

AGREEMENT FOR USE OF NEIGHBORHOOD REVITALIZATION FUNDS

This agreement is entered into between the following parties:

Dawson Area Development
209 West 8th Street
Cozad, NE 69130

a Nebraska corporation with status as a 501(c)(6) organization under the United States Internal Revenue Code, hereafter referred to as DAD; and

The City of Lexington, Nebraska
406 E. 7th
Lexington, NE 68850

A city of the first class hereafter referred to as City.

RECITALS:

1. City is the owner of the real property comprising the former Wal-Mart building (the Building) in Lexington, the legal description of which is set forth on attached Exhibit A.
2. DAD is the recipient of a grant awarded by the Nebraska Department of Economic Development designated as Neighborhood Stabilization Funds (NSP) Grant #NSP 095N14 in the amount of \$500,000, hereafter referred to as the Grant.
3. The use of Grant funds is restricted by Community Development Block Grant (CDBG) standards and NSP standards.
4. The parties intend that the Grant be used to rehabilitate the Building for purposes of creating joint use space in the Dawson Area Opportunity Center.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL BENEFIT TO THE PARTIES, THE PARTIES AGREE AS FOLLOWS:

1. City will seek funding for the remodeling of the Building and use its best efforts to renovate the Building into class rooms, meeting rooms, conference rooms and a computer lab and other spaces which will be made available to members of the public
2. City will submit draw requests of payment of allowable expenses for renovation to DAD on such forms and at such times as are appropriate under the NSP and CDBG guidelines.
3. DAD will administer the Grant in accordance with CDBG and NSP standards and forward or pay properly submitted claims for renovation of the Building.
4. The parties understand that City is and will remain the titleholder of the Building. However, this agreement does not prohibit conveyance of the Building to a not for profit entity, subject to the terms and conditions of the Grant.

5. The parties agree that the Building is intended to have tenants consisting of the Lexington Public Schools, Central Community College, Nebraska Workforce Development, Lexington Area Chamber of Commerce, DAD, and others.
6. Notwithstanding the fact that certain tenants of the Building will be tax-supported entities, Grant funds shall not be used to renovate space for use by any tax-supported entity. This shall not prohibit the occasional use of areas renovated by Grant funds by tax-supported entities for public or entity meetings.
7. City agrees that once renovation is complete it will insure the Building for full replacement value and use any insurance proceeds to rehabilitate the Building for its intended use as the Dawson Area Opportunity Center.
8. City agrees to maintain the Building and parking lots in proper condition and shall not allow the Building to deteriorate.
9. City agrees to maintain the Building as an opportunity center. The parties contemplate that utilization of the Building will evolve over time supporting new programs and new tenants. City agrees to administer the use of the Building to foster education, job creation, community development, and support.
10. The terms of this agreement shall survive completion and close out of the Grant and renovation of the Building.
11. This agreement shall be binding upon the parties, subsequent titleholders of the Building, their heirs and assigns.

Dated: _____

City of Lexington

John Fagot, Mayor

Dawson Area Development

E. Dean Kugler, President