A successful Redevelopment Plan for Redevelopment Area #5 should guide both redevelopment and development opportunities, while preserving the viability of south-central Lexington as a residential and commercial service area. New construction should not imitate existing styles or characteristics, but rather be compatible by similar materials, colors, and heights exhibited by existing structures within and adjacent to Redevelopment Area #5.

The Lexington Community Redevelopment Authority (CRA) and the City of Lexington should seek funding sources for the rehabilitation and improvement of buildings and public uses in the Redevelopment Area. Prior to the transportation network improvements, the City should develop a plan in conjunction with the City's Capital Improvement Plan and the One-and-Six Year Street Plan to accommodate efficient infrastructure development and improvements.

Conveyance of Real Estate

Implementation of the Redevelopment Plan will also include, in appropriate circumstances, the conveyance of real estate by the CRA to redevelopers for fair value as provided in the Community Development Law. The City and the Authority find and determine that such conveyances are a necessary and desirable element of the Redevelopment Plan.

Plan Amendments

This Plan is specifically intended to be amended from time to time and allow specific redevelopment projects under individual redevelopment contracts. Public assistance to provide such redevelopment will be provided when deemed appropriate by the CRA and the City Council. Such assistance may be in the form of grants, loans, and other forms of assistance, including development of public infrastructure extensions.

Specific additional pledges of ad valorem taxes on individual projects are contemplated as part of this plan. Minor Plan amendments may be made without further hearing by the City Council, such as contracts between the City and the CRA. Major plan amendments for specific private projects, providing for additional tax pledges for bonds, the proceeds of which are granted to private entities other than the Authority and the City will require City Council consent.

Relocation

This plan intends to acquire vacant deteriorated residences from time to time. No relocation of individuals or businesses is intended. In the event of such relocation, the Authority will provide relocation assistance as part of the Redevelopment Project.

PROJECT AREA #1 REDEVELOPMENT AREA #5 LEXINGTON, NEBRASKA

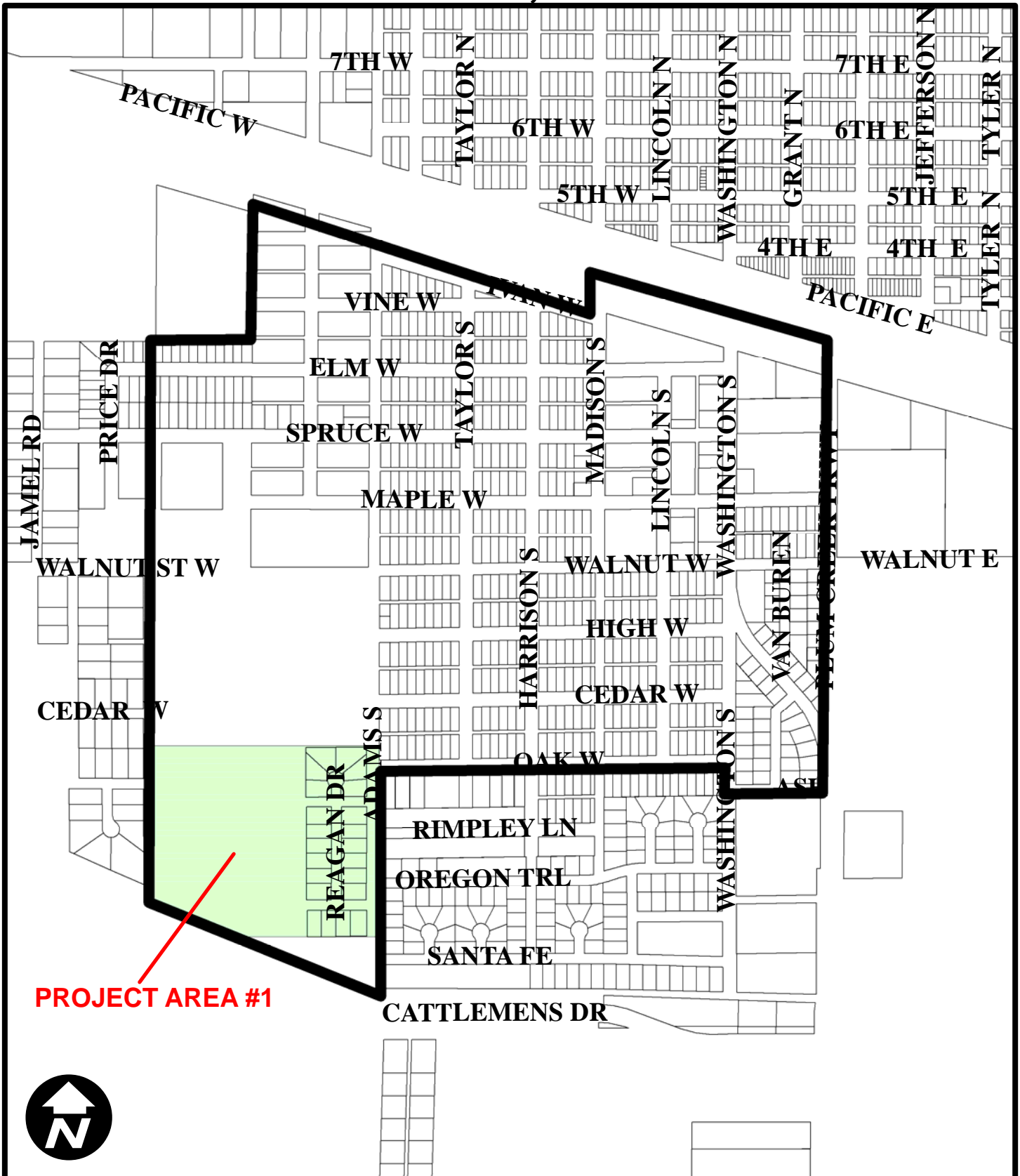


EXHIBIT #1

Lexington Redevelopment Area #5
Redevelopment Plan

RESOLUTION-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA, APPROVING REDEVELOPMENT AREA # 5 REDEVELOPMENT PLAN AND MAKING FINDINGS WITH REGARD TO SUCH PLAN.

WHEREAS, the City of Lexington, Nebraska a municipal corporation has determined it to be desirable to undertake and carry out urban redevelopment projects in areas of the City which are determined to be substandard and blighted and in need of redevelopment; and

WHEREAS, the Nebraska Community Development Law, Chapter 18, Article 21, Nebraska Reissue Revised Statutes of 1943, as amended (the "Act"), prescribes the requirements and procedures for the planning and implementation of redevelopment projects; and

WHEREAS, The City has previously declared an areas of the City to be substandard and blighted and in need of redevelopment pursuant to the Act; and

WHEREAS, The Community Redevelopment Authority of the City of Lexington, Nebraska (the "Authority"), has prepared a Redevelopment Plan [Redevelopment Area #5 Redevelopment Plan] pursuant to Section 18-2111 of the Act: and

WHEREAS, the Lexington Planning Commission reviewed the Redevelopment Plan pursuant to the Act and, pursuant to Section 18-2114 of the Act, recommended approval of the Redevelopment plan to the City; and

WHEREAS, following consideration of the recommendations of the Planning Commission to the City, the Mayor and City Council held a public hearing on July 24, 2007, pursuant to notice as required by law; and

WHEREAS, there has been presented for approval a specific Redevelopment Project and Redevelopment Plan;

NOW, THEREFORE, be it resolved by the Mayor and City Council of the City of Lexington, Nebraska:

1. The Redevelopment Plan as contained in the form attached to this Resolution as Exhibit A is hereby determined to be feasible and in conformity with the general plan for the development of the City of Lexington as a whole and the Redevelopment Plan is in conformity with the legislative declarations and determinations set forth in the Act;

2. The Mayor and City Council specifically find, as follows:

(a) The projects described in the redevelopment contract and plan attached thereto, would not be economically feasible without the use of tax-increment financing;

(b) The projects would not occur in the Redevelopment Area without the use of tax-increment financing; and

(c) 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 have been found to be in the long term best interests of the community impacted by the project.

3. Approval of the Redevelopment Plan is hereby ratified and reaffirmed and the Authority is hereby directed to implement the Redevelopment Plan in accordance with the Act.

4. Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in the redevelopment project specified in the plan, namely

Lots 1-22 CED Addition to the City of Lexington, Dawson County, Nebraska, 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, 2008.

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.

5. The execution and delivery to the County Treasurer and Assessor, the Notice of Allocation of Taxes which is attached hereto and marked as Exhibit B, is hereby ratified and confirmed.

Passed and approved this 24th day of July, 2007

CITY OF LEXINGTON, DAWSON
COUNTY, NEBRASKA

Mayor

ATTEST:

City Clerk

Exhibit A

(Attach a copy of Redevelopment Plan here)

Exhibit B

(Attach a copy of Notice of Allocation of Taxes here)