

DRAFT

RESOLUTION NO. _____

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA, ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COLUMBUS, ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF COLUMBUS, NEBRASKA; AUTHORIZING THE ISSUANCE OF A TAX INCREMENT REVENUE BOND FOR THE 8TH STREET RESIDENTIAL SUBDIVISION REDEVELOPMENT PROJECT; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND; AND PLEDGING REVENUES OF THE AGENCY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW.

BE IT RESOLVED by the Mayor and City Council of the City of Columbus, Nebraska (the "City"), acting as the governing body of the Community Development Agency of the City of Columbus, Nebraska (the "Agency"), as follows:

Section 1. The Mayor and City Council hereby finds and determines:

(a) that, pursuant to the Nebraska Community Development Law, Article 21 of Chapter 18, Reissue Revised Statutes of Nebraska (the "Act"), the Agency has been duly created by ordinance for purposes of assisting with redevelopment of blighted and substandard real estate located within the City; that the Agency has and may exercise all of the powers of a redevelopment authority provided for under the Community Development Law of the State of Nebraska; that there has been prepared a redevelopment plan, entitled "Redevelopment Plan for the 8th Street Residential Subdivision Redevelopment Project" (the "Plan"), for the redevelopment of the real estate described and referred to in Exhibit A (hereinafter in this Resolution referred to as the "Redevelopment Area");

(b) that prior to the recommendation or approval of the Plan an area which includes the Redevelopment Area was declared blighted and substandard by action of the Mayor and City Council of the City;

(c) that the City has had in effect its general plan for the development of the City from the time prior to the preparation of the Plan;

(d) that the Plan was submitted to the City Planning Commission of the City and approved and thereafter recommended by the Agency to the Mayor and City Council of the City, all in accordance with the Act;

(e) that on the 20th day of February, 2024, the Mayor and City Council of the City

held a public hearing on the Plan, for which notice was given by publication prior to such hearing in conformance with the Act, and, after such hearing, the Mayor and City Council approved and adopted the Plan;

(f) that the Plan, among other things, calls for the construction of mixed-dwelling residential subdivision within the Redevelopment Area (referred to herein as the "Master Project");

(g) that Vitality Apartments, LLC (hereafter in this Resolution referred to as the "Redeveloper"), has undertaken or will undertake construction of a multi-family apartment complex on a portion of the Redevelopment Area (the "Apartment Project"), as part of the Master Project, as described in the Plan and the redevelopment contract between the Agency, the City and Redeveloper, as amended, attached hereto and incorporated herein as Exhibit B (collectively, the "Redevelopment Contract"), and the City and the Agency have previously communicated willingness to assist such redevelopment in order to encourage employment and economic development of the City as well as for the redevelopment of a blighted and substandard area of the City;

(h) that Redeveloper is expected to incur costs in the amount of \$36,124,400 relating to Apartment Project, pursuant to the Plan and the Redevelopment Contract, and shall complete the Apartment Project by December 31, 2026;

(i) that the Agency shall timely filed a "Notice to Divide Tax" for each phase of the Master Project with the county assessor for Platte County, Nebraska, on or before August 1 of such phase year until all phases are complete, pursuant to the terms of the Redevelopment Contract;

(j) that the Agency has agreed to assist Redeveloper with certain assistance as set forth in the Redevelopment Contract in consideration for undertaking the costs of the Apartment Project, and for such purpose it is necessary for the Agency to authorize the issuance of its tax increment revenue bond in an amount not to exceed Three Million Three Hundred-Fifty Thousand & 00/100 Dollars (\$3,350,000.00);

(k) that the Redevelopment Contract provides that the Agency will assist Redeveloper via issuance of the tax increment revenue bond as provided for in this Resolution;

(l) that a portion of the ad valorem taxes received by the Agency's Treasurer related to the Redevelopment Area shall be allocated towards payment on the tax increment revenue bond pursuant to the terms of the Redevelopment Contract, this Resolution, and said bond; and

(m) that all conditions, acts and things required by law to exist or to be done

precedent to the authorizing of the Agency's tax increment revenue bond as provided for in this Resolution do exist and have been done as provided by the Act.

Section 2. A tax increment revenue bond in an amount not to exceed Three Million Three Hundred-Fifty Thousand & 00/100 Dollars (\$3,350,000.00) is hereby ordered issued in accordance with Section 18-2125 of the Act, by the Agency and shall be designated as its "Tax Increment Revenue Bond of the Community Development Agency for City of Columbus, Nebraska (Vitality Village Redevelopment Project – Vitality Apartments Bond)" (hereinafter referred to as the "Bond"). The Bond shall be issued in the single denomination in an amount not to exceed \$3,350,000.00. The Bond shall be dated as of the date of its delivery ("Dated Date"). The Bond shall bear interest from January 1 of the "Effective Date" (as defined in the Act) for the parcel(s) comprising the Apartment Project, until maturity (or earlier redemption) at the rate of six and one-half percent (6.50%) per annum. The principal of the Bond shall become due upon the December 31 following the date that all excess ad valorem real estate taxes for the final phase of the Master Project have been divided and collected in conformance with Section 18-2147 of the Act; provided that such principal amount shall be subject to mandatory redemption from "Available Funds" as described in Section 5 below on June 1 and December 1 of each year. All interest upon the Bond shall be payable on June 1 of the year following the Effective Date for the first phase of the Master Project, and semiannually thereafter on June 1 and December 1 of each year.

The Bond shall be issued in fully registered form. The Agency's Treasurer (the City Treasurer of the City of Columbus) is hereby designated as paying agent and registrar for the Bond (the "Agent"). The Agent shall serve in such capacities pursuant to the terms of this Resolution. The interest due on each interest payment date prior to maturity shall be payable to the registered owner of record as of the last business day of the calendar month immediately preceding the calendar month in which such interest payment date occurs (the "Record Date"), subject to the provisions of Section 4 hereof. Payments of interest due on the Bond, except for payments due on final maturity date, or other final payment, shall be made by the Agent by mailing or delivering a check or draft in the amount then due for interest on the Bond to the registered owner of the Bond, as of the Record Date for such interest payment date, to such owner's registered addresses as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal and interest due at final maturity or other final payment shall be made by the Agent to the registered owner upon presentation and surrender of the Bond to the Agent at the Agency's offices at City Hall in the City of Columbus, Nebraska. The Agency and the Agent may treat the registered owner of the Bond as the absolute owner of the Bond for the purpose of making payments thereon and for all other purposes and neither the Agency nor the Agent shall be affected by any notice or knowledge to the contrary, whether the Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of the Bond in accordance with the terms of this Resolution shall be valid and effectual and shall be a discharge of the Agency and the Agent, in respect of the liability upon the Bond or claims for interest to the extent of the sum or sums so paid. Notwithstanding anything in this Resolution

or the Redevelopment Contract to the contrary, the Agent shall not disburse any amounts toward payment on the Bond unless and until Redeveloper has provided the Agency with Eligible Cost Certifications (as defined in the Redevelopment Contract) pursuant to Section 3 of the Redevelopment Contract. If Redeveloper fails to submit Eligible Cost Certifications in an amount equal to or greater than the principal amount on the Bond upon completion of the Apartment Project, the principal and outstanding interest on the Bond shall be adjusted to reflect the aggregate total of the Eligible Cost Certifications.

Section 3. The Agent shall keep and maintain for the Agency books for the registration and transfer of the Bond at the Agency's offices at City Hall in Columbus, Nebraska. The name and registered address of the registered owner of the Bond shall at all times be recorded in such books. The Bond may be transferred pursuant to its provisions at the Agency's offices by surrender of such Bond for notation of transfer, accompanied by a written instrument of transfer, in form satisfactory to the Agent, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Agent on behalf of the Agency will register such transfer upon its books and make notation thereof on the Bond and deliver the Bond at its office to the transferee owner (or send it by registered mail to the transferee owner thereof at such transferee owner's expense). Any transfers of the Bond shall be upon the basis of a private placement and each proposed transferee registered owner shall furnish the Agent with assurances in form satisfactory to the Agent that such Bond is being purchased for investment purposes only, without view to redistribution and upon the independent credit judgment and investigation of the proposed transferee. The Agency and the Agent shall not be required to transfer the Bond during any period from any Record Date until its immediately following interest payment date or to transfer the Bond when called for redemption, in whole or in part, for a period of 15 days next preceding any date fixed for redemption or partial redemption.

Section 4. In the event that payments of interest or for mandatory partial redemption due on the Bond on any interest payment date are not timely made, such interest or redemption price shall cease to be payable to the registered owner as of the Record Date for such interest payment date and shall be payable to the registered owner of the Bond as of a special date of record for payment of such defaulted interest or redemption price as shall be designated by the Agent whenever monies for the purpose of paying such defaulted interest or redemption price become available.

Section 5. At any time, the Agency shall have the option of prepaying in whole or in part principal of the Bond. Any such optional prepayment of principal shall be accompanied by an amount equal to all accrued but unpaid interest on the principal amount being prepaid. Notice of any optional redemption for the Bond shall be given at the direction of the Agency by the Agent by mail not less than 15 days prior to the date fixed for redemption, first class, postage prepaid, sent to the registered owner of the Bond at said owner's registered address. Notice of call for redemption may be waived in writing by any registered owner. In the event of prepayment in whole the Bond shall be cancelled. The determination of the amount and timing of any optional redemption of the Bond shall be in the absolute discretion of the Agency. The Bond

shall also be subject to mandatory partial redemption, without notice, on each interest payment date from all funds to be available in the Bond Fund (as hereinafter established and defined), including all amounts, if any, from investment earnings for such fund, rounded down to the nearest one hundred dollars, after payment of all accrued but unpaid interest on each interest payment date (which funds are referred to in this Resolution as "Available Funds"). Available Funds shall be applied to the prepayment of principal on each interest payment date and shall be remitted to the registered owner of the Bond with interest payments. The Agent shall mark the Agent's records with respect to each mandatory partial principal prepayment made from Available Funds and it shall not be necessary for the registered owner to present the Bond for notation of such prepayment. The records of the Agent shall govern as to any determination of the principal amount of the Bond outstanding at any time and the registered owner shall have the right to request information in writing from the Agent at any time as to the principal amount outstanding upon the Bond.

Section 6. The Bond shall be in substantially the following form:

**UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF PLATTE**

**TAX INCREMENT REVENUE BOND OF
THE COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS, NEBRASKA (VITALITY VILLAGE REDEVELOPMENT
PROJECT – VITALITY APARTMENTS BOND)
SERIES 20__**

Dated Date: _____, 20__

Principal Amount

Interest Rate Per Annum

\$3,350,000.00

6.50%

KNOW ALL PERSONS BY THESE PRESENTS: That the Community Development Agency of the City of Columbus, Nebraska (the "Agency"), hereby acknowledges itself to owe and for value received promises to pay, but only from the sources herein designated, to the registered owner designated on the reverse hereof, or registered assigns, the principal sum shown above in lawful money of the United States of America with such principal sum to become due on the maturity date set forth below, with interest on the unpaid balance from January 1 of the Effective Date (as defined in the Act) for the parcel(s) comprising the Apartment Project (as defined in the Resolution), until maturity or earlier redemption, at the per-annum interest rate set forth above. Said interest shall be payable on June 1 of the year following the Effective Date for the first phase of the Master Project (as defined in the Resolution), and semiannually thereafter on June 1 and December 1 of each year. The maturity of this bond shall be the December 31 following the date that all excess ad valorem real estate taxes for the final phase of the Master Project have been divided and collected in conformance with the Nebraska Community Development Law (the "Act"), Section 18-2147.

The payment of principal and interest due upon the final maturity is payable upon presentation and surrender of this bond to the Treasurer of said Agency, as Paying Agent and Registrar for said Agency, at the offices of the Community Development Agency of the City of Columbus, Nebraska, at City Hall, in Columbus, Nebraska. The payments of interest and of mandatory redemptions of principal on each interest payment date (other than at final payment) will be paid when due by a check or draft mailed or delivered by said Paying Agent and Registrar to the registered owner of this bond, as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the last business day of the calendar month immediately preceding the calendar month in which the interest payment date occurs, to such owner's address as shown on such books and records. Any payment of

interest or mandatory redemption of principal not timely paid when due shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond on such special record date for payment of such defaulted interest or redemption price as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available.

This bond is the sole bond of its series of the total principal amount of Three Million Three Hundred-Fifty Thousand & 00/100 Dollars (\$3,350,000.00) issued by the Agency for the purpose of paying a portion of the costs of redevelopment of certain real estate as described in the Redevelopment Contract (as defined in the Resolution) and as designated in that Redevelopment Plan recommended by the Agency and approved by the Mayor and City Council of the City of Columbus, Nebraska, on February 20, 2024 (the "Plan"), all in compliance with the Act, and has been duly authorized by Resolution No. _____, passed and approved by the Mayor and City Council of the City of Columbus, acting as the governing body of the Agency (the "Resolution").

The conditions for the issuance and purchase of this bond are set forth in the Redevelopment Contract and Resolution, and the terms and conditions of the Redevelopment Contract and Resolution are incorporated herein by reference.

The Agency reserves the right and option of prepaying principal of this bond, in whole or in part, from any available sources at any time, at the principal amount thereof designated for redemption plus accrued interest to the date fixed for redemption of the principal amount so designated for optional redemption. Notice of any such optional prepayment shall be given by mail, sent to the registered owner of this bond at said registered owner's address in the manner provided in the Resolution. The principal of this bond shall be subject to mandatory optional redemptions made in part on any interest payment date from "Available Funds" (as defined in the Resolution) without any requirement for notice. Such optional and mandatory prepayments shall be made upon such terms and conditions as are provided for in the Resolution.

A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. THE REGISTERED OWNER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH REGISTERED OWNER MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED BY THE RECORDS OF THE PAYING AGENT AND REGISTRAR IN THE MANNER PROVIDED IN THE RESOLUTION.

This bond constitutes a limited obligation of the Agency payable exclusively from that portion of the ad valorem real estate taxes mentioned in Section 18-2147 of the Act, as levied, collected and apportioned from year to year with respect to certain real estate described in the Redevelopment Contract and located within the "Redevelopment Area" (as defined in the

Resolution), which are received by said Treasurer as of and from and after January 1 of the year following the Effective Date for a phase of the Master Project and which are attributable to valuation increases of the real estate described in the Redevelopment Contract and within the Redevelopment Area based on any increase in the taxable value determined as of January 1 of the year of the Effective Date with respect to such phase.

Pursuant to the Resolution and Sections 18-2124 and 18-2150 of the Act, said portion of taxes has been pledged for the payment of this bond, both principal and interest as the same fall due or become subject to mandatory redemption. This bond shall not constitute a general obligation of the Agency and the Agency shall be liable for the payment thereof only out of said portion of taxes as described in this paragraph. **This bond shall not constitute an obligation of the State of Nebraska or of the City of Columbus (except for such receipts as have been pledged pursuant to said Sections 18-2124 and 18-2150 of the Act) and neither the State of Nebraska nor the City of Columbus shall be liable for the payment thereof from any fund or source including but not limited to tax monies belonging to either thereof (except for such receipts as have been pledged as described above in this paragraph).** Neither the members of the Agency's governing body nor any person executing this bond shall be liable personally on this bond by reason of the issuance hereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender of this bond for notation of transfer as provided on the reverse hereof and subject to the conditions provided for in the Resolution. The Agency, the Paying Agent and Registrar and any other person may treat the person whose name this bond is registered as the absolute owner hereof for the purposes of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not. THIS BOND, UNDER CERTAIN TERMS SET FORTH IN THE RESOLUTION AUTHORIZING ITS ISSUANCE, MAY ONLY BE TRANSFERRED TO PERSONS OR ENTITIES DELIVERING AN INVESTMENT LETTER TO THE PAYING AGENT AND REGISTRAR CONFORMING TO REQUIREMENTS SET FORTH IN SAID RESOLUTION.

NOTWITHSTANDING ANYTHING IN THIS BOND, THE RESOLUTION OR THE REDEVELOPMENT CONTRACT TO THE CONTRARY, THE AGENT SHALL NOT DISBURSE ANY AMOUNTS TOWARD PAYMENT ON THIS BOND UNLESS AND UNTIL REDEVELOPER (AS DEFINED IN THE RESOLUTION) HAS PROVIDED THE AGENCY WITH ELIGIBLE COST CERTIFICATIONS (AS DEFINED IN THE REDEVELOPMENT CONTRACT) PURSUANT TO SECTION 3 OF THE REDEVELOPMENT CONTRACT. IF REDEVELOPER FAILS TO SUBMIT ELIGIBLE COST CERTIFICATIONS IN AN AMOUNT EQUAL TO OR GREATER THAN THE INITIAL PRINCIPAL AMOUNT ON THIS BOND UPON COMPLETION OF THE APARTMENT PROJECT (AS DEFINED IN THE RESOLUTION), THE PRINCIPAL AND OUTSTANDING INTEREST ON THIS BOND SHALL BE ADJUSTED, AS OF THE DATED DATE OF THIS BOND, TO REFLECT THE AGGREGATE TOTAL OF THE ELIGIBLE COST CERTIFICATIONS.

NOTWITHSTANDING ANYTHING IN THIS BOND OR THE RESOLUTION TO THE CONTRARY, THE AMOUNTS AND PRIORITY OF THE FUNDS DISBURSED AS PAYMENTS ON THIS BOND SHALL BE GOVERNED BY, AND SUBJECT TO, THE TERMS AND PRIORITY SET FORTH IN SECTION 3 OF THE REDEVELOPMENT CONTRACT, AS AMENDED, WITH RESPECT TO THAT CERTAIN OTHER "CITY BOND" (AS DEFINED IN THE REDEVELOPMENT CONTRACT) ISSUED IN RELATION TO THE MASTER PROJECT, ALL PURSUANT TO THE TERMS OF THE REDEVELOPMENT CONTRACT, WHICH SHALL SUPERSEDE AND CONTROL.

If the day for payment of the principal of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Columbus, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond, did exist, did happen and were done and performed in regular and due form and time as required by law and that the indebtedness of said Agency, including this bond, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, the Mayor and City Council of the City of Columbus, Nebraska, as the governing body of the Community Development Agency of the City of Columbus, Nebraska, have caused this bond to be executed on behalf of said Agency by being signed by the Chairperson (Mayor) and Secretary (City Clerk), all as of the Dated Date shown above.

Dated this ____ day of _____, 20__.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS, NEBRASKA

ATTEST:

By: _____ (Sample – Do Not Sign)

Chairperson (Mayor)

(Sample – Do Not Sign)

Secretary (City Clerk)

PROVISION FOR REGISTRATION

The ownership of this Bond shall be registered as to both principal and interest on the books and records of the Community Development Agency of the City of Columbus, Nebraska kept by the Paying Agent and Registrar identified in the foregoing bond, who shall make notation of such registration in the registration blank below, and the transfer of this Bond may thereafter be registered only upon an assignment duly executed by the registered owner or such owner's attorney or legal representative, in such form as shall be satisfactory to said Paying Agent and Registrar, such registration of transfer to be made on such books and endorsed hereon by said Paying Agent and Registrar.

Date of Registration	Name of Registered Owner	Signature of Paying Agent and Registrar
_____, 20__		(Sample – Do Not Sign)

Section 7. This Resolution sets forth January 1 of the year that a notice of divide is filed with respect to any phase of the Master Project, as the Effective Date after which ad valorem taxes on real property located within the Redevelopment Area are to be apportioned pursuant to Section 18-2147 of the Act, with respect to such phase. As of and from and after January 1 of the year following the Effective Date of a phase of the Master Project, that portion of the ad valorem taxes on the real estate located within the Redevelopment Area which is described in subdivision (1)(b) of Section 18-2147 of the Act, and which are attributable to valuation increases determined as of January 1 of the year preceding the Effective Date for a phase of the Master Project (the "Redevelopment Area Tax Receipts"), shall be paid into a special fund of the Agency to be designated as the "Community Development Agency — Victory Village Project Fund" (the "Bond Fund") to be held by the Agent for application to payments on the Bond.

Subject to the priority set forth in the following paragraph, the Agency hereby pledges for the payment of the Bond both principal and interest as the same fall due, equally and ratably, the Redevelopment Area Tax Receipts associated with the real estate described in the Redevelopment Contract and so paid into the Bond Fund as a prior and first lien upon said receipts for the security and payment of the Bond. Monies held in the Bond Fund shall be invested to the extent practicable and investment earnings on such monies shall be applied in the same manner as all other funds held in the Bond Fund.

Notwithstanding anything in the Bond or this Resolution to the contrary, the amounts and priority of the Redevelopment Area Tax Receipts disbursed as payments on the Bond shall be governed by, and subject to, the terms and priority set forth in Section 3 of the Redevelopment Contract, as amended, with respect to that certain other "City Bond" (as defined in the Redevelopment Contract) issued in relation to the Master Project, all pursuant to the terms of the Redevelopment Contract, which shall supersede and control. The terms of this Resolution shall be construed harmoniously with those of Resolution No. R24-125, adopted and approved by the Agency with respect to the City Bond.

Section 8. The Bond shall be executed on behalf of the Agency by the Chairperson (Mayor) and Secretary (City Clerk). Upon execution, the Bond shall be registered by the Agent in the name of Redeveloper or its designee as the initial registered owner and shall be delivered in consideration of the performance by Redeveloper in accordance with the Redevelopment Contract and Plan. Redeveloper may request notation of a pledge interest in the Bond on the records of the Agent. The initial purchaser (and any pledgee) of the Bond shall be required to deliver an investment representation letter to the Agent. Such letter shall be satisfactory in form to the officers of the Agency, or any one or more of them, as advised by the Agency's attorneys.

Section 9. If the date for payment of the interest or principal on the Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Columbus, Nebraska, are authorized by law or executive order to close, then the date for such payment

shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 10. The Secretary of the Agency shall make and certify one or more copies of the transcripts of the proceedings of the Agency precedent to the issuance of the Bond one of which copies shall be delivered to the Agency.

Section 11. The Chairperson (Mayor) and Secretary (City Clerk) or any one of them are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to affect the transactions authorized by this Resolution.

Section 12. The authorization for the Bond provided for in this Resolution is based upon expectations as to completion of construction, valuation and proposed tax rates suggested by and/or agreeable to Redeveloper. The Agency has given and hereby gives no assurances that such expectations will in fact be fulfilled.

Section 13. Interest on the Bond shall be subject to taxation for both federal and Nebraska state income taxes, as and to the extent provided by law, and no information report shall be filed with the Internal Revenue Service under Section 149(e) of the Code.

Section 14. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

Section 15. This Resolution shall be in force and take effect from and after its adoption as provided by law.

INTRODUCED BY COUNCIL MEMBER _____

PASSED AND ADOPTED THIS ____ DAY OF _____, 2025.

CHAIRPERSON (MAYOR)

ATTEST:

SECRETARY (CITY CLERK)

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read "Michael Smith", is written over a horizontal line.

SPECIAL CITY ATTORNEY

Exhibit A

Legal Description of the Redevelopment Area

Lots 1-4, Block A, and Lots 1-10, Block B, and Lots 1 and 2, Block C, and Lot 1, Block D, all in Vitality Village Subdivision, a Subdivision of Lots 8-11, Block A, and Lots 1-12, Block B, and Lots 9-13, Block C, and Lots 1 and 2, Block D, Vitality Village Addition to the City of Columbus, Platte County, Nebraska; AND

Lots 1-7, Block A, and Lots 1-8, Block C, all in Vitality Village Addition to the City of Columbus, Platte County, Nebraska.

* In the event the Redevelopment Area is subsequently replatted, the above legal description shall be replaced with the legal description provided in the replat of the Redevelopment Area approved by the City.

Exhibit B
Redevelopment Contract

(See attached)

REDEVELOPMENT CONTRACT
(The 8th Street Residential Subdivision Redevelopment Project – Multifamily Phase)

This Redevelopment Contract for the 8th Street Residential Subdivision Redevelopment Project – Multifamily Phase (“**Redevelopment Contract**”) is made and entered into as of August 5, 2024, by and between the Community Development Agency of the City of Columbus, Nebraska (the “**Agency**”), the City of Columbus, Nebraska (the “**City**”), and Vitality Apartments, LLC, a Nebraska limited liability company (“**Redeveloper**”). The Agency, City and/or Redeveloper may be referred to hereinafter individually as a “**Party**”, or collectively as the “**Parties**”.

WITNESSETH:

WHEREAS, pursuant to the Nebraska Community Development Law, Sections 18-2101, et seq. (the “**Act**”), the Mayor and City Council of the City adopted and approved a plan entitled “Redevelopment Plan for the 8th Street Residential Subdivision Redevelopment Project” (the “**Plan**”), setting forth a redevelopment project for the real estate described on Exhibit A, attached hereto and incorporated herein (the “**Redevelopment Area**”), which is located in the City, and which has previously been declared by the Mayor and City Council as a blighted and substandard area that is eligible for redevelopment; and

WHEREAS, the Agency has encouraged and induced Redeveloper to engage in certain development activities and construct improvements in the Project Site, and Redeveloper is not willing to incur the substantial investment necessary for such redevelopment of the Project Site without the assistance of tax-increment financing (“**TIF**”) provided by the Agency to Redeveloper in this Redevelopment Contract; and

WHEREAS, the Plan contemplates the construction of a mixed-density residential subdivision within the Redevelopment Area (referred to herein as the “**Redevelopment Project**”); and

WHEREAS, Redeveloper, pursuant to the Plan, intends to construct the multifamily portion of the Redevelopment Project within the Redevelopment Area, as depicted on the site plan attached hereto and incorporated herein as Exhibit C, all as more particularly described in the Plan (collectively, said improvements are referred to in this Redevelopment Contract as the “**Multifamily Project**”); and

WHEREAS, the Multifamily Project will occur on a portion of the Redevelopment Area, as set forth under Exhibit B, attached hereto and incorporated herein (the “**Project Site**”); and

WHEREAS, the City is undertaking certain public infrastructure and other public improvements within the Redevelopment Area as part of the Redevelopment Project (the “**City Improvements**”); and

WHEREAS, the real property within the Project Site, other than easements for public utilities and/or public rights-of-way, is or shall be privately owned by Redeveloper; and

WHEREAS, the Agency proposes to authorize issuance of its tax increment revenue bond, to provide for eligible costs relating to the Multifamily Project (the “**Redeveloper Bond**”), as shall be more particularly described in the resolution of the Agency authorizing issuance of the Redeveloper Bond (the “**Bond Resolution**”); and

WHEREAS, the Agency has separately authorized, or will authorize, issuance of its tax increment revenue bond to the City, to provide for eligible costs relating to the City Improvements (the “**City Bond**”); and

WHEREAS, the incremental ad valorem real estate taxes derived from the Redevelopment Project (the “**TIF Revenues**”) shall be pledged towards the payment of the Redeveloper Bond and City Bond, pursuant to, and in accordance with, the terms of this Redevelopment Contract; and

WHEREAS, Redeveloper seeks the assistance of the Agency for the costs of the eligible improvements for the Multifamily Project and is therefore willing to agree to the conditions herein set forth as an inducement to the Agency to issue the Redeveloper Bond as provided in the Bond Resolution.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, the Agency, City, and Redeveloper do hereby agree, covenant, and warrant as follows:

Section 1. Representations, Warranties, and Covenants of Redeveloper.

Redeveloper hereby represents, covenants, and warrants as follows:

- (a) Redeveloper is a Nebraska limited liability company duly organized and existing under the laws of the State of Nebraska, is not in violation of any provisions of its certificate of organization or operating agreement(s), is authorized to enter into and perform its obligations under this Redevelopment Contract and, to the best of the knowledge of Redeveloper, is not in violation of the laws of the State of Nebraska.
- (b) Throughout the term of this Redevelopment Contract, Redeveloper will reasonably endeavor to construct, operate and maintain the Multifamily Project in accordance with the terms of this Redevelopment Contract and the Plan, or amendments thereof, the CCREs and Affordability Covenants (each defined below, and all applicable local, state and federal laws and regulations (including, without limitation, environmental, zoning, building code and public health laws and regulations).
- (c) Throughout the term of this Redevelopment Contract and subject to the provisions of Section 21 of this Redevelopment Contract, in the event of any casualty damage to the Multifamily Project, Redeveloper or its successors and assigns

agrees to repair and reconstruct such damaged portion or portions of the Multifamily Project so that such reconstructed real property has a taxable value at least equal to the value as most recently determined prior to the event or events of casualty loss. Redeveloper agrees to substantially effect such repair and reconstruction whether or not insurance proceeds are sufficient or available for such purposes.

- (d) Redeveloper or its assignee shall complete the Multifamily Project on or before December 31, 2026, at an estimated cost of \$36,124,400.
- (e) Redeveloper has not received, nor is it aware of, notices or communications from any local, state or federal official or body that the activities of Redeveloper respecting the Project Site or the construction of the Multifamily Project thereon may be or will be in violation of any law or regulation.
- (f) Redeveloper will use its best efforts to obtain or to cause others to obtain, in a timely manner, all required permits, licenses and approvals and to meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met for the Multifamily Project to be lawfully constructed, occupied or operated.
- (g) The execution and delivery of this Redevelopment Contract, the consummation of the transactions contemplated hereby and the fulfillment of or compliance with the terms and conditions of this Redevelopment Contract are not prevented or limited by and will not conflict with or result in a breach (i) of any provision of any evidence of indebtedness, agreement or instrument of whatever nature to which Redeveloper is now a party or by which it is bound; or (ii) of any past, pending or threatened litigation, court order, or administrative proceeding, by which Redeveloper is or might become bound.
- (h) To the best of the knowledge of Redeveloper, Redeveloper is not aware of any hazardous waste or other significant environmental pollution condition or hazard existing on or within the Project Site.
- (i) Redeveloper acknowledges and agrees that neither the Agency nor the City shall be obligated to pay any costs related to the Multifamily Project other than costs to be paid from available TIF Revenues, if any, and Redeveloper hereby undertakes and agrees to pay any and all such costs. All costs of the Multifamily Project shall be paid in full and there are and shall be no construction liens unpaid against the Project Site or any of the improvements thereon.
- (j) Redeveloper agrees and covenants for itself, its successors and assigns that while this Redevelopment Contract is in effect, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Multifamily Project. Redeveloper, for itself and its successors and

assigns, agrees that during the construction of the Multifamily Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Multifamily Project.

- (k) Redeveloper agrees that any contractor providing services related to the Multifamily Project will utilize the federal immigration verification system, as defined in Section 4-114 of the Nebraska Revised Statutes, as amended or transferred, to determine the work eligibility status of new employees physically performing services on the Multifamily Project.
- (l) Prior to commencement of construction of the Multifamily Project, Redeveloper will own all real property within the Project Site, in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Contract by Redeveloper.
- (m) Any general contractor chosen by Redeveloper or Redeveloper itself shall obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and a penal bond as required by the Act and Section 11 of this Redevelopment Contract, if applicable. The Agency, the City and Redeveloper shall be named as additional insureds on such policies. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Multifamily Project to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "All Risk" insurance for physical loss or damage. The contractor or Redeveloper, as the case may be, with respect to any specific contract, shall also carry insurance on all stored materials. Upon request of the Agency or City, the contractor or Redeveloper, as the case may be, shall furnish the Agency and the City with a certificate of insurance evidencing policies as required above. Such certificates shall state that the insurance companies shall give the Agency and the City prior written notice in the event of cancellation of or material change in any of the policies.
- (n) At all times during the term of this Redevelopment Contract, Redeveloper shall maintain policies insuring the improvements located within the Project Site in an amount equal to one-hundred percent (100%) of their full insurable value.
- (o) With respect to the Multifamily Project, Redeveloper has not pursued or received, and will not pursue or receive, tax incentives under the Nebraska Advantage Act or the ImagiNE Nebraska Act, or a refund of the City's local option sales tax revenue.

- (p) Redeveloper represents and warrants that the Multifamily Project would not be financially feasible without the use of TIF, and therefore would not occur but-for the grant of TIF provided hereunder.
- (q) Subject to the approval rights contained herein, Redeveloper acknowledges and consents to the Agency filing those certain covenants, conditions, restrictions, and easements related to the construction, use and ownership of the residential subdivision comprising the Redevelopment Project, inclusive of the Multifamily Project and Project Site (referred to herein as the “**CCREs**”). Redeveloper further acknowledges and consents to the Agency filing those certain affordability covenants and restrictions governing the amount of rent which may be charged and/or the sale prices for the residential units constructed as part of the Redevelopment Project, inclusive of the Multifamily Project and Project Site (referred to herein as the “**Affordability Covenants**”). In accordance therewith, Redeveloper agrees to strictly comply with the CCREs and Affordability Covenants with respect to the Multifamily Project and/or Project Site. Redeveloper acknowledges and agrees that any action by the City or the Agency under this Redevelopment Contract shall not be deemed to be an approval, warranty, or other certification by the City or the Agency as to Redeveloper’s compliance under the CCREs or Affordability Covenants. The rights and obligations of the Parties under this Redevelopment Contract are conditioned upon Redeveloper’s review and approval of the CCREs and Affordability Covenants prior to said documents being filed against the Project Site. In the event the CCREs and Affordability Covenants are not acceptable to Redeveloper for Redeveloper’s intended use and operation of the Project Site, Redeveloper may terminate this Redevelopment Contract via written notice to the Agency and this Redevelopment Contract shall be void ab initio. Redeveloper acknowledges and agrees that if the Agency files the CCREs and Affordability Covenants against the Project Site, and Redeveloper subsequently closes on the purchase and sale of the Project Site, such act shall be deemed as an acceptance and approval of the CCREs and Affordability Covenants by Redeveloper.
- (r) Redeveloper acknowledges and agrees that vehicular ingress and egress to/from the Project Site shall be limited to two (2) driveway access points from 8th Street, at locations approved by the City, provided that the City may, in its discretion, approve an additional access point in the rear of the Project Site to connect with future development.
- (s) As part of the Multifamily Project, Redeveloper shall construct and maintain post-construction stormwater treatment and detention facility, with overflow discharge piping to the 8th Street storm sewer system, subject to the City’s oversight and approval.
- (t) Prior to commencement of construction of the Redevelopment Project, in addition to any other plan approval requirements under the CCREs, Redeveloper shall submit a landscaping plan for the entire Project Site to the City. Such landscaping

plan shall be subject to the City's review and approval, not to be unreasonably withheld.

- (u) As part of the Multifamily Project, Redeveloper shall construct two (2) sidewalk connections to the 8th Street trail being constructed by the City as part of the City Improvements for the Redevelopment Project.
- (v) Any exterior lighting within the Project Site shall be designed and constructed to be directed downward and pointed towards the interior of the Project Site, as to eliminate light pollution to neighboring properties.

Section 2. City Improvements; City Bond; Development Outside of Project Site; Conveyance of Project Site to Redeveloper.

For the benefit of the Redevelopment Area, the City will construct the City Improvements, as shown and/or described in the Plan. Among other sources, the City will finance the City Improvements via the Agency's issuance of the City Bond. The principal amount of the City Bond shall equal the difference between the amount of TIF authorized under the Plan, as may be amended, and the principal amount of the Redeveloper Bond, as set forth under Section 3, below. The interest rate for the City Bond shall be determined by the Agency, in its reasonable discretion. Debt service payments on the City Bond shall be funded from the TIF Revenues in accordance with the priority of payment set forth in Section 3 of this Redevelopment Contract. The City Bond and Redeveloper Bond are collectively referred to herein as the "**Bonds**".

As detailed above, the City Improvements will benefit the entire Redevelopment Area, inclusive of, but not limited to, the Project Site. The City and Agency anticipate that the Redevelopment Project will result in the development and redevelopment of the other parcels within the Redevelopment Area outside of the Project Site (such parcels being referred to herein as the "**Future Development Sites**"). In accordance with the Plan, the prospective development of the Future Development Sites constitutes additional phases of the Redevelopment Project, from which the TIF Revenues will be allocated as debt service on both the City Bond and Redeveloper Bond (in addition to the TIF Revenues derived from the Multifamily Project). Notwithstanding the foregoing, the Parties shall not have any obligations or liabilities to one another with respect to the Future Development Sites and/or the prospective development thereon, other than their respective obligations provided hereunder. Additionally, this Redevelopment Contract shall not confer any rights or remedies upon any person or entity, including but not limited to the owner(s) or future owner(s) of the Future Development Sites, other than the Parties hereto and their respective successors and permitted assigns.

Following the full execution of this Redevelopment Contract, Redeveloper and the Agency shall enter into a mutually-agreeable purchase and sale contract for the Project Site. In accordance therewith, the rights and obligations of the Parties under this Redevelopment

Contract are conditioned upon Redeveloper and Agency closing on the sale of the Project Site to Redeveloper. In the event the purchase and sale contract for the Project Site between Redeveloper and Agency is terminated prior to such closing, this Redevelopment Contract shall be void ab initio.

Section 3. Incorporation of Plan; Redeveloper Bond; Priority.

This Redevelopment Contract hereby incorporates the Plan by this reference. In order to provide for payment of some of the eligible improvements for the Multifamily Project set forth in the Plan and this Redevelopment Contract, as described in Exhibit D, attached hereto and incorporated herein (the "**Eligible Costs**"), the Agency shall proceed to issue the Redeveloper Bond on a form provided by the Agency and set forth in the Bond Resolution, in the principal amount not to exceed \$3,350,000, at an interest rate not to exceed 6.50%. In consideration of Redeveloper undertaking the Multifamily Project, the Agency shall issue the Redeveloper Bond to Redeveloper no earlier than thirty (30) days following the Agency's adoption of the Bond Resolution. At closing of the Redeveloper Bond, the loan to be accomplished by this Section and the obligation of the Agency to use the TIF Revenues for redevelopment purposes under this Redevelopment Contract may be accomplished by offset so that the Redeveloper retains the TIF Revenues and no bankable currency is exchanged at closing of the Redeveloper Bond, except as otherwise provided herein. The Redeveloper Bond shall be issued on the basis of interest which is includable in income for both federal and Nebraska State income taxes.

The "**Effective Date**" (as defined in the Act) for the division of TIF Revenues with respect to the Redevelopment Project, or portion thereof, shall be January 1 of the year in which a "Notice to Divide Tax for Community Redevelopment Project" (the "**Notice to Divide**") is filed with the offices of the Platte County Treasurer and Assessor, pursuant to Section 18-2147 of the Act, with respect to the Redevelopment Area, or portion thereof. The "redevelopment project valuation" (as defined in the Act) shall be the assessed value attributable to the Redevelopment Area, or applicable portion thereof, on January 1 of the year prior to the Effective Date. Redeveloper shall provide written notice to the Agency requesting filing of the Notice to Divide prior to July 1 of the calendar year in which Redeveloper wishes to establish the Effective Date for the Project Site. Upon receipt of said timely notice, and in conformance with Section 18-2147 of the Act, the Agency shall file the Notice to Divide for the Project Site on or before August 1 of such year. If Redeveloper fails to timely request filing of the Notice to Divide in accordance with this paragraph, neither the Agency nor City shall be liable for any damages stemming therefrom, including but not limited to, any loss, or potential loss, in TIF Revenues related to the failure to establish the Effective Date in the year desired. With respect to the Future Development Sites, the Agency shall determine, in its sole and exclusive discretion, the timing for filing of the Notice(s) to Divide. As between the Project Site and the Future Development Sites, it is anticipated that the various parcels within the Redevelopment Area may be subject to different Notices to Divide, and thereby have different Effective Dates. The parcel or collection of parcels included within the same Notice to Divide is referred to herein as a "**Phase**".

The Bonds shall constitute a limited obligation of the Agency payable exclusively from the TIF Revenues generated from the Redevelopment Project pursuant to Section 18-2147 of the

Act and collected for a period not to exceed fifteen (15) tax years from the Effective Date of each Phase. Prior to receipt of any TIF Revenues, the Agency shall create a special fund established solely to make payments on the Bonds. Upon receipt of the TIF Revenues, the Agency shall first deposit the TIF Revenues into the special fund, and shall disburse said funds to the holders of the Bonds (but only from available TIF Revenues), at the times provided in the Bonds, in accordance with the following priority:

- (a) Fifty percent (50%) of annual TIF Revenues derived from the Redevelopment Project on the entire Redevelopment Area shall be disbursed and allocated towards debt service on the Redeveloper Bond.
- (b) Fifty percent (50%) of annual TIF Revenues derived from the Redevelopment Project on the entire Redevelopment Area shall be disbursed and allocated towards debt service on the City Bond.
- (c) Following the full payment of all principal and interest on either the Redeveloper Bond or City Bond, one hundred percent (100%) of the TIF Revenues derived from the Redevelopment Project on the entire Redevelopment Area shall be disbursed and allocated towards debt service on the portion of the Bonds that remains outstanding, until full payment or final maturity thereof, whichever occurs first.

The principal amount paid on the Redeveloper Bond and City Bond, as applicable, shall not exceed the aggregate amount of Eligible Costs incurred by Redeveloper and City, respectively, as evidenced by paid invoices or other materials tendered to the Agency ("**Eligible Costs Certifications**"). Each such reimbursement hereunder shall be and constitute a grant to Redeveloper or City, as applicable, made under the terms of this Redevelopment Contract and the Act. Redeveloper and City may submit one or more partial Eligible Costs Certifications prior to expenditure of all Eligible Costs providing certification of receipt of billings for work in progress. All Eligible Costs Certifications shall be subject to review and approval by the Agency prior to the funding of such Eligible Costs. If Redeveloper fails to submit Eligible Cost Certifications in an amount equal to or greater than the principal amount on the Redeveloper Bond upon completion of the Multifamily Project, the principal and interest amounts on the Redeveloper Bond shall be reduced to the amount of Eligible Costs Certifications received/approved by the Agency; and Redeveloper shall cooperate with respect to all actions reasonably necessary, in the Agency's discretion, to accomplish the same.

Section 4. Workforce Housing Project; Conditions Related Thereto.

As set forth in the Plan, and pursuant to the Act and the workforce housing incentive plan adopted by the City in accordance therewith (the "**Incentive Plan**"), this Redevelopment Contract specifically contemplates and authorizes the use of TIF for the residential improvements constructed as part of the Multifamily Project that meet the criteria set forth under Section 18-2103(32)(c) of the Act, as may be adjusted from time to time (referred to herein as "**Workforce Housing TIF**").

So long as the residential units constructed as part of the Multifamily Project comply with the criteria set forth under 18-2103(32)(c) of the Act, such improvements shall be considered “Workforce Housing” under the Act, and shall be eligible for treatment as such with respect to the City’s administration of TIF (i.e., such improvement shall constitute Eligible Costs).

If some, but not all, of the residential units constructed by Redeveloper meet the eligibility criteria for Workforce Housing TIF, only the qualifying units shall be eligible for Workforce Housing TIF. Any ineligible portion(s) or unit(s) shall still qualify for normal TIF, but the hard construction costs of the private improvements associated with such ineligible unit(s) shall not be considered Eligible Costs.

To ensure compliance with the foregoing, upon Redeveloper’s submission of any Eligible Cost Certification which includes costs associated with the hard construction costs for private improvements (i.e., the construction of the physical apartment building(s) and units therein), such Eligible Cost Certification shall be supported and/or supplemented by sufficient documentation evidencing that the residential units associated therewith met the criteria under 18-2103(32)(c) of the Act. Unless and until the Agency receives the same, such improvements will not be deemed as Eligible Costs.

Section 5. Covenants With Respect to Taxation of Project Site.

Redeveloper agrees with respect to the Multifamily Project as follows:

- (a) Until the termination of this Redevelopment Contract, the Multifamily Project shall be operated for the use substantially similar to that contemplated in the Plan and this Redevelopment Contract, and no sale or conveyance of the Project Site (inclusive of the improvements thereon), or a portion thereof, shall be made to any person or entity for ownership or use which would cause the real property within the Project Site to be eligible for exemption from ad valorem taxes under Section 77-202 of the Nebraska Revised Statutes, as now existing or hereafter amended, or any successor provision thereto, and that it will not make application for any structure, or any portion thereof, to be taxed separately from the underlying land of any lot.
- (b) Redeveloper intends to create a taxable real property valuation of not less than \$26,400,000 within the Project Site (the “**Minimum Valuation**”) no later than January 1, 2027. From and after the effective date of this Redevelopment Contract, and so long as the Redeveloper Bond remains outstanding and unpaid, Redeveloper, together with its successors and assigns, including subsequent purchasers of land within the Project Site, shall not protest any taxable valuation assessed for the Project Site, as determined by the appropriate assessing and taxing officials of Platte County, Nebraska, for purposes of local ad valorem real estate taxes, to an amount below the Minimum Valuation.
- (c) If, during the period of this Redevelopment Contract, Redeveloper’s 50% allocation of the TIF Revenues from the Redevelopment Project on the entire

Redevelopment Area are not sufficient to provide debt service on the Redeveloper Bond: (1) if Redeveloper has monetized the Redeveloper Bond by pledging it to its lender, Redeveloper shall solely be responsible for all payments due to such lender; and (2) in the event of a shortfall of TIF Revenues available as debt service on the Redeveloper Bond, Redeveloper agrees to defer receipt of any such shortfall. If Redeveloper defers the receipt of any such shortfall amounts as required hereunder, Redeveloper shall, subject to the payment priorities set forth under Section 3, be entitled to receive reimbursement of any such shortfall payment to the extent TIF Revenues later become available during the division period prescribed by the Act in an amount in excess of the amount necessary to meet the current debt service payments. Redeveloper shall and hereby does unconditionally forgive any such shortfall amounts remaining unpaid on the Redeveloper Bond at the end of the period for the division of ad valorem real estate taxes prescribed by the Act. Redeveloper shall have no obligations with respect to any shortfall on the City Bond.

- (d) Redeveloper, its successors and assigns, including subsequent purchasers of land within the Project Site, further agree as follows:
 - (i) to pay all local ad valorem real estate taxes for the Project Site as levied and assessed before the same become delinquent; and
 - (ii) not to seek any administrative review or judicial review of the applicability or validity of any tax statute relating to taxation of the Project Site or to raise such inapplicability or invalidity as a defense in any administrative or judicial proceedings; and
 - (iii) not to seek any tax deferral or tax abatement with respect to local ad valorem taxes, either as presently or prospectively authorized under any law of the State of Nebraska or federal law with respect to the Project Site; and
 - (iv) to pay or cause to be paid, when due and before any fine, penalty, interest or cost may be added thereto for the non-payment thereof, all water and sewer rates and charges, occupancy tax, special assessments and other governmental levies and charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, which are assessed, levied, confirmed, imposed or become payable with respect to the Project Site or Multifamily Project; provided, however, that any special assessments levied for water, sewer or paving improvements shall be permitted to be paid as the same fall delinquent and may bear interest from the date of levy or other appropriate date set by the levying body; and
 - (v) to retain copies of all supporting documents (as defined under Section 18-2119(4) of the Act) generated and received by Redeveloper in relation to

the Multifamily Project or Plan until the expiration of three years following the end of the last fiscal year in which TIF are divided in relation to the Redevelopment Project. This Section 5(d)(v) shall survive the expiration or termination of this Redevelopment Contract.

Section 6. Release and Indemnification.

Redeveloper hereby releases from and covenants and agrees that the Agency and the City, together with their governing body, officers, agents, including their independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purpose of this Section 6, collectively, the “**Indemnified Parties**”), shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect arising from the Multifamily Project or within the Project Site. Provided, however, such release shall not be deemed to include such liability actions arising directly out of the willful misconduct of the Agency or the City.

Additionally, the Indemnified Parties shall not have any pecuniary obligation or monetary liability under this Redevelopment Contract with respect to the Multifamily Project or Project Site. The obligation of the Indemnified Parties on the Bonds or any indebtedness contemplated hereunder shall be limited solely to the TIF Revenues generated by the Redevelopment Project pledged as security for such indebtedness. Specifically, but without limitation, the Indemnified Parties shall not be liable to Redeveloper or any other third party for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder.

Section 7. Covenants to Run with the Land; Easement; Recording of Redevelopment Contract.

Redeveloper and Agency agree and acknowledge that this Redevelopment Contract and the undertakings of Redeveloper and the Agency as herein provided for shall be considered as and constitute covenants running with the land binding upon Redeveloper and the Agency and their successors and assigns and upon each successive owner of the Project Site or any portion thereof. Redeveloper hereby acknowledges and agrees that by the terms of this Redevelopment Contract it is binding and obligating any and all of its interest in the Project Site, now or hereafter acquired, and hereby covenants and warrants for the benefit of the Agency and the registered owner of the Redeveloper Bond that Redeveloper shall defend such interest in the Project Site against the claims and interests of any and all persons. Redeveloper shall record a memorandum of this Redevelopment Contract, in a form approved by the Agency, against all real estate located in the Project Site and such document shall remain of record until termination of this Redevelopment Contract. The Agency and City shall have the authority to execute the memorandum without additional public determinations or meetings. As and to the extent that this Redevelopment Contract does not have priority by order of recording over each and every mortgage or other instrument securing indebtedness of Redeveloper, Redeveloper hereby agrees to obtain the written agreement in recordable form from each mortgagee or other encumbrancer having any such priority, which written form acknowledges and agrees to the terms of this

Redevelopment Contract, unless waived in writing by the Agency. Redeveloper agrees to provide the Agency with a title report or other evidence as to the status of title to the Project Site after the recording of the memorandum of this Redevelopment Contract. After the Redeveloper Bond has been paid in full, Redeveloper or any successor or assign of Redeveloper shall have the right to request in writing and the Agency shall, upon such request, execute and deliver an appropriate instrument evidencing the termination of this Redevelopment Contract and of the covenants and undertakings herein provided. The Agency shall have the right, from time to time in its sole and reasonable discretion, to release specific parcels or lots located within the Redevelopment Area, other than the Project Site, from any or all of the specific provisions of this Redevelopment Contract.

Section 8. Default and Remedies upon Default.

Redeveloper and Agency agree with respect to any defaults or failures of performance by Redeveloper or Agency as follows:

- (a) The following shall constitute "Events of Default" under the terms of this Redevelopment Contract:
 - (i) failure by Redeveloper or Agency to observe timely or perform timely any covenant, condition, obligation or agreement on its part to be observed or performed under this Redevelopment Contract;
 - (ii) any representation or warranty made herein by Redeveloper or Agency proves untrue in any respect reasonably deemed to be material by the other Party;
 - (iii) an event of default or material breach by or attributable to Redeveloper relating to the Multifamily Project or any portion thereof, including, without limitation, breach of the terms of any agreement or other instrument relating to the financing or construction thereof; or
 - (iv) Redeveloper makes an assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt or petitions for an order for relief, petitions or applies to any tribunal for the appointment of any receiver or any trustee or a debtor in possession of Redeveloper or any part of its property or commences any proceeding related to Redeveloper under any reorganization, arrangement, readjustment of debt, dissolution or liquidation act, code, law or statute of any jurisdiction, whether now or hereafter in effect, or if there is commenced against Redeveloper any such proceedings and Redeveloper by any act indicates its consent or approval of or acquiescence in any such proceeding or the appointment of any receiver or any trustee or debtor in possession for Redeveloper or any part of its property or suffers any such receivership or trusteeship.

- (v) an event of default or material breach by or attributable to Redeveloper, or in relation to the Multifamily Project and/or Project Site, under the CCREs or Affordability Covenants.
- (b) Whenever an Event of Default occurs, and is not cured within thirty (30) days after written notice from a non-defaulting Party, in addition to all other remedies available to the Agency or Redeveloper at law or in equity, the Agency or Redeveloper may: (1) suspend its performance under this Redevelopment Contract until receiving adequate assurances from Redeveloper or Agency that Redeveloper or Agency has cured the default and will continue performance under this Redevelopment Contract; and/or (2) take such action at law or in equity as the Agency or Redeveloper reasonably deem appropriate, including specific performance or injunction to enforce or compel performance of the provisions of this Redevelopment Contract; provided that the remedy of specific performance against Redeveloper shall not include or be construed to include the covenant to build or construct the Multifamily Project.
- (c) In addition to the remedies under Section 8(b), the Agency shall have the following additional remedies upon an Event of Default by Redeveloper:
 - (i) If at any time during the term of this Redevelopment Contract an Event of Default by Redeveloper shall occur and remain continuing, the City or Agency shall have the right, but not the obligation, to cure such breach on behalf of Redeveloper with respect to the construction of the improvements characterized as Eligible Costs. If the City or Agency elects to cure a breach of Redeveloper, Redeveloper shall reimburse the City or Agency for the documented and reasonable costs of curing Redeveloper's breach within 30 days of demand from City or Agency given to Redeveloper. If Redeveloper's breach can be cured by the payment of Eligible Costs, the City or Agency may cure such defect and obtain reimbursement, with notice to Redeveloper, via a set off to the principal amount of the Redeveloper Bond equal to the Eligible Costs reasonably expended by the City or Agency. The Eligible Costs expended by the City or Agency must be certified by the City or Agency to the holder of the grant proceeds and all subsequent distributions of TIF Revenues shall be distributed to the City or Agency, as applicable, until such Eligible Costs expended by the City or Agency have been reimbursed in full. Interest shall accrue on the amount expended by the City or Agency at the rate provided in the Redeveloper Bond and such interest shall commence from the date that the Agency gives notice to Redeveloper of Redeveloper's Event of Default.
 - (ii) If at any time during the term of this Redevelopment Contract an Event of Default by Redeveloper shall occur and remain continuing, following written notice from the Agency to Redeveloper of such Event of Default, the Agency may withhold any TIF Revenues received, and shall not be

required to remit said TIF Revenues as debt service on the Redeveloper Bond unless and until Redeveloper cures the Event of Default.

- (iii) If at any time during the term of this Redevelopment Contract an Event of Default by Redeveloper shall occur and remain continuing and uncured for a period of more than sixty (60) days after written notice from the Agency to Redeveloper of such Event of Default, unless Redeveloper has commenced to cure the same and is diligently prosecuting the same to completion, the Agency may, upon further written notice to Redeveloper, terminate and void the Redeveloper Bond, in which case Redeveloper shall reimburse the Agency in amount equal to all TIF Revenues previously paid towards the Redeveloper Bond, within thirty (30) days' of the Agency's written notice.
- (d) No remedy herein conferred upon or reserved to the Agency or the registered owner of the Redeveloper Bond is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Redevelopment Contract or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
- (e) If any provision of this Redevelopment Contract is breached by a Party and thereafter waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.
- (f) Anything in this Section 8 to the contrary notwithstanding, none of the events described in subsection 8(a)(iv) above shall, on their own, constitute an Event of Default after the Multifamily Project has been completed.

Section 9. Status of Agency and City.

Neither the Agency nor the City is or shall be regarded as the partner, joint venturer or other jointly acting party with Redeveloper for any purpose whatsoever and the undertakings and agreements on the part of the Agency herein provided for are undertaken solely pursuant to the provisions of Sections 18-2101 to 18-2150 of the Act and for the limited governmental purposes of promoting and encouraging redevelopment of a blighted and substandard area. Redeveloper acknowledges that Redeveloper or its successors and assigns are and shall remain in control of the Multifamily Project for all purposes provided that Redeveloper acknowledges and agrees that the City is and shall be the owner of and shall be in control of all public street, sewer and water improvements constituting a part of or serving the Multifamily Project.

Section 10. Manner of Sale of Bond; Payment of Agency's Legal Fees.

Redeveloper agrees either to purchase the Redeveloper Bond for the principal amount thereof or to find a purchaser for the Redeveloper Bond upon terms and conditions acceptable to the Agency. The loan to be accomplished by this Section, and the obligation of the Agency to remit the TIF Revenues for the Redevelopment Project as debt service on the Redeveloper Bond, may be accomplished by offset in consideration of Redeveloper's warranties and obligations hereunder, so that Redeveloper retains the TIF Revenues and no bankable currency is exchanged between the Parties at closing of the Redeveloper Bond, except as otherwise required hereunder. If the Agency so requests, Redeveloper shall, from time to time, furnish the Agency with satisfactory evidence as to the use and application of the TIF Revenues.

Upon full execution and effectiveness of this Redevelopment Contract, Redeveloper shall reimburse the Agency for its legal fees incurred in relation to the Multifamily Project in the amount of \$12,000. Prior to or contemporaneously with issuance of the Redeveloper Bond, Redeveloper shall reimburse the Agency for its legal fees incurred in relation to the issuance of the Redeveloper Bond in the additional amount of \$3,000. Such reimbursements shall be payable directly to the Agency or Agency's special counsel, at the direction of the Agency.

Section 11. Indemnification and Penal Bond

Redeveloper hereby agrees to indemnify and save the City and Agency harmless from any payment or liability to which the City or Agency may become subject for carrying out of any contract entered into by Redeveloper with respect to the Multifamily Project. Redeveloper agrees to procure, through itself or its contractors, a bond (or bonds) for the payment of costs to the extent required under Section 18-2151 of the Act. The City and Agency shall be included as co-obligees on any such bond (or bonds). Prior to undertaking any construction upon public lands or within a public right-of-way, as applicable, Redeveloper shall provide a copy of such bond (or bonds) to the Agency, evidencing that the same is in effect in accordance with the requirements of this Section.

Section 12. Additional Parties Added as Redeveloper.

The Parties specifically agree that additional parties or entities may be admitted to and included within the meaning of the term "Redeveloper" upon the mutual written consent of both Parties.

Section 13. Redevelopment Contract Binding Upon Successors and Assigns.

This Redevelopment Contract is made for the benefit of Redeveloper, the Agency, the City and the registered owners from time to time of the Bonds as third party beneficiaries. This Redevelopment Contract shall be binding upon the Agency, City and Redeveloper, and any successors or assigns thereof. Redeveloper may assign its interests under this Redevelopment Contract, in whole or in part, and/or convey the Project Site, or a portion thereof, to an unrelated third party, upon the prior written approval of the Agency and City, not to be unreasonably withheld. The Agency, City and Redeveloper acknowledge and agree that, in the event

Redeveloper assigns its rights and obligations under this Redevelopment Contract, in whole or in part, to any assignee, Redeveloper and the assignee shall both be bound by the terms of the Plan and this Redevelopment Contract (as and to the extent of any such assignment with respect to the assignee). No assignment by Redeveloper to the assignee shall be effective until a written instrument binding the assignee under the terms of the Plan and this Redevelopment Contract (as and to the extent of such assignment), duly acknowledged and in recordable form, has been executed and delivered by the assignee and recorded in the real estate records of Platte County, Nebraska, with respect to the Project Site.

Section 14. Titles of Sections.

Any titles of the several Sections of this Redevelopment Contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions hereof.

Section 15. Notices.

Except as otherwise specified herein, all notices hereunder shall be in writing and shall be given to the relevant Party at its address set forth below, or such other address as such Party may hereafter specify by notice to the other given by United States mail or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices hereunder shall be addressed:

- (a) in the case of Redeveloper, if mailed to or delivered personally to:

Vitality Apartments, LLC
c/o Spencer Lombardo
18210 Camelback Ave.
Omaha, NE 68136

with a copy to:

Cline Williams Wright Johnson & Oldfather, L.L.P.
c/o Andrew Willis
233 South 13th Street; Suite 19
Lincoln, NE 68508

- (b) in the case of Agency and/or City, if mailed to or delivered personally to:

City of Columbus, Nebraska
c/o City Administrator
2500 14th Street, Suite 3
P.O. Box 1677
Columbus, NE 68602

Each such notice, request or other communication shall be effective (i) if given by mail, five (5) days after such communication is deposited in the mail, certified or registered with return receipt requested, addressed as aforesaid or (ii) if given by any other means, when delivered at the addresses specified in this Section 14 or at any such other address with respect to any such Party as that Party may, from time to time, designate in writing and forward to the other Party as provided in this Section.

Section 16. Severability.

If any provision of this Redevelopment Contract shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case, for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative and unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained, invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, sections or paragraphs in this Redevelopment Contract shall not affect the remaining portions of this Redevelopment Contract or any part thereof.

Section 17. Counterparts.

This Redevelopment Contract may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 18. Law Governing.

The Parties agree that this Redevelopment Contract shall be governed and construed in accordance with the laws of Nebraska.

Section 19. Time of the Essence.

Time shall be of the essence of this Redevelopment Contract.

Section 20. Termination.

This Redevelopment Contract shall commence as of the date first above written and shall terminate upon the earlier of the date on which TIF Revenues for the Redevelopment Project may no longer be divided under Section 18-2147 of the Act, or payment of all principal and interest owed toward the Bonds.

Section 21. Force Majeure Event.

No Party shall be considered in breach of, or in default in its obligations with respect to any of the obligations under this Redevelopment Contract in the event that a delay in the performance of such obligations is caused by a Force Majeure Event. A “**Force Majeure Event**” means any failure or delay in performance by a Party that is proximately caused by

unforeseeable causes beyond its control and without its fault or negligence, such as acts of God, wars or insurrections, pandemics, and epidemics, among others. In the event of the occurrence of any such delay due to a Force Majeure Event, the time or times for performance of the obligations of the delayed Party shall be extended for the period of Force Majeure Event, as determined by the mutual agreement of the Parties. Any Party claiming such excused delay as the result of a Force Majeure Event shall, within twenty (20) days after the beginning of any such Force Majeure Event, notify the other Party in writing of the cause or causes thereof, and request an extension for the period of the delay.

Section 22. Effect of Redevelopment Contract.

This Redevelopment Contract (including the Plan as incorporated by reference) constitutes the entire understanding by and between the Parties concerning the subject matter hereof, and supersedes and replaces all prior agreements. No other prior or contemporaneous representations, inducements, promises or agreements, oral or otherwise, between or among the Parties relating to the subject matter hereof and not embodied in this Redevelopment Contract shall be of any force and effect.

(Signatures on following pages)

IN WITNESS WHEREOF, the Agency and Redeveloper have caused this Redevelopment Contract to be executed by their duly authorized representatives.

COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF COLUMBUS, NEBRASKA

By: *James B. Borkley*
Chairperson

ATTEST:

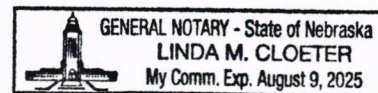
Shuraya Choat
Secretary



STATE OF NEBRASKA)
) ss.
COUNTY OF PLATTE)

The foregoing instrument was acknowledged before me this 5 day of August, 2024, by James B. Borkley, Chairperson, and Shuraya Choat, Secretary, of the Community Development Agency of the City of Columbus, Nebraska on behalf of such agency.

Linda M. Cloeter
Notary Public



VITALITY APARTMENTS, LLC,
a Nebraska limited liability company

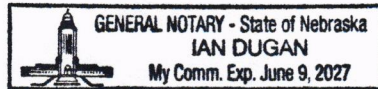
By: [Signature]

Name: SPENCER LOMBARDO

Title: MEMBER

STATE OF Nebraska)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 18th day of Sept., 2024, by SPENCER LOMBARDO, the member of Vitality Apartments, LLC, a Nebraska limited liability company, on behalf of the company.



[Signature]
Notary Public

Exhibit A
Redevelopment Area

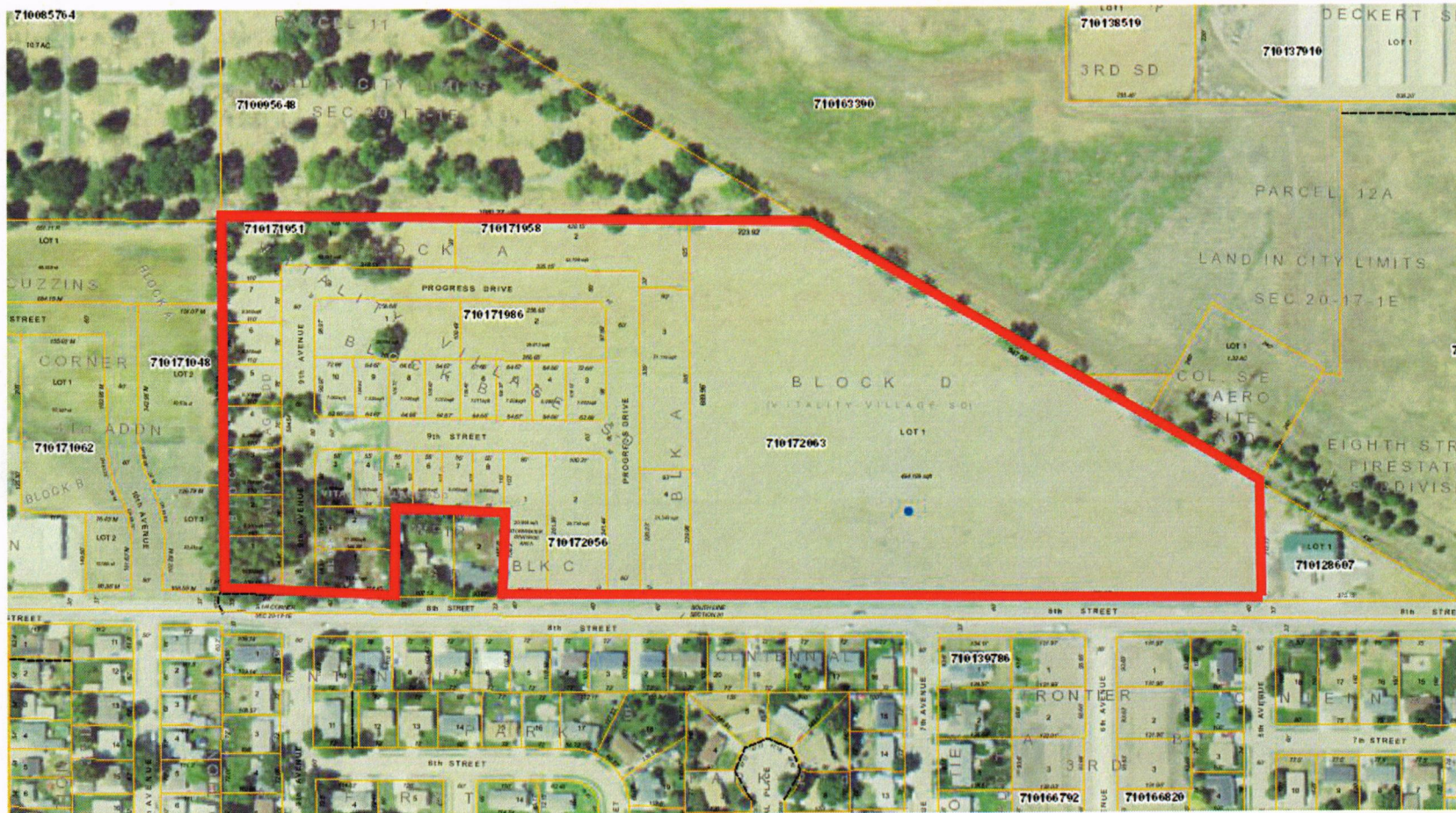
Legal Description:

Lots 1-4, Block A, and Lots 1-10, Block B, and Lots 1 and 2, Block C, and Lot 1, Block D, all in Vitality Village Subdivision, a Subdivision of Lots 8-11, Block A, and Lots 1-12, Block B, and Lots 9-13, Block C, and Lots 1 and 2, Block D, Vitality Village Addition to the City of Columbus, Platte County, Nebraska; AND

Lots 1-7, Block A, and Lots 1-8, Block C, all in Vitality Village Addition to the City of Columbus, Platte County, Nebraska.

* In the event the Redevelopment Area is replatted or subdivided as part of the Redevelopment Project, the legal description(s) for the Redevelopment Area derived from any such replat or subdivision approved by the City of Columbus, Nebraska, shall supersede the legal description provided above.

Redevelopment Area Depiction:



* Redevelopment Area outlined in red

Exhibit B
Project Site

Legal Description:

Lot 1, Block D, Vitality Village Subdivision, a Subdivision of Lots 8-11, Block A, and Lots 1-12, Block B, and Lots 9-13, Block C, and Lots 1 and 2, Block D, Vitality Village Addition to the City of Columbus, Platte County, Nebraska.

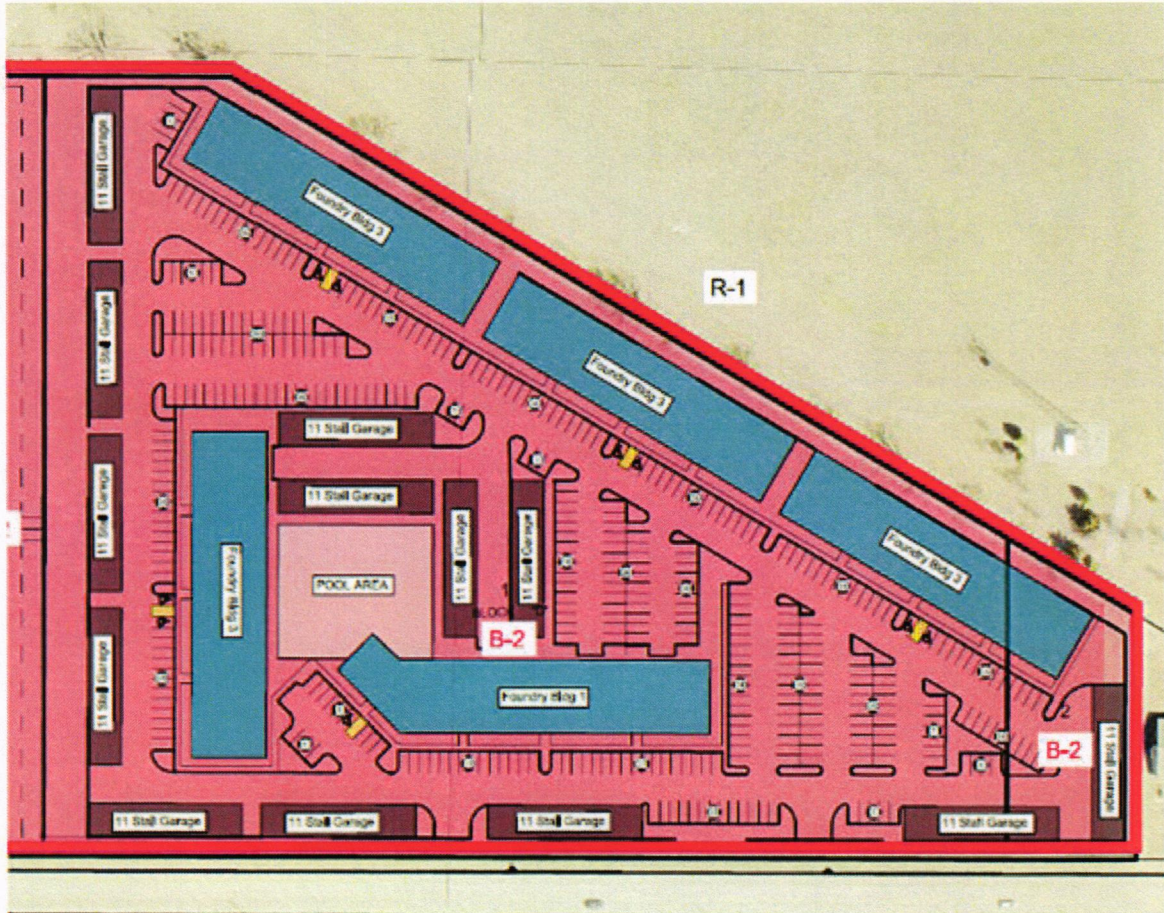
* In the event the Project Site is replatted or subdivided as part of the Redevelopment Project, the legal description(s) for the Project Site derived from any such replat or subdivision approved by the City of Columbus, Nebraska, shall supersede the legal description provided above.

Project Site Depiction:



* Project Site outlined in red

Exhibit C
Multifamily Project Plan



Conceptual Renderings:



* The site plans contained under this Exhibit C are for reference purposes only and are subject to change.

Exhibit D
Projected TIF Uses

Redeveloper's Eligible Costs/Projected TIF Uses

Land Acquisition:	\$350,400
Workforce Housing Improvements:***	\$31,440,000
Architecture and Engineering:	\$339,000
<u>Legal Fees:</u>	<u>\$15,000</u>
TOTAL:	\$32,144,400

City's Eligible Costs/Projected TIF Uses

Land Acquisition:	\$790,965
Mobilization & Site Preparation:	\$51,925
Storm Water:	\$78,300
Paving:	\$1,763,550
Storm Sewer:	\$758,000
Water:	\$415,400
Sanitary Sewer:	\$428,500
Contingency:	\$428,664
Legal and Consulting Fees:	\$42,886
<u>8th Street Roundabouts:</u>	<u>\$3,300,000</u>
TOTAL:	\$8,058,170

* The above figures are only estimates of the Eligible Costs and other costs, and such actual costs will be reflected in the Eligible Costs Certifications required under Section 3 of the Redevelopment Contract.

** All Eligible Costs contemplated in the Plan and not otherwise specified herein shall be included as Eligible Costs for purposes of this Redevelopment Contract under this Exhibit D.

*** Subject to meeting the criteria of Workforce Housing TIF, as detailed under Section 4 of the Redevelopment Contract.