



CITY OF SEWARD
City Council
Regular Meeting
Agenda

Tuesday, March 17, 2020 7:00 PM

Municipal Building Council Chambers

NOTICE IS HEREBY GIVEN that a meeting of the City Council of the City of Seward, Nebraska will be held at 7:00 PM on Tuesday, March 17, 2020, in Municipal Building Council Chambers 142 North 7th St, Seward, NE 68434, which meeting will be open to the public. The Mayor and City Council reserve the right to adjourn into Closed Session as per Section 84-1410 of the Nebraska Revised Statutes. An Agenda for such meeting, kept continually current, is available at the Office of the City Clerk, 537 Main Street, Seward, Nebraska, during normal business hours. Individuals requiring physical or sensory accommodations, who desire to attend or participate, please contact the City Clerk's Office at 402.643.2928 no later than 3:30 PM on the Friday preceding the Council Meeting.

City financial claims and related invoices will be available for Council member review, audit and voluntary signatures at Council Chambers beginning 30 minutes prior to the scheduled meeting time.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

DISCLOSURE OF OPEN MEETINGS ACT & OTHER NOTIFICATIONS

This is an Open Meeting of the Seward Nebraska Governing Body. The City of Seward abides by the Nebraska Open Meetings Act in conducting business. A copy of the Nebraska Open Meetings Act is displayed on the north wall of this meeting room facility as required. Disclosure of meeting recording processes is posted in the Meeting Room. A participant sign-in sheet is available for use by any Citizen addressing the Council. Presenters shall approach the podium, state their name & address for the Clerk's record and are asked to limit remarks to five minutes. All remarks shall be directed to the Mayor who shall determine by whom any appropriate response shall be made. The City of Seward reserves the right to adjust the order of items on this Agenda if necessary and may elect to take action on any of the items listed.

ROLL CALL

MINUTES

1. Draft Minutes of March 3, 2020 - City Clerk Otte

CONSENT AGENDA

1. Claims & Payables Reports
2. City Treasurer Report
3. City Codes Director Report
4. Police Department Report
5. Add Daniel Molsen and Zachary Pilfold to Volunteer Firefighter Roster
6. Infrastructure Cost Items Reimbursable Back to the City

PUBLIC HEARINGS

1. Public Hearing - 7:00 p.m. - Voluntary Request for Annexation of Walmart Subdivision, North Addition Lots 2 & 3 (North of Walmart) - Building/Zoning & Code Enf Director Dworak
 - A. Ordinance Annexing Walmart Subdivision, North Addition, Lots 2 & 3 to the City of Seward - City Administrator Butcher
2. Public Hearing - 7:00 p.m. - Preliminary and Final Plat of Walmart Subdivision, North Addition (North of Walmart) - Building/Zoning & Code Enf Director Dworak
 - A. Ordinance Approving Preliminary and Final Plat of Walmart Subdivision, North Addition, a Subdivision of a Portion of the Southwest Quarter, Section 33, Township 11 N, Range 3 East of the 6th PM, City of Seward - City Administrator Butcher
 - B. Subdivision Agreement Between Brian and Cindy Fehlhafer and City of Seward for Walmart Subdivision, North Addition - City Administrator Butcher
3. Public Hearing - 7:00 p.m. - Re-zone Application Walmart Subdivision, North Addition (North of Walmart) from AG Agricultural District to C-2 Highway Commercial District - Building/Zoning & Code Enf Director Dworak
 - A. Ordinance Amending the Official Zoning Map of the City of Seward, Rezoning Tract of Land Within the Corporate Limits of the City, Specifically, East of Highway 15 and North of Walmart from AG Agricultural District to C-2 Highway Commercial - City Administrator Butcher
4. Public Hearing - 7:00 p.m. - Special Use Permit for Seward Memorial Healthcare Subdivision, Lot 1 - 250 North Columbia Ave.- Third Story Addition to be Exempt from Height Limit Restrictions - Building/Zoning/Code Enf Director Dworak
5. Public Hearing - 7:00 p.m. - Tax Increment Financing Application of the Alps Dog Retreat/Scott Dinslage, 511 Bradford St., Seward- TIF Attorney Willis
 - A. Presentation and Review of Redevelopment Application
 - B. Presentation and Review of Redevelopment Plan Amendment and Cost Benefit Analysis
 - C. Presentation and Review of Redevelopment Agreement
 - D. Resolution Approving the Redevelopment Plan Amendment and Adopting a Cost Benefit Analysis for the Redevelopment Project
 - E. Resolution Approving the Redevelopment Agreement for a Redevelopment Project Including the Issuance of TIF Indebtedness for the Redevelopment Project and Other Such Actions Under the Community Development Law
6. Public Hearing - 7:00 p.m. - Tax Increment Financing Application of KACH Investment, LLC/Alyssa & Carey Hendrix, 139 N 6th St., Seward - TIF Attorney Willis
 - A. Presentation and Review of Redevelopment Application
 - B. Presentation and Review of Redevelopment Plan Amendment and Cost Benefit Analysis
 - C. Presentation and Review of Redevelopment Agreement
 - D. Resolution Approving the Redevelopment Plan Amendment and Adopting a Cost Benefit Analysis for the Redevelopment Project
 - E. Resolution Approving the Redevelopment Agreement for a Redevelopment Project Including the Issuance of TIF Indebtedness for the Redevelopment Project and Other Such Actions Under the Community Development Law

7. Public Hearing - 7:00 p.m. - Tax Increment Financing Application of KACH 510 LLC/Alyssa & Carey Hendrix, 640 & 644 Seward St., Seward - TIF Attorney Willis
 - A. Presentation and Review of Redevelopment Application
 - B. Presentation and Review of Redevelopment Plan Amendment and Cost Benefit Analysis
 - C. Presentation and Review of Redevelopment Agreement
 - D. Resolution Approving the Redevelopment Plan Amendment and Adopting a Cost Benefit Analysis for the Redevelopment Project
 - E. Resolution Approving the Redevelopment Plan Agreement for a Redevelopment Project Including the Issuance of TIF Indebtedness for the Redevelopment Project and Other Such Actions Under the Community Development Law
8. Public Hearing - 7:00 p.m. - Tax Increment Financing Application of KACH Roberts Building, LLC/Alyssa & Carey Hendrix, 647 Seward St., Seward - TIF Attorney Willis
 - A. Presentation and Review of Redevelopment Application
 - B. Presentation and Review of Redevelopment Plan Amendment and Cost Benefit Analysis
 - C. Presentation and Review of Redevelopment Agreement
 - D. Resolution Approving the Redevelopment Plan Amendment and Adopting a Cost Benefit Analysis for the Redevelopment Project
 - E. Resolution Approving the Redevelopment Plan Agreement for a Redevelopment Project Including the Issuance of TIF Indebtedness for the Redevelopment Project and Other Such Actions Under the Community Development Law
9. Public Hearing - 7:00 p.m. - Presentation and Discussion of Functioning and Progress of the Seward Economic Development Plan - City Administrator Butcher

ADMINISTRATIVE ITEMS

1. Amendment to the Letter Agreement for Professional Services with Olsson for Providing Professional Services at the Highway 15 Turnlane Improvements Project in the Seward Rail Campus Area - City Administrator Butcher
2. Updated Job Descriptions for Golf Shop Manager, Golf Shop Seasonal Employee and Summer Seasonal Laborer - City Administrator Butcher
3. Ordinance Amending the Comprehensive Pay Plan, Amending the Pay Line for Golf Shop Manager - City Administrator Butcher
4. Resolution Establishing Rates for Rental of the Seward Community Golf Course Clubhouse Dining Room/Kitchen - City Administrator Butcher
5. Announcement of Unallocated Downtown Revitalization Grant (DTR) Funds, Opening Process and Acceptance of Additional Applications for Funding, and Setting an Application Deadline of April 8, 2020 - City Administrator Butcher

REPORTS

1. City Administrator's Report - City Administrator Butcher

FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

ANNOUNCEMENT OF UPCOMING EVENTS

MOTION TO ADJOURN

March 3, 2020

The Seward City Council met at 7:00 p.m. on Tuesday, March 3, 2020, with Mayor Joshua Eickmeier presiding and Assistant Administrator /Clerk-Treasurer /Budget & Human Resources Director Bonnie Otte recording the proceedings. Upon roll call, the following Councilmembers were present: Jonathon Wilken, Ellen Beck, Sid Kamprath, Jessica Kolterman, Karl Miller, John Singleton, Chris Schmit, Alyssa Hendrix. Absent: None. Other officials present: City Administrator Greg Butcher. City Attorney Kelly Hoffschneider entered the meeting at 7:02 p.m.

Notice of the meeting was given in advance thereof by the method of communicating advance notice of the regular and special meetings of the City Council of the City of Seward, Nebraska, as stated in Ordinance No. 2015-08, which was adopted on the 5th day of May, 2015; said method stating that the notice of such meeting, with the agenda thereon, be posted in the following places: City Hall, Seward County Courthouse, Municipal Building, and Seward Memorial Library. The certificate of posting notice is attached to these minutes. Notice of this meeting was simultaneously given to the Mayor and all members of the City Council and a copy of their acknowledgment of receipt of notice and the agenda are attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and Council of this meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

THE PLEDGE OF ALLEGIANCE

Mayor Eickmeier announced that a copy of the Agenda for this meeting is posted on the north wall of the Municipal Building and copies are available on the north wall where a copy of the Open Meetings Act is also posted for public inspection. He also noted that any citizen wishing to address the Council should come to the podium, state their name and address and limit their comments to five minutes. All remarks should be directed to the Mayor/Chairperson, who will then determine who will make any appropriate response. The City of Seward reserves the right to adjust the order of items on this agenda if necessary and may elect to take action on any of the items listed.

1. APPROVAL OF MINUTES OF FEBRUARY 18, 2020 COUNCIL MEETING

Councilmember Singleton moved, seconded by Councilmember Kamprath, that the minutes of the February 18, 2020 City Council meeting be approved.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None
Absent: None. Motion carried.

1-3. CONSENT AGENDA CONSIDERATION ITEMS

The following Consent Agenda items were approved in one single motion made by Councilmember Beck, seconded by Councilmember Singleton:

1. Claims & Payables Reports
2. Seward County Chamber & Development Partnership Report
3. Infrastructure Cost Items Reimbursable Back to the City

CLAIMS LIST
3-3-20
COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se, Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements; GU, Grounds Upkeep.

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|--------------------|-----------|----------|
| Bizco Technologies | Equip, Se | 4,950.36 |
| Black Hills Energy | Re, Ma | 428.58 |

March 3, 2020

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|-----------------------------|----------------|------------|
| Blue Cross Blue Shield Ne | Ins | 51,826.34 |
| Bluestem Network LLC | Se | 100.00 |
| Border States Industries | Inv, Ci | 130,104.42 |
| C N A Surety | Ins | 100.00 |
| Campbell Cleaning | Re, Ma | 854.00 |
| Carroll Construction Supp | Ma | 27.78 |
| Chase Card Service | | 4,666.18 |
| Walmart | Su, Re, Bu, Eq | 1,453.44 |
| Amazon Mktp | Eq, Re | 88.32 |
| FCX Performance Inc | Re, Ma | 679.69 |
| Rods Power Sports | Re | 618.77 |
| Staples | Ma | 96.29 |
| SCC Milford Business | Su | 29.40 |
| BestBuyCo | Ma | 40.65 |
| TST*Cunninghams Journal | Meals | 23.98 |
| Holiday Inn | Lodging/Trng | 242.14 |
| SamsClub.com | Su | 22.30 |
| Webstaurant Store | Re | 36.11 |
| Pac N Save | Su | 33.24 |
| Phillips 66 | Su, Ma | 45.50 |
| Talech | Su | 67.00 |
| Microsoft | Misc | 105.94 |
| UNL Agronomy Hort | Trng | 320.00 |
| UNL Marketplace | Trng | 64.66 |
| Acrobat Pro Subs | Software | 359.26 |
| Adobe | Software | 166.79 |
| Lou & Mary Anne's Bar | Meals | 172.70 |
| City Seward Electric Fund | Ut | 37,835.96 |
| City Seward General Fund | City Engineer | 38,648.00 |
| City Seward Library Petty | Su | 202.88 |
| City Seward Payroll Account | Payroll | 139,017.74 |
| Commonwealth Electric Co | Ma | 225.00 |
| Constellation Newenergy | Ut | 241.93 |
| Danko Emergency Equipment | Eq, Re | 217.42 |
| Eakes Office Solutions | Su | 47.95 |
| Ehlers Electronics | Eq | 312.80 |
| Firstar Fiber Inc | Se | 5.00 |
| Fyr-Tek | Eq | 401.60 |
| Gerhold Concrete Co Inc | Ma, Re | 4,059.48 |
| Gray Construction | Ci | 26,676.15 |
| Great Plains Communication | Se | 586.00 |
| Hach Company | Su, Ci | 13,758.95 |
| Hamilton Equipment Company | Re, Ma | 245.42 |
| Hireright LLC | Se | 147.09 |
| Hoffschneider Law Pc LLO | Se | 4,500.00 |
| Husker Electric Supply Co | Bu | 350.00 |
| Hydraulic Equipment Service | Re | 503.17 |
| J E O Consulting Group Inc | Se | 323.75 |
| Last Mile Network Consult | Se | 75.30 |
| Lincoln Tree Service Inc | Se | 3,850.00 |
| Mailand's Clothing | Un | 116.00 |
| Maine Phillip | Misc | 215.87 |
| Matheson Tri-Gas Inc | Su | 35.97 |
| Menards North | Su, Bu, Eq | 561.06 |
| Merle's Garden Center | Gu | 366.05 |
| Metering & Technology Sol | Meters | 3,917.20 |
| Mid-American Benefits Inc | Ins | 1,251.65 |
| Midwest Turf & Irrigation | Re | 262.78 |
| Miller Greg / Mindy | Ex | 300.00 |
| Nebraska D A S Acct OCIO | Se | 231.00 |
| Nebraska Health & Human | Ex | 40.00 |
| Nebraska Health Environment | Se | 154.00 |

March 3, 2020

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| Nebraska Law Enforcement | Trng | 250.00 |
| Nebraska Liquor Control | License Fees | 400.00 |
| Nebraska Mosquito/Vector | Dues | 80.00 |
| Nebraska Secretary/State | Ex | 60.00 |
| Norris Public Power Dist | Se | 1,027.26 |
| Orscheln Farm & Home | Bu, Su, Re, Eq, Gu | 900.60 |
| Precision Tool & Machine | Bu | 676.50 |
| Principal Financial Group | Ins | 2,242.01 |
| Resource Associates Int'l | Se | 2,385.75 |
| Sam's Club (Lib-Rec-Pool) | Su | 74.68 |
| Seward County Chamber & D | Se, Ex | 291.55 |
| Sleight William | Ex | 300.00 |
| Small Engine Specialists | Re | 28.93 |
| Sports Express | Su | 102.50 |
| Suhr & Lichty Insurance A | Ins | 11,990.00 |
| Time Warner Cable | Se | 724.70 |
| U S Cellular | Se | 214.19 |
| Verizon Wireless | Se | 300.77 |
| Wesco Distribution Inc | Ci | 69,215.63 |
| York County Emergency M | Su | 19.20 |
| | CLAIMS TOTAL | <u>\$564,025.10</u> |

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix

Nay: None

Absent: None. Motion carried.

CONFIRMATION OF MAYOR APPOINTMENTS

Councilmember Schmit moved, seconded by Councilmember Kamprath, that Larry Goldsmith be reappointed to the Tree Board for a 3-Yr Term.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix

Nay: None

Absent: None. Motion carried.

PUBLIC HEARINGS

1. PUBLIC HEARING - 7:00 P.M. - LIQUOR LICENSE APPLICATION OF CITY OF SEWARD, DBA SEWARD COMMUNITY GOLF COURSE, 1046 COUNTRY CLUB DR., SEWARD, NE

City Administrator Butcher presented the Retail Class C liquor license application for the Seward Community Golf Course.

There was a Councilmember inquiry as to whether the City needed additional liability insurance coverage for a liquor license at which Mayor Eickmeier stated coverage would be the same as any other property or event liability sponsored by the City.

Mayor Eickmeier opened the public hearing. Hearing no comments, Mayor Eickmeier closed the public hearing.

Councilmember Schmit introduced the following resolution:

RESOLUTION NO. 2020- 12

BE IT RESOLVED by the Mayor and Council of the City of Seward, Nebraska, that,

WHEREAS, Notice of Application for a Class C Liquor License for City of Seward, dba Seward Community Golf Course, 1046 Country Club Dr., Seward, Nebraska was published in the Lincoln Journal Star on February 24, 2020, and

March 3, 2020

the Seward County Independent on February 26, 2020; cost of such publishing fee being \$27.30, and,

WHEREAS, a public hearing was held before the Mayor and Council of the City of Seward on March 3, 2020;

WHEREAS, no written protests were filed with the City, and no oral objections were heard by the Mayor and Council,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Seward, Nebraska, that recommendation be made to the Nebraska Liquor Control Commission that a Class C Liquor License for City of Seward, dba Seward Community Golf Course, 1046 Country Club Dr., Seward, Nebraska be approved.

Councilmember Kamprath moved, seconded by Councilmember Wilken that the resolution be adopted.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None
Absent: None. Motion carried.

The Mayor declared the resolution adopted.

Dated: March 3, 2020

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

ATTEST:

Bonnie Otte
Assistant Administrator/
Clerk-Treasurer/
Budget & HR Director

(SEAL)

Councilmember Kamprath moved, seconded by Councilmember Beck, that Cody Herald be recommended as Manager of the Class C Liquor License for City of Seward, dba Seward Community Golf Course, 1046 Country Club Dr., Seward.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None
Absent: None. Motion carried.

ADMINISTRATIVE ITEMS

1. SUPPLEMENTAL LETTER AGREEMENT WITH SHORT ELLIOT HENDRICKSON, INC. (SEH) FOR PROFESSIONAL ENGINEERING SERVICES TO DEVELOP A PLAT FOR THE REMAINING UNPLATTED PORTIONS OF THE SEWARD RAIL CAMPUS

City Administrator Butcher stated Jake Vasa (SEH) will work with the City of Seward to develop and plat the remaining portions of the City-owned Seward Rail Campus including the entry boulevard. This will establish additional lots to list for sale, update PUD plans, annex the remaining portion of the campus into the City, and finalize designs and outlot locations.

March 3, 2020

Councilmember Kamprath moved, seconded by Councilmember Kolterman, that the supplemental agreement with Short Elliot Hendrickson, Inc., (SEH) for professionals engineering services to develop a plat for the remaining unplatted portions of the Seward Rail Campus be approved.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None

Absent: None. Motion carried.

2. PLANS AND SPECIFICATIONS FOR SEWARD ELECTRIC AND WATER ADVANCED METERING INFRASTRUCTURE (AMI) IMPROVEMENTS AS PREPARED BY OLSSON, AND AUTHORIZATION TO ADVERTISE FOR BIDS

Craig Reinsch, Olsson, presented a brief background of the City's reasoning for developing specifications and seeking bids on a new meter technology system. He stated the City was in a joint cooperative agreement with NPPD and Norris Public Power (formerly Seward Rural Electric) using an Acclara system. Pursuant to notices received from Norris Public Power and NPPD of their plans to withdraw from the cooperative, the City is pursuing other options.

The City's water meters run off of a radio read, which some of the parts are no longer available or supported. The electric meters are not compatible with new technology systems. The City Electric Department and Water Department has worked with Olsson over the last year to develop plans and specs. Part of the research and development of the specs is in matching a current system or moving to a completely new system. Departments and Olsson met with vendors from numerous companies to review technology, software/hardware, review lists of municipals installations, and to question vendors on various aspects of their technology offerings. The bid specifications allow for many bid alternates, including City vs. contracted installation, separate water and electric systems and a joint system.

Mr. Reinsch stated the goal is to update all of the electric meters in the upcoming fiscal year, but to replace the water meters over a 3-year period. One of the bid alternates is to contract the installation versus City staff performing the install. The amount of time it takes to do the install will be a consideration.

The plan is to advertise for bids through the end of April and to present the bids and make recommendations to the City Council in May. He stated the City is working on an interim agreement with Acclara for a one-year transition period.

Councilmember Kolterman moved, seconded by Councilmember Miller, that the plans and specifications for Seward Electric and Water Advanced Metering Infrastructure (AMI) Improvements be approved and that the City be authorized to advertise for bids.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None

Absent: None. Motion carried.

3. AGREEMENT WITH BNSF RAILWAY COMPANY FOR IMPROVEMENTS TO ELM STREET RAIL CROSSING

City Administrator Butcher stated Pursuant to the 2019-2020 budget, the City of Seward is contributing to the improvements of the Elm Street BNSF crossing. BNSF plans to undertake maintenance and improvements to the Highway 34 and adjacent Elm Street crossing in 2020. The City budgeted \$29,000 and the agreement is for \$28, 876. The City will coordinate with BNSF on scheduling

March 3, 2020

and getting information out to the public regarding construction closures and delays.

Councilmember Kamprath moved, seconded by Councilmember Schmit, that the agreement with BNSF Railway Company for improvements to the Elm Street rail crossing be approved.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None
Absent: None. Motion carried.

4. AGREEMENT FOR PROFESSIONAL CONSTRUCTION ENGINEERING SERVICES WITH SCHEMMER ASSOCIATES, INC FOR CONSTRUCTION OF THE WAVERLY ROAD PROJECT

City Administrator Butcher stated the City included in the recent Street Bond allocation, funding for Schemmer Associates, Inc. to perform construction engineering and oversight duties on the Waverly Road project, in anticipation that the City Engineer position would still be vacant. Former City Engineer Jake Vasa recommended contracting the work with Schemmer Associates as they designed the project and could provide the oversight.

Councilmember Beck moved, seconded by Councilmember Kamprath, that the agreement for professional construction engineering services with Schemmer Associates, Inc. for construction of the Waverly Road Project be approved.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None
Absent: None. Motion carried.

REPORTS

1. CITY ADMINISTRATOR'S REPORT

Councilmember Kamprath moved, seconded by Councilmember Schmit, that City Administrator Butcher's report of March 3, 2020 be accepted.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None
Absent: None. Motion carried.

FUTURE REQUESTS FOR COUNCIL AGENDA ITEMS OR ADMINISTRATIVE ACTION

ANNOUNCEMENT OF UPCOMING EVENTS

MOTION TO ADJOURN

Councilmember Singleton moved, seconded by Councilmember Wilken, that the March 3, 2020 City Council Meeting be adjourned.

Aye: Wilken, Beck, Kamprath, Kolterman, Miller, Singleton, Schmit, Hendrix
Nay: None
Absent: None. Motion carried.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

Bonnie Otte
Assistant Administrator

March 3, 2020

Clerk-Treasurer
Budget & Human Resources Director

DRAFT

CLAIMS LIST

3-17-20

COUNCIL MEETING

Abbreviations: Bu, Building Upkeep; Eq, Equipment; Ex, Expense; Gu, Ground Upkeep; Inv, Inventory; Ma, Maintenance; Mi, Mileage; Misc, Miscellaneous; Re, Repairs; Sa, Salaries, Se, Services; Su, Supplies; Ut, Utilities, CI, Capital Improvements, Gu, Grounds Upkeep.

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|-----------------------------|---------------|------------|
| Amazon.Com Credit Service | Su | 369.78 |
| Baker & Taylor | Su | 3,495.30 |
| Bern's Body Shop | Re | 2,784.73 |
| Bizco Technologies | Eq, Se | 4,272.93 |
| Black Hills Energy | Ut | 1,466.51 |
| Blue River Power & Rental | Eq | 2,000.00 |
| Bookpage | Su | 354.00 |
| Border States Industries | Ci | 4,295.42 |
| Burlington Northern Santa | Fees | 652.38 |
| Campbell Cleaning | Se | 975.00 |
| Capital Business-Cheyenne | Eq | 160.00 |
| Carroll Construction Supp | Re | 896.00 |
| Cash-Wa Distributing Co | Su | 463.63 |
| City Seward Library Petty | Su, Mi | 174.10 |
| City Seward Merchant Serv | Fees | 2,325.37 |
| City Seward Payroll Accou | Payroll | 141,016.61 |
| Commonwealth Electric Co | Re, Ma | 610.97 |
| Consolidated Management | Meals | 8.74 |
| Constellation Newenergy | Ut | 2,152.78 |
| Continental Fire/Alarm/De | Se | 190.00 |
| Cook's Country Magazine | Su | 44.95 |
| Cooper Power Systems | Ci | 103,315.99 |
| Cornhusker International | Re | 63.39 |
| Dittmer Melissa | Ex | 30.69 |
| Egeberg Mitch | Se | 287.00 |
| Ehlers Electronics | Eq, Ma | 990.00 |
| Ehrlich Roy D | Su | 7.00 |
| Electronic Contracting Co | Se | 240.00 |
| Emergency Medical Product | Su | 578.94 |
| Farmers Coop Seward | Su, Ma, Re | 2,490.16 |
| Fast Mart | Su | 8.64 |
| Fastenal Company | Su, Re, Eq | 717.92 |
| Galls LLC | Un | 171.98 |
| Gerhold Concrete Co Inc | Ma, Su | 1,273.83 |
| Glass Doctor | Re | 139.02 |
| Goldsmith Tree Service | Se | 385.00 |
| H & S Plumbing Heating & | Bu | 1,156.08 |
| Hach Company | Su | 340.14 |
| Hartmann Custom Service C | Se, Ci | 6,494.50 |
| Hawkins Inc | Su | 1,516.52 |
| Hemphill Electric LLC | Bu | 14.00 |
| Hemphill Jackson | Su | 108.00 |
| Heyen's Service & Custom | Re | 19.95 |
| Hobson Automotive & Tire | Re | 184.48 |
| Home Depot Pro | Su | 45.00 |
| Husker Electric Supply Co | Ci, Re | 1,643.54 |
| Hydraulic Equipment Service | Incentive, Re | 142.50 |
| I E S Commercial Inc | Ci | 95,191.20 |
| Jones Bank | Eq Lease Pmt | 13,760.00 |
| Jurchen John | Ex | 25.00 |

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|----------------------------|-----------------------|--------|---------------------|
| Last Mile Network Consult | Se | | 90.00 |
| League Ne Mun-Utilities | Trng | | 480.00 |
| Lee's Refrigeration | Bu | | 182.92 |
| Lincoln Journal-Star | Se | | 14.70 |
| Matheson Tri-Gas Inc | Su | | 138.95 |
| Menards North | Bu | | 181.68 |
| Midwest Auto Parts | Re, Bu, Su | | 1,052.41 |
| Midwest Automotive | Re | | 277.34 |
| Midwest Laboratories Inc | Se | | 735.31 |
| Midwest Service & Sales | Re, Eq, Ma | | 2,120.00 |
| Midwest Turf & Irrigation | Re | | 269.19 |
| Miller Kenney | Ex | | 50.00 |
| N A D A Appraisal Guides | Su | | 99.00 |
| Nebraska Equipment Inc | Eq, Re, Ma | | 1,734.38 |
| Nebraska Fire Marshal | Se | | 120.00 |
| Nebraska Pub Pow-Desmoine | Incentive, Ut | | 449,971.30 |
| Niemann's Port-A-Pot LLC | Se | | 100.00 |
| O C L C Inc | Su | | 208.30 |
| Odeys Inc | Su | | 1,848.23 |
| Olsson | Se | | 2,703.05 |
| One Call Concepts Inc | Ex | | 79.14 |
| O'Reilly Automotive Inc | Re, Su | | 72.54 |
| Orscheln Farm & Home | Re, Su, Ma, Gu | | 274.45 |
| Overhead Door Co Of Colum | Bu | | 342.50 |
| Pac 'N' Save Discount Foo | Su, Bu, Su, Ma, Meals | | 3,644.28 |
| Pacific Coast Laboratories | Su | | 175.94 |
| Pankoke Henry W | Se | | 440.00 |
| People Magazine | Su | | 59.40 |
| Plains Equipment Group In | Re, Su | | 125.24 |
| Quill Corp | Su, Eq | | 415.38 |
| Reams Sprinkler Supply | Gu | | 431.43 |
| Resco (Rural Elec Su Coop | Ci | | 77,500.00 |
| Sack Lumber Company | Re | | 19.96 |
| Sam's Club (Lib-Rec-Pool) | Su, Ma, Re | | 235.17 |
| Seward County Clerk/Reg D | Ex | | 36.00 |
| Seward County Independent | Ex | | 885.67 |
| Seward County Treasurer | Se, Prop Tax | | 19,064.06 |
| Seward Lumber & Home Cent | Gu, Su | | 452.01 |
| Seward Machine & Tool | Se | | 514.65 |
| Seward School District | Incentive | | 1,165.00 |
| Seward Wind LLC | Ut | | 39,239.48 |
| Spickelmier & Son Inc | Ci | | 16,067.75 |
| Sports Express | Su | | 308.70 |
| Sterling West | Ci | | 10,084.50 |
| Suhr & Lichty Insurance A | Ins | | 35.00 |
| Ty's Outdoor Power & Serv | Re | | 70.19 |
| Valentino's | Su | | 96.95 |
| Verizon Wireless | Se | | 1,046.77 |
| Visa - Pinnacle Bank | | | 309.69 |
| SamsClub | Su | 228.24 | |
| Walmart | Su, Ex | 20.94 | |
| GoDaddy.com | Misc | 60.51 | |
| Wake James Stephen | RE Tax - Golf Course | | 3,703.91 |
| Wesco Distribution Inc | Re, Ci | | 2,639.69 |
| Windstream Nebraska Inc | Se | | 1,911.57 |
| Woman's Day | Su | | 5.00 |
| York News-Times | Ex | | 20.00 |
| | CLAIMS TOTAL | | <u>1,043,898.45</u> |

| TREASURER'S REPORT | MONTH OF: FEBRUARY 2020 | | | | | |
|----------------------------------|---|-----------------------|----------|-------------------------|------------------------|----------------------|
| VARIANCE AT: 41.67% | | | | | | |
| | REVENUE | CURRENT YTD | | UNEXPENDED | PREVIOUS YTD | DIFFERENCE |
| DEPARTMENT | BUDGET | REVENUE | VARIANCE | BALANCE | REVENUE | B/W BUDGET YEARS |
| ELECTRIC | \$9,950,500.00 | \$3,870,158.68 | 38.89% | \$6,080,341.32 | \$ 3,880,969.95 | -\$ 10,811.27 |
| ELEC BOND PYMT | | | | | | |
| WATER | \$1,897,050.00 | \$726,277.09 | 38.28% | \$1,170,772.91 | \$ 682,536.92 | \$ 43,740.17 |
| WATER BOND PYMTS | | | | | | |
| WATER SINKING FUND | \$20,000.00 | \$0.00 | 0.00% | \$20,000.00 | \$ 0.00 | \$ 0.00 |
| WASTEWATER TREATMENT | \$1,535,750.00 | \$657,733.34 | 42.83% | \$878,016.66 | \$ 637,298.05 | \$ 20,435.29 |
| WWTW BOND PYMT | | | | | | |
| WWTW SINKING FUND | \$15,000.00 | \$0.00 | 0.00% | \$15,000.00 | \$ 0.00 | \$ 0.00 |
| TOTAL BUSINESS-TYPE FUNDS | \$13,418,300.00 | \$5,254,169.11 | | \$8,164,130.89 | \$ 5,200,804.92 | \$ 53,364.19 |
| LEGISLATIVE (LESS DONATIONS) | | | | | | |
| DONATIONS | | | | | | |
| LEGAL | | | | | | |
| POLICE | \$7,350.00 | \$3,375.90 | 45.93% | \$3,974.10 | \$2,397.41 | \$ 978.49 |
| E911 | | | | | | |
| POLICE EQUITABLE SHARING | \$100,000.00 | \$0.00 | 0.00% | \$100,000.00 | \$0.00 | \$ 0.00 |
| STREET | \$5,564,147.00 | \$450,197.88 | 8.09% | \$5,113,949.12 | \$430,638.37 | \$ 19,559.51 |
| STREET STP | \$144,386.00 | \$5.89 | 0.00% | \$144,380.11 | \$436,034.32 | -\$ 436,028.43 |
| DEBT SERVICE | \$570,412.00 | \$431,536.65 | 75.65% | \$138,875.35 | \$1,111.04 | \$ 430,425.61 |
| RAIL CAMPUS | \$1,000.00 | \$6,000.00 | 0.00% | -\$5,000.00 | \$0.00 | \$ 6,000.00 |
| CDBG ECON. DEV. LOAN FUND | \$300.00 | \$455.09 | 151.70% | -\$155.09 | \$426.59 | \$ 28.50 |
| CDBG AFFORD HOUSING | \$0.00 | \$0.00 | 0.00% | \$0.00 | \$0.00 | \$ 0.00 |
| CDBG RURAL ENTERPRISE ASST | \$0.00 | \$0.00 | 0.00% | \$0.00 | \$0.00 | \$ 0.00 |
| CDBG RAIL SITE | \$0.00 | \$0.00 | 0.00% | \$0.00 | \$0.00 | \$ 0.00 |
| CDBG DOWNTOWN REVITAL GRANT | \$308,000.00 | \$95,934.95 | 31.15% | \$212,065.05 | \$10,494.00 | \$ 85,440.95 |
| BLDGS & GRDS (CITY HALL) | \$36,000.00 | \$18,000.00 | 50.00% | \$18,000.00 | \$15,000.00 | \$ 3,000.00 |
| CIVIC CENTER | \$276,252.00 | \$52,557.31 | 19.03% | \$223,694.69 | \$45,212.66 | \$ 7,344.65 |
| LIBRARY (LESS LIB MAINT FUND) | \$74,050.00 | \$11,051.39 | 14.92% | \$62,998.61 | \$10,218.30 | \$ 833.09 |
| LIBRARY MAINTENANCE FUND | \$50.00 | \$36.21 | 0.00% | \$13.79 | \$57.85 | -\$ 21.64 |
| PUBLIC PROPERTIES | \$17,050.00 | \$1,929.12 | 11.31% | \$15,120.88 | \$44,972.94 | -\$ 43,043.82 |
| CEMETERY | \$40,000.00 | \$23,625.00 | 59.06% | \$16,375.00 | \$21,378.29 | \$ 2,246.71 |
| GOLF COURSE | \$246,600.00 | \$16,684.25 | 6.77% | \$229,915.75 | \$18,157.69 | -\$ 1,473.44 |
| NEW PARK DEVELOPMENT | \$350.00 | \$158.47 | 45.28% | \$191.53 | \$6,895.07 | -\$ 6,736.60 |
| NEW CEMETERY DEVELOPMENT | \$500.00 | \$472.48 | 94.50% | \$27.52 | \$440.42 | \$ 32.06 |
| GUTHMAN TRUST - REGULAR | \$260.00 | \$131.26 | 50.48% | \$128.74 | \$97.95 | \$ 33.31 |
| GUTHMAN TRUST - PAVING | \$100.00 | \$49.99 | 49.99% | \$50.01 | \$46.60 | \$ 3.39 |
| PERPETUAL CARE - PRINCIPAL | \$6,000.00 | \$3,300.00 | 55.00% | \$2,700.00 | \$2,750.00 | \$ 550.00 |
| PERPETUAL CARE - INTEREST | \$500.00 | \$533.03 | 106.61% | -\$33.03 | \$475.25 | \$ 57.78 |
| BLDGS & GRDS (OTHER) | \$150.00 | \$0.00 | 0.00% | \$150.00 | \$0.00 | \$ 0.00 |
| BUILDING INSPECTION | \$92,200.00 | \$73,518.10 | 79.74% | \$18,681.90 | \$54,934.06 | \$ 18,584.04 |
| FIRE (LESS DONATIONS) | \$50,075.00 | \$0.00 | 0.00% | \$50,075.00 | \$642.60 | -\$ 642.60 |
| FIRE DONATIONS | \$100,000.00 | \$0.00 | 0.00% | \$100,000.00 | \$0.00 | \$ 0.00 |
| FIRE EQUIPMENT SINKING FUND | \$62,200.00 | \$1,478.02 | 2.38% | \$60,721.98 | \$937.60 | \$ 540.42 |
| TREE BOARD | \$0.00 | \$0.00 | 0.00% | \$0.00 | \$0.00 | \$ 0.00 |
| PLANNING COMMISSION | \$5,100.00 | \$1,955.00 | 38.33% | \$3,145.00 | \$41,382.25 | -\$ 39,427.25 |
| ENGINEER | \$131,639.00 | \$0.00 | 0.00% | \$0.00 | \$ 0.00 | \$ 0.00 |
| DOWDING POOL (LESS DONATIONS) | \$85,050.00 | \$280.37 | 0.33% | \$84,769.63 | \$ 420.56 | -\$ 140.19 |
| POOL DONATIONS | \$130,000.00 | \$0.00 | 0.00% | \$130,000.00 | \$ 0.00 | \$ 0.00 |
| CONCESSION STAND | \$800.00 | \$0.00 | 0.00% | \$800.00 | \$ 0.00 | \$ 0.00 |
| SWIMMING LESSONS | \$18,000.00 | \$0.00 | 0.00% | \$18,000.00 | \$ 0.00 | \$ 0.00 |
| RECREATION | \$39,100.00 | \$13,992.66 | 35.79% | \$25,107.34 | \$ 10,146.29 | \$ 3,846.37 |
| SPORTS COMPLEX LIGHTS | \$300.00 | \$142.92 | 47.64% | \$157.08 | \$ 178.63 | -\$ 35.71 |
| SENIOR CENTER | \$68,500.00 | \$28,799.13 | 42.04% | \$39,700.87 | \$ 23,633.79 | \$ 5,165.34 |
| SENIOR SHUTTLE | \$3,088.00 | \$1,456.34 | 47.16% | \$1,631.66 | \$ 858.74 | \$ 597.60 |
| RECYCLING | \$5,000.00 | \$506.00 | 10.12% | \$4,494.00 | \$ 396.81 | \$ 109.19 |
| ECONOMIC DEVELOPMENT | \$257,902.00 | \$102,557.73 | 39.77% | \$155,344.27 | \$ 131,191.15 | -\$ 28,633.42 |
| TAX INCREMENT FINANCING | \$357,355.00 | \$112,667.35 | 31.53% | \$244,687.65 | \$ 96,365.24 | \$ 16,302.11 |
| GENERAL REVENUES** | \$4,166,635.00 | \$1,157,660.41 | 27.78% | \$3,008,974.59 | \$ 972,639.12 | \$ 185,021.29 |
| TOTAL GOVERNMENTAL FUNDS | \$12,966,401.00 | \$2,611,048.90 | 20.14% | \$ 10,223,713.10 | \$ 2,380,531.59 | \$ 230,517.31 |
| | **Include 501.01 (City Sales Tax-Rev-State) thru 501.069 (Occupation Tax-Telecom-Mobile) and 501.56 (Donations-Revenue), 501.87 (Municipal Equalization (State), 501.90 thru 501.999 (General) and possibly 581.01 (Bldg Insp-Bldg Permits) | | | | | |

| TREASURER'S REPORT | | MONTH OF: FEBRUARY 2020 | | | | |
|----------------------------------|-------------------------|-------------------------|---------------|-------------------------|------------------------|----------------------|
| VARIANCE AT: 41.67% | | | | | | |
| | EXPENDITURES | CURRENT YTD | | UNEXPENDED | PREVIOUS YTD | DIFFERENCE |
| DEPARTMENT | BUDGET | EXPENDITURES | VARIANCE | BALANCE | EXPENDITURES | B/W BUDGET YEARS |
| ELECTRIC | \$ 11,219,036.00 | \$ 4,243,176.69 | 37.82% | \$ 6,975,859.31 | \$ 3,659,193.19 | \$ 583,983.50 |
| ELEC BOND PYMT | \$ 495,934.00 | \$ 444,977.50 | 89.73% | \$ 50,956.50 | \$ 438,577.50 | \$ 6,400.00 |
| WATER | \$ 2,060,915.00 | \$ 644,058.34 | 31.25% | \$ 1,416,856.66 | \$ 491,146.72 | \$ 152,911.62 |
| WATER BOND PYMTS | \$ 400,220.00 | \$ 142,867.80 | 35.70% | \$ 257,352.20 | \$ 144,273.05 | -\$ 1,405.25 |
| WATER SINKING FUND | \$ 30,000.00 | \$ 0.00 | 0.00% | \$ 30,000.00 | \$ 0.00 | \$ 0.00 |
| WASTEWATER TREATMENT | \$ 1,473,694.00 | \$ 503,786.13 | 34.19% | \$ 969,907.87 | \$ 426,008.69 | \$ 77,777.44 |
| WWTW BOND PYMT | \$ 314,703.00 | \$ 9,148.50 | 2.91% | \$ 305,554.50 | \$ 8,947.25 | \$ 201.25 |
| WWTW SINKING FUND | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| TOTAL BUSINESS-TYPE FUNDS | \$ 15,994,502.00 | \$ 5,988,014.96 | 37.44% | \$ 10,006,487.04 | \$ 5,168,146.40 | \$ 819,868.56 |
| LEGISLATIVE (LESS DONATIONS) | \$ 731,414.00 | \$ 109,951.93 | 15.03% | \$ 621,462.07 | \$ 110,243.54 | -\$ 291.61 |
| DONATIONS | \$ 100,000.00 | \$ 164.95 | 0.16% | \$ 99,835.05 | \$ 880.00 | -\$ 715.05 |
| LEGAL | \$ 69,299.00 | \$ 32,931.97 | 47.52% | \$ 36,367.03 | \$ 27,974.04 | \$ 4,957.93 |
| POLICE | \$ 1,345,565.00 | \$ 529,466.33 | 39.35% | \$ 816,098.67 | \$ 525,341.02 | \$ 4,125.31 |
| E911 | \$ 224,310.00 | \$ 74,770.00 | 33.33% | \$ 149,540.00 | \$ 97,359.60 | -\$ 22,589.60 |
| POLICE EQUITABLE SHARING | \$ 100,000.00 | \$ 0.00 | 0.00% | \$ 100,000.00 | \$ 0.00 | \$ 0.00 |
| STREET | \$ 6,321,628.00 | \$ 791,307.59 | 12.52% | \$ 5,530,320.41 | \$ 548,103.96 | \$ 243,203.63 |
| STP FUNDS | \$ 138,835.00 | \$ 0.00 | 0.00% | \$ 138,835.00 | \$ 0.00 | \$ 0.00 |
| DEBT SERVICE | \$ 567,912.00 | \$ 359,609.55 | 63.32% | \$ 208,302.45 | \$ 358,311.80 | \$ 1,297.75 |
| RAIL CAMPUS | \$ 40,000.00 | \$ 29,246.67 | 73.12% | \$ 10,753.33 | \$ 4,349.00 | \$ 24,897.67 |
| CDBG ECON. DEV. LOAN FUND | \$ 2,000.00 | \$ 0.00 | 0.00% | \$ 2,000.00 | \$ 0.00 | \$ 0.00 |
| CDBG AFFORD HOUSING | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| CDBG RURAL ENTERPRISE ASST | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| CDBG RAIL SITE | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| CDBG-DOWNTOWN REVITAL GRANT | \$ 308,000.00 | \$ 95,934.95 | 31.15% | \$ 212,065.05 | \$ 10,494.30 | \$ 85,440.65 |
| BLDGS & GRDS (CITY HALL) | \$ 40,478.00 | \$ 13,599.15 | 33.60% | \$ 26,878.85 | \$ 14,512.84 | -\$ 913.69 |
| CIVIC CENTER | \$ 276,252.00 | \$ 67,414.61 | 24.40% | \$ 208,837.39 | \$ 54,789.75 | \$ 12,624.86 |
| LIBRARY (LESS BLDG. IMPRV) | \$ 575,352.00 | \$ 208,136.62 | 36.18% | \$ 367,215.38 | \$ 201,080.52 | \$ 7,056.10 |
| LIBRARY MAINTENANCE FUND | \$ 20,000.00 | \$ 13,237.50 | 66.19% | \$ 6,762.50 | \$ 0.00 | \$ 13,237.50 |
| PUBLIC PROPERTIES | \$ 467,254.00 | \$ 176,381.81 | 37.75% | \$ 290,872.19 | \$ 152,133.69 | \$ 24,248.12 |
| CEMETERY | \$ 200,279.00 | \$ 62,187.77 | 31.05% | \$ 138,091.23 | \$ 58,328.49 | \$ 3,859.28 |
| GOLF COURSE | \$ 531,758.00 | \$ 128,395.56 | 24.15% | \$ 403,362.44 | \$ 116,154.44 | \$ 12,241.12 |
| NEW PARK DEVELOPMENT | \$ 205,000.00 | \$ 56,681.50 | 27.65% | \$ 148,318.50 | \$ 7,189.59 | \$ 49,491.91 |
| NEW CEMETERY DEVELOPMENT | \$ 1,000.00 | \$ 0.00 | 0.00% | \$ 1,000.00 | \$ 0.00 | \$ 0.00 |
| GUTHMAN TRUST - REGULAR | \$ 145.00 | \$ 0.00 | 0.00% | \$ 145.00 | \$ 0.00 | \$ 0.00 |
| GUTHMAN TRUST - PAVING | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| PERPETUAL CARE - PRINCIPAL | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| PERPETUAL CARE - INTEREST | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| BLDGS & GRDS (OTHER) | \$ 12,575.00 | \$ 560.21 | 4.45% | \$ 12,014.79 | \$ 1,858.37 | -\$ 1,298.16 |
| BUILDING INSPECTION | \$ 107,622.00 | \$ 42,695.84 | 39.67% | \$ 64,926.16 | \$ 39,546.27 | \$ 3,149.57 |
| FIRE (LESS DONATIONS) | \$ 266,259.00 | \$ 43,013.26 | 16.15% | \$ 223,245.74 | \$ 56,975.30 | -\$ 13,962.04 |
| FIRE DONATIONS | \$ 100,000.00 | \$ 0.00 | 0.00% | \$ 100,000.00 | \$ 0.00 | \$ 0.00 |
| FIRE EQUIPMENT SINKING FUND | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 600.00 | -\$ 600.00 |
| TREE BOARD | \$ 2,550.00 | \$ 0.00 | 0.00% | \$ 2,550.00 | \$ 542.01 | -\$ 542.01 |
| PLANNING COMMISSION | \$ 39,322.00 | \$ 44,636.71 | 113.52% | -\$ 5,314.71 | \$ 97,375.93 | -\$ 52,739.22 |
| ENGINEER | \$ 174,530.00 | \$ 51,530.67 | 29.53% | \$ 0.00 | \$ 0.00 | \$ 51,530.67 |
| DOWDING POOL (LESS DONATIONS) | \$ 370,304.00 | \$ 95,744.56 | 25.86% | \$ 274,559.44 | \$ 57,222.97 | \$ 38,521.59 |
| POOL DONATIONS | \$ 130,000.00 | \$ 0.00 | 0.00% | \$ 130,000.00 | \$ 0.00 | \$ 0.00 |
| CONCESSION STAND | \$ 0.00 | \$ 0.00 | 0.00% | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| SWIMMING LESSONS | \$ 13,750.00 | \$ 0.00 | 0.00% | \$ 13,750.00 | \$ 0.00 | \$ 0.00 |
| RECREATION | \$ 249,353.00 | \$ 106,734.47 | 42.80% | \$ 142,618.53 | \$ 99,345.54 | \$ 7,388.93 |
| SPORTS COMPLEX LIGHTS | \$ 30,000.00 | \$ 30,000.00 | 100.00% | \$ 0.00 | \$ 0.00 | \$ 30,000.00 |
| SENIOR CENTER | \$ 155,426.00 | \$ 53,517.76 | 34.43% | \$ 101,908.24 | \$ 52,076.01 | \$ 1,441.75 |
| SENIOR SHUTTLE | \$ 3,088.00 | \$ 1,702.68 | 55.14% | \$ 1,385.32 | \$ 1,041.86 | \$ 660.82 |
| RECYCLING | \$ 39,814.00 | \$ 24,063.08 | 60.44% | \$ 15,750.92 | \$ 10,904.88 | \$ 13,158.20 |
| ECONOMIC DEVELOPMENT | \$ 200,150.00 | \$ 1,822.07 | 0.91% | \$ 198,327.93 | \$ 96,378.50 | -\$ 94,556.43 |
| TAX INCREMENT FINANCING | \$ 336,038.00 | \$ 119,015.57 | 35.42% | \$ 217,022.43 | \$ 108,025.35 | \$ 10,990.22 |
| TOTAL GOVERNMENTAL FUNDS | \$ 14,497,262.00 | \$ 3,364,455.34 | | \$ 11,009,807.33 | \$ 2,909,139.57 | \$ 455,315.77 |

Pledges By Pledgee And Maturity



Pledged To: CITY TREASURER

Jones Bank - Seward, NE

Page 9 of 27

As Of 2/29/2020

| Receipt# Safekeeping Location | CUSIP | ASC 320 | Description Maturity | Prerefund | Pool/Type Coupon | Moody S&P | Original Face Pledged Percent | Pledged | |
|----------------------------------|-----------|---------|---------------------------------------|-----------|---------------------|--------------|----------------------------------|---------------|--------------|
| | | | | | | | | Original Face | Market Value |
| COMM: COMMERCE BANK | 166807CX3 | AFS | CHEYENNE SD 1-REF NE 22 12/15/22 | | 2.25 | | 160,000.00 100.00% | 160,000.00 | 160,097.60 |
| COMM: COMMERCE BANK | 119475HZ7 | AFS | BUFFALO SD#7-REF NE 23 12/15/23 | | 2.35 | AA- | 200,000.00 100.00% | 200,000.00 | 200,146.00 |
| COMM: COMMERCE BANK | 183524AP2 | AFS | CLAY CO-HWY ALLOC NE 24 06/15/24 | | 2.30 | | 200,000.00 100.00% | 200,000.00 | 200,150.00 |
| COMM: COMMERCE BANK | 486890F35 | AFS | KEARNEY-TANS NE 20 05/15/20 | | 1.55 | | 145,000.00 100.00% | 145,000.00 | 145,078.30 |
| COMM: COMMERCE BANK | 557353HC6 | AFS | MADISON SD #2 NE 20 12/15/20 | | 1.80 | | 200,000.00 100.00% | 200,000.00 | 200,132.00 |
| COMM: COMMERCE BANK | 818483EP0 | AFS | SEWARD-REF-ELEC REV NE 22 02/15/22 | | 2.20 | | 105,000.00 100.00% | 105,000.00 | 105,085.05 |
| COMM: COMMERCE BANK | 25931PAU9 | AFS | DOUGLAS SD #15-BLDG NE 22 12/15/22 | | 1.75 | | 210,000.00 100.00% | 210,000.00 | 211,388.10 |
| COMM: COMMERCE BANK | 45289MGF9 | AFS | IMPERIAL-REF NE 22 12/15/22 | | 1.45 | | 190,000.00 100.00% | 190,000.00 | 190,817.00 |
| COMM: COMMERCE BANK | 803765BN5 | AFS | SARPY SAN 208-REF NE 23 08/15/23 | | 2.15 | | 115,000.00 100.00% | 115,000.00 | 115,810.75 |
| COMM: COMMERCE BANK | 079212T63 | AFS | BELLEVUE-TAX ANTIC NE 24 06/01/24 | | 2.35 | | 100,000.00 100.00% | 100,000.00 | 100,089.00 |
| COMM: COMMERCE BANK | 810183AZ6 | AFS | SCOTTS BLUFF SD #32 NE 24 06/15/24 | | 2.50 | | 250,000.00 100.00% | 250,000.00 | 250,277.50 |
| COMM: COMMERCE BANK | 919558KE5 | AFS | VLY CO-REF NE 24 12/15/24 | | 2.65 | | 200,000.00 100.00% | 200,000.00 | 200,242.00 |
| COMM: COMMERCE BANK | 412606CP8 | AFS | HARLAN CNTY-REF NE 26 06/01/26 | | 1.75 | | 200,000.00 100.00% | 200,000.00 | 200,742.00 |

Although the information in this report has been obtained from sources believed to be reliable, its accuracy cannot be guaranteed.

Pledges By Pledgee And Maturity



Pledged To: CITY TREASURER

Jones Bank - Seward, NE

As Of 2/29/2020

Page 10 of 27

| Receipt# Safeguarding Location | CUSIP | ASC 320 | Description Maturity | Prerefund | Pool/Type Coupon | Moody S&P | Original Face Pledged Percent | Pledged | | Market Value |
|-----------------------------------|-----------|---------|---|-----------|---------------------|--------------|----------------------------------|---------------|------------|--------------|
| | | | | | | | | Original Face | Par | |
| COMM: COMMERCE BANK | 943776JA3 | AFS | WAVERLY-REF NE 26 06/15/26 | | 2.25 | | 200,000.00 100.00% | 200,000.00 | 200,000.00 | 201,980.00 |
| COMM: COMMERCE BANK | 148009EZ8 | AFS | CASS CO SD #1 NE 26 12/15/26 | | 2.35 | | 200,000.00 100.00% | 200,000.00 | 200,000.00 | 202,098.00 |
| COMM: COMMERCE BANK | 123825FJ5 | AFS | BUTLER PWR DT-A-REF NE 27 06/15/27 | | 2.50 | | 195,000.00 100.00% | 195,000.00 | 195,000.00 | 196,472.25 |
| COMM: COMMERCE BANK | 3128MMQA4 | AFS | FHLMC 15YR 11/01/27 | | G18448 2.00 | | 2,000,000.00 100.00% | 2,000,000.00 | 641,242.84 | 633,099.35 |
| COMM: COMMERCE BANK | 406036HY2 | AFS | HALL CO SCH DIST NE 27 12/15/27 | | 3.00 | | 250,000.00 100.00% | 250,000.00 | 250,000.00 | 256,305.00 |
| COMM: COMMERCE BANK | 557354DY0 | AFS | MADISON CO SD #5-REF NE 27 12/15/27 | | 2.25 | | 245,000.00 100.00% | 245,000.00 | 245,000.00 | 247,160.90 |
| COMM: COMMERCE BANK | 68905WFE5 | AFS | OTOE CO SD #501-BLDG NE 27 12/15/27 | | 2.00 | A1 | 250,000.00 100.00% | 250,000.00 | 250,000.00 | 251,900.00 |
| COMM: COMMERCE BANK | 661615SQ8 | AFS | N PLATTE-REF NE 28 06/01/28 | | 2.60 | | 200,000.00 100.00% | 200,000.00 | 200,000.00 | 202,434.00 |
| COMM: COMMERCE BANK | 840372RA6 | AFS | S SIOUX CITY UTIL-A NE 28 06/01/28 | | 2.50 | | 250,000.00 100.00% | 250,000.00 | 250,000.00 | 251,655.00 |
| COMM: COMMERCE BANK | 25933AFG6 | AFS | DOUGLAS SID #492-REF NE 28 08/15/28 | | 3.20 | | 175,000.00 100.00% | 175,000.00 | 175,000.00 | 179,429.25 |
| COMM: COMMERCE BANK | 80373YCT1 | AFS | SARPY CO SID #158-REF NE 29 11/15/29 | | 3.10 | | 155,000.00 100.00% | 155,000.00 | 155,000.00 | 158,851.75 |
| COMM: COMMERCE BANK | 361091BE0 | AFS | FURNAS CO SD #18 NE 29 12/15/29 | | 3.15 | A2 | 250,000.00 100.00% | 250,000.00 | 250,000.00 | 256,087.50 |
| COMM: COMMERCE BANK | 486841DW6 | AFS | KEARNEY CO SD #503 NE 29 12/15/29 | | 3.00 | A+ | 250,000.00 100.00% | 250,000.00 | 250,715.42 | 257,647.50 |

Although the information in this report has been obtained from sources believed to be reliable, its accuracy cannot be guaranteed.

2/25/2020 2:58 PM - BLA / JNBT

Pledges By Pledgee And Maturity



Pledged To: CITY TREASURER

Jones Bank - Seward, NE

As Of 2/29/2020

| Receipt# Safekeeping Location | CUSIP | ASC 320 | Description Maturity | Prerfund | Pool/Type Coupon | Moody S&P | Original Face Pledged Percent | Pledged | | Market Value |
|----------------------------------|-----------|---------|---|----------|---------------------|--------------|----------------------------------|---------------|------------|--------------|
| | | | | | | | | Original Face | Par | |
| COMM: COMMERCE BANK | 123825GB1 | AFS | BUTLER PWR DIST-B NE 30 08/15/30 | | 2.90 | | 200,000.00 100.00% | 200,000.00 | 200,585.78 | 202,286.00 |
| COMM: COMMERCE BANK | 486890X92 | AFS | KEARNEY NE 30 10/15/30 | | 2.60 | A+ | 150,000.00 100.00% | 150,000.00 | 150,000.00 | 153,267.00 |
| COMM: COMMERCE BANK | 0792124W3 | AFS | BELLEVUE-REF NE 30 12/15/30 | | 3.10 | | 250,000.00 100.00% | 250,000.00 | 250,000.00 | 257,937.50 |
| COMM: COMMERCE BANK | 803770SC1 | AFS | SARPY CO SD #37-B-REF NE 31 06/15/31 | | 3.00 | AA- | 250,000.00 100.00% | 250,000.00 | 250,000.00 | 257,855.00 |
| COMM: COMMERCE BANK | 661615UB8 | AFS | N PLATTE-REF NE 32 12/15/32 | | 3.00 | A- | 200,000.00 100.00% | 200,000.00 | 201,326.91 | 208,562.00 |
| COMM: COMMERCE BANK | 698864HR9 | AFS | PAPILLION MUNI FACS NE 33 12/15/33 | | 3.00 | Aa1 | 175,000.00 100.00% | 175,000.00 | 178,628.36 | 183,128.75 |
| COMM: COMMERCE BANK | 943776KA1 | AFS | WAVERLY NE 34 06/01/34 | | 2.95 | | 335,000.00 100.00% | 335,000.00 | 335,000.00 | 343,344.85 |
| COMM: COMMERCE BANK | 25928KCK5 | AFS | DOUGLAS SAN #466-REF NE 34 09/15/34 | | 3.20 | | 175,000.00 100.00% | 175,000.00 | 175,000.00 | 176,186.50 |
| COMM: COMMERCE BANK | 31418BY59 | AFS | FNMA 20YR 02/01/36 | MA2531 | 3.50 | | 1,125,000.00 100.00% | 571,269.97 | 596,808.14 | 600,500.12 |
| COMM: COMMERCE BANK | 306584AT0 | AFS | FALLS CO UTL REV-REF NE 36 12/15/36 | | 3.25 | | 180,000.00 100.00% | 180,000.00 | 177,795.65 | 180,734.40 |
| COMM: COMMERCE BANK | 31418CGF5 | AFS | FNMA 20YR 02/01/37 | MA2897 | 3.00 | | 1,000,000.00 100.00% | 719,941.15 | 730,579.22 | 744,140.11 |
| COMM: COMMERCE BANK | 3136A3E64 | AFS | FNR 2012-9 YC 11/25/41 | | 2.00 | | 2,250,000.00 100.00% | 676,651.95 | 659,789.19 | 678,945.73 |

38 Securities Pledged To: 1010 - CITY TREASURER

CASH IN BANK \$9,278,794.80

13,185,000.00 9,419,105.91 9,434,328.02 9,574,573.90

Although the information in this report has been obtained from sources believed to be reliable, its accuracy cannot be guaranteed.
2/25/2020 2:58 PM - BLA / JNBT

Report Sequence: sgrp, CUSIP, Ticket

| SGrp STyp Loc/PI | CUSIP Description S&P | Moody | Rate | Ticket-P# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledge Values | | | Market Value Collateral Value |
|------------------------------|-----------------------------|-------|-------|-------------|---|-----------------------------------|-------------------------|----------------------------|-------------------------|--------------------------------|----------------------------------|
| | | | | | | | | Pledged Face % of Total | Par Value Book Value | Carrying Value Interest Rec | |
| PLEDGEE: CITY OF SEWARD (02) | | | | | | | | | | | |
| AGEN | 3130A8FU2 | | 1.875 | 185148802-1 | Contin | 12/27/2022 | 150,000.00 | 150,000.00 | 150,000.00 | 150,005.85 | 150,005.85 |
| FHLB | FHLB FIXED RATE NOTE | | | | 3/1/2020 | 6/27/2016 | 150,000.00 | 150,000.00 | 150,000.00 | 500.00 | 150,505.85 |
| D02/02 | AA+ | Aaa | | | 100.000 | AFS | 150,000.00 | 100.00% | 145,463.50 | | |
| CMO | 3137AWUJ78 | | 1.250 | 185157011-1 | | 12/15/2027 | 1,500,000.00 | 1,500,000.00 | 239,198.24 | 230,566.22 | 230,566.22 |
| FHR | FHR 4145 AC | | | | | 12/1/2012 | 1,500,000.00 | 100.00% | 236,680.35 | 249.16 | 230,815.38 |
| D02/02 | | | | | AFS | | 239,198.24 | 100.00% | | | |
| CMO | 3137B0NV2 | | 1.500 | 185157163-1 | | 9/15/2025 | 2,000,000.00 | 2,000,000.00 | 262,464.70 | 260,765.36 | 260,765.36 |
| FHR | FHR 4176 EC | | | | | 3/1/2013 | 2,000,000.00 | 100.00% | 260,628.85 | 328.08 | 261,093.44 |
| D02/02 | | | | | AFS | | 262,464.70 | 100.00% | | | |
| GNMA | 36176W2B6 | | 4.000 | 185168920-1 | | 12/15/2026 | 560,000.00 | 560,000.00 | 81,095.22 | 84,832.99 | 84,832.99 |
| GNMA | GNMA POOL 778670 | | | | | 12/1/2011 | 560,000.00 | 100.00% | 84,465.04 | 270.32 | 85,103.31 |
| D02/02 | | | | | AFS | | 81,095.22 | 100.00% | | | |
| GNMA | 3620ZERL5 | | 5.000 | 185171012-1 | | 3/20/2023 | 500,000.00 | 500,000.00 | 16,140.67 | 16,684.22 | 16,684.22 |
| GNM2 | GNMA2 POOL 4091 | | | | | 3/1/2008 | 500,000.00 | 100.00% | 16,516.02 | 67.25 | 16,751.47 |
| D02/02 | | | | | AFS | | 16,140.67 | 100.00% | | | |
| GNMA | 3620A9QG9 | | 3.500 | 185171527-1 | | 9/15/2024 | 750,000.00 | 750,000.00 | 69,550.08 | 72,841.85 | 72,841.85 |
| GNMA | GNMA POOL 723255 | | | | | 9/1/2009 | 750,000.00 | 100.00% | 71,846.82 | 202.85 | 73,044.70 |
| D02/02 | | | | | AFS | | 69,550.08 | 100.00% | | | |
| GNMA | 3620ARB59 | | 3.500 | 185171588-1 | | 5/15/2025 | 1,000,000.00 | 1,000,000.00 | 120,816.56 | 126,964.96 | 126,964.96 |
| GNMA | GNMA POOL 737260 | | | | | 5/1/2010 | 1,000,000.00 | 100.00% | 123,539.83 | 352.38 | 127,317.34 |
| D02/02 | | | | | AFS | | 120,816.56 | 100.00% | | | |
| GNMA | 36241KJN9 | | 5.500 | 185173887-1 | | 12/20/2020 | 750,000.00 | 750,000.00 | 474.62 | 476.33 | 476.33 |
| GNM2 | GNMA2 POOL 782069 | | | | | 3/1/2006 | 750,000.00 | 100.00% | 478.93 | 2.18 | 478.51 |
| D02/02 | | | | | AFS | | 474.62 | 100.00% | | | |
| MBS | 3128MEHL8 | | 5.000 | 185145155-1 | | 11/1/2024 | 557,000.00 | 557,000.00 | 8,138.97 | 8,274.43 | 8,274.43 |
| FGLM | FHLMC POOL G15435 | | | | | 5/1/2015 | 557,000.00 | 100.00% | 8,381.89 | 33.91 | 8,308.34 |
| D02/02 | | | | | AFS | | 8,138.97 | 100.00% | | | |
| MBS | 3128MMLQ4 | | 4.500 | 185145399-1 | | 12/1/2024 | 1,015,000.00 | 1,015,000.00 | 42,597.33 | 44,524.36 | 44,524.36 |
| FGLM | FHLMC POOL G18334 | | | | | 12/1/2009 | 1,015,000.00 | 100.00% | 43,660.11 | 159.74 | 44,684.10 |
| D02/02 | | | | | AFS | | 42,597.33 | 100.00% | | | |

Report reflects information submitted to VS Bond Accounting by the customer. It is not intended to be used as the official record of safekeeping location and/or pledged holdings. See customer's Safekeeping Agent reports as needed.
H231 - Pledged Securities Detail
As of: 2/29/2020, Created: 2/27/2020 1:53:31 AM

Cattle Bank & Trust (052)
Investment Portfolio (1)

Pledged Securities Detail
February 29, 2020

H231
Page 2 of 56

Report Sequence: sgrp, CUSIP, Ticket

| SGrp STyp Loc/PI | CUSIP Description S&P | Rate | Moody | State | Ticket-P# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledged Face % of Total | Pledge Values | | |
|------------------------|-----------------------------------|-------|-------|-------|-------------|---|-----------------------------------|-------------------------|----------------------------|-------------------------|--------------------------------|----------------------------------|
| | | | | | | | | | | Par Value Book Value | Carrying Value Interest Rec | Market Value Collateral Value |
| MBS FGLM D02/02 | 3128PNBR8 FHLMC POOL J09948 | 4.000 | | | 185147186-1 | | 7/1/2024 | 1,300,000.00 | 1,300,000.00 | 54,406.48 | 56,895.69 | 56,895.69 |
| | | | | | | | 6/1/2009 | 54,406.48 | 100.00% | 56,250.86 | 181.35 | 57,077.04 |
| MBS FGLM D02/02 | 3128PQ4E8 FHLMC POOL J11721 | 4.500 | | | 185147195-1 | | 2/1/2025 | 1,200,000.00 | 1,200,000.00 | 63,203.29 | 66,070.39 | 66,070.39 |
| | | | | | | | 2/1/2010 | 63,203.29 | 100.00% | 65,865.52 | 237.01 | 66,307.40 |
| MBS FGLM D02/02 | 3128PVN22 FHLMC POOL J15809 | 3.000 | | | 185147378-1 | | 6/1/2021 | 285,000.00 | 285,000.00 | 7,657.56 | 7,918.69 | 7,918.69 |
| | | | | | | | 6/1/2011 | 7,657.56 | 100.00% | 7,711.10 | 19.14 | 7,937.83 |
| MBS FGLM D02/02 | 3128QOGL5 FHLMC POOL J19203 | 4.000 | | | 185147609-1 | | 5/1/2027 | 425,000.00 | 425,000.00 | 72,286.48 | 75,762.69 | 75,762.69 |
| | | | | | | | 5/1/2012 | 72,286.48 | 100.00% | 75,961.45 | 240.95 | 76,003.64 |
| MBS FGLM D02/02 | 3129HMLL2 FHLMC POOL E03063 | 3.000 | | | 185147907-1 | | 3/1/2022 | 1,000,000.00 | 1,000,000.00 | 38,119.60 | 39,426.69 | 39,426.69 |
| | | | | | | | 3/1/2012 | 38,119.60 | 100.00% | 38,562.49 | 95.30 | 39,521.99 |
| MBS FGLM D02/02 | 31335HUG6 FHLMC POOL C90583 | 6.000 | | | 185150272-1 | | 10/1/2022 | 700,000.00 | 700,000.00 | 2,319.56 | 2,501.77 | 2,501.77 |
| | | | | | | | 10/1/2002 | 2,319.56 | 100.00% | 2,326.23 | 11.60 | 2,513.37 |
| MBS FGLM D02/02 | 31335HYR8 FHLMC POOL C90720 | 5.500 | | | 185150298-1 | | 10/1/2023 | 3,250,000.00 | 3,250,000.00 | 48,287.10 | 50,392.24 | 50,392.24 |
| | | | | | | | 10/1/2003 | 48,287.10 | 100.00% | 50,112.37 | 221.32 | 50,613.56 |
| MBS FNMA D02/02 | 31371LQY8 FNMA POOL 255271 | 5.000 | | | 185155978-1 | | 6/1/2024 | 500,000.00 | 500,000.00 | 9,311.71 | 10,049.77 | 10,049.77 |
| | | | | | | | 5/1/2004 | 9,311.71 | 100.00% | 9,267.11 | 38.80 | 10,088.57 |
| MBS FNMA D02/02 | 31371NJQ9 FNMA POOL 256871 | 6.500 | | | 185156082-1 | | 8/1/2022 | 1,100,000.00 | 1,100,000.00 | 16,296.02 | 16,887.71 | 16,887.71 |
| | | | | | | | 7/1/2007 | 16,296.02 | 100.00% | 16,812.10 | 88.27 | 16,975.98 |
| MBS FNMV D02/02 | 31375HAP9 FNMA ARM POOL 334914 | 3.875 | | | 185156211-1 | | 2/1/2026 | 1,000,000.00 | 1,000,000.00 | 1,625.08 | 1,671.92 | 1,671.92 |
| | | | | | | | 1/1/1996 | 1,625.08 | 100.00% | 1,631.59 | 5.25 | 1,677.17 |
| MBS FNMA D02/02 | 3138AMK38 FNMA POOL AI7513 | 4.500 | | | 185159473-1 | | 7/1/2026 | 500,000.00 | 500,000.00 | 81,916.96 | 85,619.81 | 85,619.81 |
| | | | | | | | 7/1/2011 | 81,916.96 | 100.00% | 85,316.43 | 307.19 | 85,927.00 |

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| SGrp STYP Loc/PI | CUSIP Description S&P | Rate | Moody | State | Ticket-P# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledged Face % of Total | Pledge Values | | | Market Value Collateral Value |
|------------------------|-----------------------------|-------|-------|-------|-------------|---|-----------------------------------|-------------------------|----------------------------|---------------|------------|--------------------------------|----------------------------------|
| | | | | | | | | | | Par Value | Book Value | Carrying Value Interest Rec | |
| MBS | 3138EJLQ9 | 4.000 | | | 185159924-1 | | 7/1/2027 | 443,000.00 | 443,000.00 | 85,489.63 | 85,489.63 | 89,107.46 | 89,107.46 |
| FNMA | FNMA POOL AL2134 | | | | | | 7/1/2012 | 85,489.63 | 100.00% | 89,285.53 | 284.97 | 89,392.43 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 3138EKRM9 | 3.500 | | | 185160071-1 | | 2/1/2028 | 500,000.00 | 500,000.00 | 109,573.76 | 109,573.76 | 114,295.64 | 114,295.64 |
| FNMA | FNMA POOL AL3191 | | | | | | 2/1/2013 | 109,573.76 | 100.00% | 114,200.45 | 319.59 | 114,615.23 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 3138EKVW4 | 2.500 | | | 185160087-1 | | 4/1/2023 | 525,000.00 | 525,000.00 | 65,506.71 | 65,506.71 | 67,081.77 | 67,081.77 |
| FNMA | FNMA POOL AL3327 | | | | | | 3/1/2013 | 65,506.71 | 100.00% | 65,959.87 | 136.47 | 67,218.24 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 3138ELYF4 | 4.000 | | | 185160221-1 | | 10/1/2028 | 1,000,000.00 | 1,000,000.00 | 220,898.94 | 220,898.94 | 231,057.64 | 231,057.64 |
| FNMA | FNMA POOL AL4309 | | | | | | 10/1/2013 | 220,898.94 | 100.00% | 231,041.76 | 736.33 | 231,793.97 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 3138EMCY5 | 4.000 | | | 185160242-1 | | 2/1/2027 | 575,000.00 | 575,000.00 | 108,021.16 | 108,021.16 | 112,624.78 | 112,624.78 |
| FNMA | FNMA POOL AL4586 | | | | | | 12/1/2013 | 108,021.16 | 100.00% | 113,156.29 | 360.07 | 112,984.85 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 31407T2J8 | 5.000 | | | 185163606-1 | | 10/1/2020 | 545,000.00 | 545,000.00 | 1,744.29 | 1,744.29 | 1,766.11 | 1,766.11 |
| FNMA | FNMA POOL 840577 | | | | | | 10/1/2005 | 1,744.29 | 100.00% | 1,747.76 | 7.27 | 1,773.38 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 3140J5EA3 | 2.500 | | | 185164038-1 | | 12/1/2029 | 300,000.00 | 300,000.00 | 142,847.77 | 142,847.77 | 145,207.44 | 145,207.44 |
| FNMA | FNMA POOL BM1028 | | | | | | 3/1/2017 | 142,847.77 | 100.00% | 143,499.49 | 297.60 | 145,505.04 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 31410KAW4 | 4.000 | | | 185164389-1 | | 3/1/2023 | 2,050,000.00 | 2,050,000.00 | 28,847.46 | 28,847.46 | 29,041.24 | 29,041.24 |
| FNMA | FNMA POOL 869321 | | | | | | 3/1/2008 | 28,847.46 | 100.00% | 29,486.94 | 96.16 | 29,137.40 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 31412P2K6 | 4.500 | | | 185164602-1 | | 7/1/2024 | 2,900,000.00 | 2,900,000.00 | 96,659.76 | 96,659.76 | 101,451.07 | 101,451.07 |
| FNMA | FNMA POOL 931478 | | | | | | 6/1/2009 | 96,659.76 | 100.00% | 100,086.80 | 362.47 | 101,813.54 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 31417SAL4 | 4.500 | | | 185165282-1 | | 10/1/2024 | 2,040,000.00 | 2,040,000.00 | 139,919.50 | 139,919.50 | 146,193.44 | 146,193.44 |
| FNMA | FNMA POOL AC5410 | | | | | | 10/1/2009 | 139,919.50 | 100.00% | 145,372.56 | 524.70 | 146,718.14 | |
| D02/02 | | | | | | | AFS | | | | | | |
| MBS | 31417YN78 | 4.000 | | | 185165494-1 | | 5/1/2020 | 7,500,000.00 | 7,500,000.00 | 7,450.58 | 7,450.58 | 7,470.71 | 7,470.71 |
| FNMA | FNMA POOL MA0413 | | | | | | 4/1/2010 | 7,450.58 | 100.00% | 7,459.75 | 24.84 | 7,495.55 | |
| D02/02 | | | | | | | AFS | | | | | | |

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H231 : Pledged Securities Detail
As of: 2/29/2020, Created: 2/27/2020 1:53:31 AM

Cattle Bank & Trust (052)
Investment Portfolio (1)

Pledged Securities Detail
February 29, 2020

H231
Page 4 of 56

Report Sequence: sgrp, CUSIP, Ticket

| SGrp STyp Loc/PI | CUSIP Description S&P | Moody | Rate | State | Ticket-# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledged Face % of Total | Pledge Values | | | Market Value Collateral Value |
|------------------------|--------------------------------|-------|-------|-------|-------------|---|-----------------------------------|-------------------------|----------------------------|---------------|------------|--------------------------------|----------------------------------|
| | | | | | | | | | | Par Value | Book Value | Carrying Value Interest Rec | |
| MBS | 31418AAC2 | | 3.000 | | 185165786-1 | | 11/1/2026 | | | | | | |
| FNMA | FNMA POOL MA0902 | | | | | | 10/1/2011 | 1,000,000.00 | 1,000,000.00 | 85,372.55 | 85,372.55 | 87,384.19 | 87,384.19 |
| D02/02 | | | | | | | AFS | | 100.00% | 86,591.80 | 213.43 | | 87,597.62 |
| MBS | 31418AQY7 | | 2.500 | | 185166318-1 | | 3/1/2023 | | | | | | |
| FNMA | FNMA POOL MA1370 | | | | | | 2/1/2013 | 500,000.00 | 500,000.00 | 61,889.13 | 61,889.13 | 63,378.77 | 63,378.77 |
| D02/02 | | | | | | | AFS | | 100.00% | 62,373.25 | 128.94 | | 63,507.71 |
| MBS | 31418AYS1 | | 2.500 | | 185166625-1 | | 10/1/2023 | | | | | | |
| FNMA | FNMA POOL MA1620 | | | | | | 9/1/2013 | 587,000.00 | 587,000.00 | 99,633.56 | 99,633.56 | 102,034.46 | 102,034.46 |
| D02/02 | | | | | | | AFS | | 100.00% | 100,513.32 | 207.57 | | 102,242.03 |
| MUNI | 123825GA3 | | 2.750 | NE | 185139632-1 | Contin | 8/15/2029 | | | | | | |
| REV | BUTLER NE PUB PWR DIST ELEC SY | | | | | | 5/12/2021 | 150,000.00 | 150,000.00 | 150,000.00 | 151,515.00 | 151,515.00 | 151,515.00 |
| D02/02 | | | | | | | 100.000 | | 100.00% | 150,000.00 | 183.33 | | 151,688.33 |
| MUNI | 199437KM5 | | 2.800 | NE | 185141492-1 | Contin | 6/15/2025 | | | | | | |
| REV | COLUMBUS NE COMB REV | | | | | | 8/7/2012 | 205,000.00 | 205,000.00 | 205,000.00 | 205,344.40 | 205,344.40 | 205,344.40 |
| D02/02 | | | | | | | 100.000 | | 100.00% | 203,996.31 | 1,211.78 | | 206,556.18 |
| MUNI | 199437LA0 | | 2.875 | NE | 185141494-1 | Contin | 6/15/2026 | | | | | | |
| REV | COLUMBUS NE COMB REV | | | | | | 7/23/2015 | 100,000.00 | 100,000.00 | 100,000.00 | 100,816.00 | 100,816.00 | 100,816.00 |
| D02/02 | | | | | | | 100.000 | | 100.00% | 99,569.31 | 606.94 | | 101,422.94 |
| MUNI | 231868NU0 | | 2.550 | NE | 185142176-1 | Contin | 12/1/2023 | | | | | | |
| REV | CUSTER NE PUBLIC PWR DIST | | | | | | 8/27/2020 | 100,000.00 | 100,000.00 | 100,000.00 | 100,716.00 | 100,716.00 | 100,716.00 |
| D02/02 | | | | | | | 100.000 | | 100.00% | 100,000.00 | 637.50 | | 101,353.50 |
| MUNI | 239421J40 | | 2.750 | NE | 185142338-1 | Contin | 9/15/2027 | | | | | | |
| REV | DAWSON NEB PUB PWR DIST REV | | | | | | 9/17/2015 | 100,000.00 | 100,000.00 | 100,000.00 | 100,651.00 | 100,651.00 | 100,651.00 |
| D02/02 | | | | | | | AFS | | 100.00% | 98,989.77 | 1,268.06 | | 101,919.06 |
| MUNI | 25929FBA9 | | 3.150 | NE | 185142823-1 | Contin | 7/15/2026 | | | | | | |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | | 1/15/2016 | 100,000.00 | 100,000.00 | 100,000.00 | 100,897.00 | 100,897.00 | 100,897.00 |
| D02/02 | | | | | | | AFS | | 100.00% | 100,000.00 | 402.50 | | 101,299.50 |
| MUNI | 259290EB6 | | 3.100 | NE | 185142828-1 | Contin | 8/15/2030 | | | | | | |
| GO | DOUGLAS CNTY NE SAN & IMPT DIS | | | | | | 6/15/2016 | 150,000.00 | 150,000.00 | 150,000.00 | 151,366.50 | 151,366.50 | 151,366.50 |
| D02/02 | | | | | | | AFS | | 100.00% | 150,000.00 | 206.67 | | 151,573.17 |
| MUNI | 259292CS7 | | 2.700 | NE | 185142831-1 | Contin | 11/15/2026 | | | | | | |
| GO | DOUGLAS CNTY SAN IMPT DIST 427 | | | | | | 11/15/2017 | 280,000.00 | 280,000.00 | 280,000.00 | 284,370.80 | 284,370.80 | 284,370.80 |
| D02/02 | | | | | | | AFS | | 100.00% | 280,000.00 | 2,226.00 | | 286,596.80 |

Report reflects information submitted to VS Bond Accounting by the customer. It is not intended to be used as the official record of safekeeping location and/or pledged holdings. See customer's Safekeeping Agent reports as needed.

Cattle Bank & Trust (052)
Investment Portfolio (1)

Pledged Securities Detail
February 29, 2020

Report Sequence: sgrp, CUSIP, Ticket

| SGrp STyp Loc/PI | CUSIP Description S&P | Moody | Rate | State | Ticket-# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledged Face % of Total | Pledge Values | | Carrying Value Interest Rec | Market Value Collateral Value |
|------------------------|--------------------------------|-------|-------|-------|-------------|---|-----------------------------------|-------------------------|----------------------------|---------------|------------|--------------------------------|----------------------------------|
| | | | | | | | | | | Par Value | Book Value | | |
| MUNI | 25930HAU8 | | 2.400 | NE | 185142850-1 | Contn | 3/15/2022 | 75,000.00 | 75,000.00 | 75,000.00 | | 75,028.50 | 75,028.50 |
| GO | DOUGLAS CNTY NE SAN & IMPT DIS | | | | | 3/15/2020 | 3/15/2015 | 75,000.00 | 100.00% | 75,000.00 | | 830.00 | 75,858.50 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25930PCG9 | | 2.900 | NE | 185142854-1 | Contn | 11/15/2028 | 80,000.00 | 80,000.00 | 80,000.00 | | 80,982.40 | 80,982.40 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 11/15/2021 | 11/15/2016 | 80,000.00 | 100.00% | 80,000.00 | | 683.11 | 81,665.51 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25930VCD3 | | 2.550 | NE | 185142857-1 | Contn | 2/15/2024 | 50,000.00 | 50,000.00 | 50,000.00 | | 50,431.00 | 50,431.00 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 3/1/2021 | 3/1/2016 | 50,000.00 | 100.00% | 50,000.00 | | 56.67 | 50,487.67 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25931FCK1 | | 3.000 | NE | 185142860-1 | Contn | 9/15/2031 | 240,000.00 | 240,000.00 | 240,000.00 | | 242,157.60 | 242,157.60 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 9/15/2021 | 9/15/2016 | 240,000.00 | 100.00% | 240,000.00 | | 3,320.00 | 245,477.60 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25931KAV8 | | 2.600 | NE | 185142861-1 | Contn | 5/15/2023 | 100,000.00 | 100,000.00 | 100,000.00 | | 100,179.00 | 100,179.00 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 5/15/2020 | 5/15/2015 | 100,000.00 | 100.00% | 100,000.00 | | 765.56 | 100,944.56 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25931LCN2 | | 2.700 | NE | 185142862-1 | Contn | 11/15/2028 | 170,000.00 | 170,000.00 | 170,000.00 | | 171,689.80 | 171,689.80 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 11/15/2021 | 11/15/2016 | 170,000.00 | 100.00% | 170,000.00 | | 1,351.50 | 173,041.30 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25931MBX9 | | 3.100 | NE | 185142863-1 | Contn | 10/15/2029 | 140,000.00 | 140,000.00 | 140,000.00 | | 141,411.20 | 141,411.20 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 7/15/2021 | 7/15/2016 | 140,000.00 | 100.00% | 140,000.00 | | 1,639.56 | 143,050.76 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25931QBD4 | | 3.200 | NE | 185142864-1 | Contn | 11/1/2026 | 100,000.00 | 100,000.00 | 100,000.00 | | 101,053.00 | 101,053.00 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 12/1/2020 | 12/1/2015 | 100,000.00 | 100.00% | 100,000.00 | | 1,066.67 | 102,119.67 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25931VBA9 | | 3.050 | NE | 185142865-1 | Contn | 11/15/2029 | 135,000.00 | 135,000.00 | 135,000.00 | | 136,224.45 | 136,224.45 |
| GO | DOUGLAS CNTY NE SA & IMPT DIST | | | | | 5/15/2021 | 5/15/2016 | 135,000.00 | 100.00% | 135,000.00 | | 1,212.38 | 137,436.83 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25931VBN1 | | 3.500 | NE | 185142866-1 | Contn | 8/15/2032 | 50,000.00 | 50,000.00 | 50,000.00 | | 51,075.50 | 51,075.50 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 7/15/2022 | 7/27/2017 | 50,000.00 | 100.00% | 50,000.00 | | 77.78 | 51,153.28 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |
| MUNI | 25933BCU6 | | 3.600 | NE | 185142873-1 | Contn | 7/15/2027 | 100,000.00 | 100,000.00 | 100,000.00 | | 100,593.00 | 100,593.00 |
| GO | DOUGLAS CNTY NE SAN & IMPT | | | | | 7/15/2020 | 7/15/2015 | 100,000.00 | 100.00% | 100,000.00 | | 460.00 | 101,053.00 |
| D02/02 | | | | | | 100.000 | AFS | | | | | | |

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 H231 - Pledged Securities Detail
 As of: 2/29/2020, Created: 2/27/2020 1:53:31 AM

Cattle Bank & Trust (052)
Investment Portfolio (1)

Pledged Securities Detail
February 29, 2020

H231
 Page 6 of 56

Report Sequence: sgrp, CUSIP, Ticket

| SGrp | STyp | Loc/Pl | CUSIP Description S&P | Moody | Rate | State | Ticket-P# | Call Type | Maturity Dt | Total Face | Pledged Face | Pledge Values | | Market Value |
|------|------|--------|--|-------|-------|-------|-------------|------------|-------------|------------|--------------|---------------|--------------|------------------|
| | | | | | | | | | | | | Next Call Dt | Issue Dt | |
| | | | | | | | | Call Price | Intent | Total Par | % of Total | Book Value | Interest Rec | Collateral Value |
| MUNI | GO | D02/02 | 25934ACJ2 DOUGLAS CNTY NE SAN & IMPT | | 3.100 | NE | 185142882-1 | Contn | 12/15/2030 | 120,000.00 | 120,000.00 | 120,000.00 | 121,047.60 | 121,047.60 |
| MUNI | GO | D02/02 | 25934QDB3 DOUGLAS CNTY NE SAN & IMPT | | 2.000 | NE | 185142887-1 | 100.000 | AFS | 120,000.00 | 100.00% | 120,000.00 | 785.33 | 121,832.93 |
| MUNI | REV | D02/02 | 287742LU2 ELKHORN NE RURAL PUBLIC PWR | | 2.650 | NE | 185143485-1 | Contn | 6/1/2025 | 80,000.00 | 80,000.00 | 80,000.00 | 80,060.00 | 80,060.00 |
| MUNI | GO | D02/02 | 406028FB1 HALL CNTY NE ARPT AUTH | | 3.200 | NE | 185176895-1 | 100.000 | AFS | 80,000.00 | 100.00% | 80,000.00 | 666.67 | 80,726.67 |
| MUNI | GO | D02/02 | 406036HN6 HALL CNTY NE SCD #2 GRAND IS | | 2.400 | NE | 185176896-1 | Contn | 12/15/2024 | 200,000.00 | 200,000.00 | 200,000.00 | 200,326.00 | 200,326.00 |
| MUNI | GO | D02/02 | 473260DB0 JEFFERSON CNTY NE | | 2.550 | NE | 185178494-1 | Contn | 12/15/2025 | 85,000.00 | 85,000.00 | 85,000.00 | 85,357.00 | 85,357.00 |
| MUNI | GO | D02/02 | 487571FT3 KEITH CNTY NE SCD #1 | | 2.950 | NE | 185178859-1 | 100.000 | AFS | 85,000.00 | 100.00% | 85,000.00 | 347.56 | 85,704.56 |
| MUNI | GO | D02/02 | 505318QS7 LA VISTA NE | | 2.650 | NE | 185179244-1 | Contn | 11/15/2024 | 100,000.00 | 100,000.00 | 100,000.00 | 100,114.00 | 100,114.00 |
| MUNI | REV | D02/02 | 57973FDD8 MCCOOK NE PUBLIC PWR DIST | | 3.150 | NE | 185181069-1 | Contn | 12/15/2030 | 100,000.00 | 100,000.00 | 100,000.00 | 102,866.00 | 102,866.00 |
| MUNI | GO | D02/02 | 68905FFE4 OTOE CNTY NE SCH DIST #111 | | 2.500 | NE | 185184481-1 | Contn | 11/15/2023 | 100,000.00 | 100,000.00 | 100,000.00 | 665.00 | 103,531.00 |
| MUNI | GO | D02/02 | 757045DV8 RED WILLOW CNTY NE | | 2.650 | NE | 185185975-1 | Contn | 12/15/2025 | 100,000.00 | 100,000.00 | 100,000.00 | 100,148.00 | 100,148.00 |
| MUNI | GO | D02/02 | | | | | | 100.000 | AFS | 100,000.00 | 100.00% | 100,000.00 | 736.11 | 100,884.11 |
| MUNI | GO | D02/02 | | | | | | Contn | 6/20/2013 | 100,000.00 | 100,000.00 | 100,000.00 | 100,112.00 | 100,112.00 |
| MUNI | GO | D02/02 | | | | | | 100.000 | AFS | 100,000.00 | 100.00% | 100,000.00 | 559.44 | 100,671.44 |

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Pledged Securities Detail
February 29, 2020

Cattle Bank & Trust (052)
Investment Portfolio (1)

Report Sequence: sgrp, CUSIP, Ticket

| SGrp STYP Loc/PI | CUSIP Description S&P | Rate | Moody | State | Ticket-# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledge Values | | |
|------------------------|-------------------------------|-------|-------|-------------|------------|---|-----------------------------------|-------------------------|----------------------------|-------------------------|--------------------------------|
| | | | | | | | | | Pledged Face % of Total | Par Value Book Value | Carrying Value Interest Rec |
| MUNI | 80374BCJ2 | 3.650 | NE | 185187202-1 | Contn | 10/15/2026 | 115,000.00 | 115,000.00 | 115,000.00 | 115,171.35 | 115,171.35 |
| GO | SARPY CNTYH NE SAN & IMPT | | | | 3/1/2020 | 8/15/2014 | 115,000.00 | 115,000.00 | 115,000.00 | 1,585.72 | 116,757.07 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 803760EJ2 | 3.650 | NE | 185187204-1 | Contn | 12/15/2029 | 100,000.00 | 100,000.00 | 100,000.00 | 101,232.00 | 101,232.00 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 12/15/2020 | 12/15/2015 | 100,000.00 | 100,000.00 | 100,000.00 | 770.56 | 102,002.56 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 803766BG8 | 2.850 | NE | 185187208-1 | Contn | 5/15/2022 | 90,000.00 | 90,000.00 | 90,000.00 | 90,393.30 | 90,393.30 |
| GO | SARPY CNTY NE SAN & IMPT | | | | 7/1/2020 | 7/1/2015 | 90,000.00 | 90,000.00 | 90,000.00 | 755.25 | 91,148.55 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 80376DCN7 | 3.250 | NE | 185187210-1 | Contn | 10/15/2023 | 200,000.00 | 200,000.00 | 200,000.00 | 200,362.00 | 200,362.00 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 3/1/2020 | 10/15/2012 | 200,000.00 | 200,000.00 | 200,000.00 | 2,455.56 | 202,817.56 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 80376ECZ8 | 3.750 | NE | 185187211-1 | Contn | 8/15/2029 | 90,000.00 | 90,000.00 | 90,000.00 | 92,585.70 | 92,585.70 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 2/15/2022 | 2/15/2017 | 90,000.00 | 90,000.00 | 90,000.00 | 150.00 | 92,735.70 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 80376UBK6 | 2.700 | NE | 185187214-1 | Contn | 8/15/2026 | 50,000.00 | 50,000.00 | 50,000.00 | 50,804.50 | 50,804.50 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 7/15/2022 | 7/15/2017 | 50,000.00 | 50,000.00 | 50,000.00 | 60.00 | 50,864.50 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 80377TBE2 | 2.800 | NE | 185187220-1 | Contn | 11/15/2028 | 85,000.00 | 85,000.00 | 85,000.00 | 85,984.30 | 85,984.30 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 11/15/2021 | 11/15/2016 | 85,000.00 | 85,000.00 | 85,000.00 | 700.78 | 86,685.08 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 80377TBF9 | 2.900 | NE | 185187221-1 | Contn | 11/15/2029 | 85,000.00 | 85,000.00 | 85,000.00 | 86,221.45 | 86,221.45 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 11/15/2021 | 11/15/2016 | 85,000.00 | 85,000.00 | 85,000.00 | 725.81 | 86,947.26 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 80378CBS7 | 3.500 | NE | 185187225-1 | Contn | 9/1/2026 | 150,000.00 | 150,000.00 | 150,000.00 | 150,195.00 | 150,195.00 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 3/1/2020 | 9/1/2014 | 150,000.00 | 150,000.00 | 150,000.00 | 2,625.00 | 152,820.00 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 80378TEW8 | 3.850 | NE | 185187230-1 | Contn | 10/15/2033 | 85,000.00 | 85,000.00 | 85,000.00 | 87,853.45 | 87,853.45 |
| GO | SARPY CNTY NE SAN & IMPT DIST | | | | 4/15/2023 | 4/15/2018 | 85,000.00 | 85,000.00 | 85,000.00 | 1,236.28 | 89,089.73 |
| D02/02 | | | | | 100.000 | AFS | | | | | |
| MUNI | 818483FG9 | 2.450 | NE | 185187557-1 | Contn | 2/15/2028 | 150,000.00 | 150,000.00 | 150,000.00 | 151,432.50 | 151,432.50 |
| REV | SEWARD NE ELEC REV | | | | 6/15/2021 | 6/15/2016 | 150,000.00 | 150,000.00 | 150,000.00 | 163.33 | 151,595.83 |
| D02/02 | | | | | 100.000 | AFS | | | | | |

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H231 - Pledged Securities Detail
As of 2/29/2020, Created: 2/27/2020 1:53:31 AM

**Cattle Bank & Trust (052)
Investment Portfolio (1)**

**Pledged Securities Detail
February 29, 2020**

H231
Page 8 of 56

Report Sequence: sgrp, CUSIP, Ticket

| SGrp STyp Loc/Pl | CUSIP Description S&P | Moody | Rate | State | Ticket-# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledged Face % of Total | Pledge Values | | Carrying Value Interest Rec | Market Value Collateral Value |
|-------------------------|--|-------|-------|-------|-------------|---|-----------------------------------|--------------------------|----------------------------|--------------------------|--------------------------------|--------------------------------|----------------------------------|
| | | | | | | | | | | Par Value Book Value | Carrying Value Interest Rec | | |
| MUNI REV D02/02 | 818484DG9 SEWARD NE SANTN SWR SYS | | 2.300 | NE | 185187560-1 | Contn 8/12/2021 | 9/15/2029 8/12/2016 | 130,000.00 130,000.00 | 130,000.00 100.00% | 130,000.00 130,000.00 | 131,006.20 1,378.72 | 131,006.20 132,384.92 | |
| MUNI REV D02/02 | 818488FC7 SEWARD NE WTR SYS REVENUE | | 2.850 | NE | 185187561-1 | Contn 3/1/2020 | 9/1/2027 3/22/2013 | 90,000.00 90,000.00 | 90,000.00 100.00% | 90,000.00 90,000.00 | 90,069.30 1,282.50 | 90,069.30 91,351.80 | |
| MUNI REV D02/02 | 854746DB7 STANTON CNTY NE PUB PWR DIST | | 2.750 | NE | 185195279-1 | Contn 3/1/2020 | 8/1/2026 3/29/2012 | 140,000.00 140,000.00 | 140,000.00 100.00% | 140,000.00 140,000.00 | 140,000.00 320.83 | 140,000.00 140,320.83 | |
| MUNI REV D02/02 | 854746DX9 STANTON CNTY NE PUB PWR DIST | | 2.550 | NE | 185195280-1 | Contn 3/2/2021 | 8/1/2028 3/2/2016 | 155,000.00 155,000.00 | 155,000.00 100.00% | 155,000.00 155,000.00 | 156,356.25 329.38 | 156,356.25 156,685.63 | |
| MUNI GO D02/02 | 886098BP6 THURSTON CNTY NE SCD #17 | | 3.000 | NE | 185196149-1 | Contn 3/1/2020 | 6/15/2020 1/24/2012 | 235,000.00 235,000.00 | 235,000.00 100.00% | 235,000.00 235,000.00 | 235,420.65 1,488.33 | 235,420.65 236,908.98 | |
| MUNI GO D02/02 | 919558KF2 VLY CNTY NE | | 2.900 | NE | 185197361-1 | Contn 3/1/2020 | 12/15/2025 5/28/2014 | 150,000.00 150,000.00 | 150,000.00 100.00% | 150,000.00 150,000.00 | 150,294.00 918.33 | 150,294.00 151,212.33 | |
| MUNI REV D02/02 | 930583CT4 WAHOO NE UTILITY REVENUE | | 3.000 | NE | 185197748-1 | Contn 3/1/2020 | 6/15/2027 3/12/2013 | 135,000.00 135,000.00 | 135,000.00 100.00% | 135,000.00 135,000.00 | 135,186.30 855.00 | 135,186.30 136,041.30 | |
| MUNI REV D02/02 | 93811PBV9 WASHINGTON CNTY NE PUB SAFETY | | 2.500 | NE | 185197916-1 | Contn 5/15/2020 | 12/1/2025 5/14/2015 | 150,000.00 150,000.00 | 150,000.00 100.00% | 150,000.00 150,000.00 | 150,405.00 937.50 | 150,405.00 151,342.50 | |
| MUNI REV D02/02 | 943781BN3 WAVERLY NE COMB UTIL REV | | 3.100 | NE | 185198094-1 | Contn 1/20/2021 | 6/15/2029 1/20/2016 | 100,000.00 100,000.00 | 100,000.00 100.00% | 100,000.00 100,000.00 | 101,047.00 654.44 | 101,047.00 101,701.44 | |
| TAX TAXREV D02/02 | 68189TBA3 OMAHA NEB SPL OBLIG AA+ | Aa3 | 6.400 | NE | 185184294-1 | | 2/1/2026 3/25/2008 | 50,000.00 50,000.00 | 35,000.00 70.00% | 35,000.00 35,000.00 | 39,683.00 186.67 | 39,683.00 39,869.67 | |
| TAX TAXGO | 81847EMD5 SEWARD NE | | 2.750 | NE | 185187550-1 | Contn 5/2/2021 | 10/1/2022 5/2/2016 | 140,000.00 | 140,000.00 | 140,000.00 | 140,098.00 | 140,098.00 | |

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| SGrp STyp Loc/PI | CUSIP Description S&P | Rate | Moody | State | Ticket-P# | Call Type Next Call Dt Call Price | Maturity Dt Issue Dt Intent | Total Face Total Par | Pledged Face % of Total | Pledge Values | | |
|------------------------|-----------------------------|------|-------|-------|-----------|---|-----------------------------------|-------------------------|----------------------------|---------------|--------------|----------------|
| | | | | | | | | | | Book Value | Par Value | Carrying Value |
| D02/02 | | | | | | 100.000 | AFS | 140,000.00 | 100.00% | 140,000.00 | 140,000.00 | 141,702.17 |
| | | | | | | | | 8,904,761.03 | 46,772,000.00 | 8,904,761.03 | 9,022,274.31 | 9,022,274.31 |
| | | | | | | | | 8,952,866.73 | | 8,952,866.73 | 54,245.18 | 9,076,519.49 |

CASH IN BANK \$8,504,004.04

Report reflects information submitted to VS Bond Accounting by the customer. It is not intended to be used as the official record of safekeeping location and/or pledged holdings. See customer's Safekeeping Agent reports as needed.

As of: 2/29/2020 Created: 2/27/2020 1:53:31 AM

CURRENT YEAR:

February

2020

LAST YEAR:

| Permits | Quantity | Permit Fee | Valuation |
|----------------|----------|--------------|-----------------|
| NEW CONST. | 6 | \$ 10,245.30 | \$ 1,360,364.66 |
| REMODEL/ADDIT. | 5 | \$ 502.00 | \$ 108,000.00 |
| ACCESSORY | 6 | \$ 615.50 | \$ 120,500.00 |
| RELOCATE | 0 | | |
| ELECTRIC | | | |
| PLUMBING | 9 | \$ 630.00 | |
| MECHANICAL | 6 | \$ 530.00 | |
| SEWER TAP | 6 | \$ 1,500.00 | |
| WATER TAP | 6 | \$ 5,286.00 | |
| TEMP. ELEC. | 6 | \$ 300.00 | |
| ELECTRIC SER. | 6 | \$ 1,200.00 | |
| TOTALS | 56 | \$ 20,808.80 | \$ 1,588,864.66 |

| Permits | Quantity |
|----------------|----------|
| NEW CONST. | 1 |
| REMODEL/ADDIT. | 4 |
| ACCESSORY | 1 |
| RELOCATE | 0 |
| ELECTRIC | 10 |
| PLUMBING | 4 |
| MECHANICAL | 11 |
| SEWER TAP | 1 |
| WATER TAP | 1 |
| TEMP. ELEC. | 1 |
| ELECTRIC SER. | 1 |
| TOTALS | 35 |

YEAR TO DATE

January to December

2020

YEAR TO DATE

January to

| Permits | Quantity | Permit Fee | Valuation |
|----------------|----------|--------------|-----------------|
| NEW CONST. | 7 | \$ 12,244.20 | \$ 1,570,980.63 |
| REMODEL/ADDIT. | 14 | \$ 5,099.84 | \$ 2,535,400.00 |
| ACCESSORY | 12 | \$ 1,349.25 | \$ 178,861.64 |
| RELOCATE | 0 | \$ - | \$ - |
| ELECTRIC | | \$ - | \$ - |
| PLUMBING | 23 | \$ 2,735.00 | \$ - |
| MECHANICAL | 14 | \$ 1,090.00 | \$ - |
| SEWER TAP | 7 | \$ 1,750.00 | \$ - |
| WATER TAP | 7 | \$ 6,167.00 | \$ - |
| TEMP. ELEC. | 7 | \$ 350.00 | \$ - |
| ELECTRIC SER. | 7 | \$ 1,400.00 | \$ - |
| TOTALS | 6 | \$ 32,185.29 | \$ 4,285,242.27 |

| Permits | Quantity |
|----------------|----------|
| NEW CONST. | 3 |
| REMODEL/ADDIT. | 12 |
| ACCESSORY | 6 |
| RELOCATE | 2 |
| ELECTRIC | 15 |
| PLUMBING | 18 |
| MECHANICAL | 24 |
| SEWER TAP | 3 |
| WATER TAP | 3 |
| TEMP. ELEC. | 3 |
| ELECTRIC SER. | 3 |
| TOTALS | 92 |

February

2019

| Permit Fee | Valuation |
|-------------|---------------|
| \$ 644.30 | \$ 222,479.24 |
| \$ 588.70 | \$ 162,000.00 |
| \$ 27.00 | \$ 2,500.00 |
| \$ - | \$ - |
| \$ 1,150.00 | \$ - |
| \$ 190.00 | \$ - |
| \$ 1,140.00 | \$ - |
| \$ 250.00 | \$ - |
| \$ 881.00 | \$ - |
| \$ 50.00 | \$ - |
| \$ 200.00 | \$ - |
| \$ 5,121.00 | \$ 386,979.24 |

December

2019

| Permit Fee | Valuation |
|--------------|-----------------|
| \$ 2,185.90 | \$ 782,554.26 |
| \$ 1,481.95 | \$ 369,705.00 |
| \$ 1,269.50 | \$ 36,288.00 |
| \$ 50.00 | \$ 6,260.00 |
| \$ 1,345.00 | \$ - |
| \$ 950.00 | \$ - |
| \$ 2,290.00 | \$ - |
| \$ 750.00 | \$ - |
| \$ 2,643.00 | \$ - |
| \$ 150.00 | \$ - |
| \$ 600.00 | \$ - |
| \$ 13,715.35 | \$ 1,194,807.26 |

OPEN Property Maintenance Code Violation Report

| | | | | | Last Update; 3/6/2020 |
|------------------|--|-------------------------|--|----------------------|---|
| Property Address | Violation Type | Deadline | Owner Information | Delivery Type | Status |
| 810 Moffit St | Disrepair, protective treatments, decayed siding, facia/trim, | | Patricia Murphy (life use) | Personal | In process, attempting to contact owner |
| 90 Roberts St | Water leaking from tenant above and exterior in disrepair | | Sandy Nuttleman | Personal | Attempting to contact owner |
| 345 S 9th St | RV set up for residency in violation of the ULDO | Extended due to weather | Tod/Colleen Cameron 402-643-5418 | Spoke with in person | Tod stated he would remove the skirting and move the RV to the paved drive and behind the leading edge of the house, he also stated he would disconnect the electric and only used as needed to charge the batteries. |
| 722 N 3rd St | Bedroom windows won't open | | Jordan Splatz 360-3525, rental property | Personal | Contacted owner and advised that bedroom windows do not open fully. He advsied that he will take care of. |
| 444 N 2nd St | Protective treatment, decayed siding/facia/trim, porch roof failing | 5/31/2019 | Gary Weaver PO Box 5592 Irvine, CA 92616, 949-395-6341 | Certified mail | The owner reports that he is working on a plan to abate code violations, can't paint currently due to winter, requests a time extension to comply, due to him living in CA. |
| 430 N 2nd | Protective treatment, decayed siding/facia/trim, foundation walls, gutters | 5/31/2019 | Gary Weaver PO Box 5592 Irvine, CA 92616, 949-395-6341 | Certified mail | The owner reports that he is working on a plan to abate code violations, can't paint currently due to winter, requests a time extension to comply, due to him living in CA. |
| 648 Seward St | Unsafe Structure, Failing west exterior brick wall | Extended due to weather | New owners: Darko & Suzanne Gligorevic | Served by City Staff | Owner has obtained building permit to repair exterior wall and construction is in progress. |
| 110 S 12th St | Retaining wall failing | Extended due to weather | Locust Apartments 312 E 3rd St. Neligh, NE (402-992-1983) Lisa Regional Mgr. | Certified | Owner requested time extension to secure Contractor. Owner is obtaining plans from structural engineer. New Notice & Order served. Installed temp reinforcing barricade. Owner has hired a structural engineer, proposed plans submitted. No permit has been applied for. |

OPEN Property Maintenance Code Violation Report

| | | | | | |
|---------------|--|------------|--|---------------|--|
| 424 N 7th St. | Exterior openings, Protective treatment, decayed siding/soffitts/fascia, Trash-junk-vehicles, auto parts | 10/19/2016 | Jeremy Martin, 424 N 7th St. Seward, NE 402-641-6127 | Served by SPD | Owner plans on repairing gargae as soon as it warms up. Advised will need a Bldg permit, and to clean up yard while waiting. Owner is making progress cleaning, and repairing garage. Progress has stalled. New Notice & Order served. Failed to comply, little progress observed, see enclosed report and photos. |
|---------------|--|------------|--|---------------|--|

2012

| | | | | | |
|-----------|---|----------|--|--------------------------|--|
| 149 N 1st | Protective treatment, decayed siding, windows, facia, soffits, roof, foundation | 5/1/2019 | New owner is Steve Butler, 268 4th St. Garland, NE. 402-508-0478 | Served by Certified mail | New owner has a buidling permit for a new roof and construction is in progress. Owner is planning on rectifying all code violations. Making good progress. |
|-----------|---|----------|--|--------------------------|--|

2011

| | | | | | |
|----------------|--|-----------|---|----------------------|--|
| 535 S Columbia | Unsafe Structures, Foundation failing, Protective treatment | 6/12/2019 | Daniel & Barbara Liska, 1215 Eastridge Seward, NE 68434. 402-641-3600, 643-6784 | Served by City Staff | Barb reports that they thought that they had a buyer but it fell thru. If they don't sell it within 2 weeks, they are going to demo it. |
| 1313 W Hwy 34 | Foundation stem walls, grading-drainage, tall weeds, exterior storage, long/short term vehicle parking | 10/1/2018 | Brian Fehlhafer, 1389 Progressive Rd. | Served by SPD | Referred to City Atty 2-28-11 for non-compliance/further action. City Admin. will meet with Fehlhafer. Unknown status. New Notice & Orders to be served, pending City Admin. NEW NOTICE & ORDER served, PER CITY COUNCIL. 9-28-18, City Admin. instructed Bldg Dept. to HOLD OFF issuing citation, the Mayor and City Administrator are going to meet with the owner and work on a plan. No update from City Admin. has been received. City Admin reports that they will instruct owner to obtain a Demo permit. The owner has obtained a DEMO permit. No progress being made. |

SEWARD POLICE DEPARTMENT
FEBUARAY 2020 MONTHLY REPORT

| | |
|-----------------|-----|
| ARRESTS | 29 |
| CITATIONS | 11 |
| PARKING TICKETS | 49 |
| WARNINGS | 106 |

The above numbers do not include red tag warnings for parking violations, yellow tag warnings for animal violations or verbal warnings.

The Seward County Communication Center collects the numbers used to create the attached statistics summary.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that public hearings will be held by the Planning Commission of the City of Seward, Seward County, Nebraska on Monday, March 9, 2020 at 7:30 p.m. and the City Council of the City of Seward, Seward County, Nebraska on Tuesday, March 17, 2020 at 7:00 p.m. in the Council Chambers at the Municipal Building at 142 North 7th Street, Seward, Nebraska.

Said public hearing will be to consider a voluntary request for Annexation of Walmart Subdivision, North Addition Lots 2 and 3 (North of Walmart).

Legal Description:

A SUBDIVISION LOCATED IN THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 11, NORTH RANGE 3 EAST OF THE 6TH P.M. SEWARD, NE ALSO KNOWN AS TAX PARCEL I.D. NUMBER 800227070, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT B, REPLAT OF LOT 1, WALMART SUBDIVISION, SAID CORNER ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY 15, A #5 REBAR WITH RED CAP LS#440 FOUND FOR CORNER; THENCE NORTHERLY, ALONG THE EAST RIGHT OF WAY LINE OF HIGHWAY 15, ON A BEARING OF NORTH 01°51'36" WEST, 704.36 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE SOUTH LINE OF A TRACT OF LAND AS DESCRIBED IN BOOK 63, PAGE 634, RECORDS OF SEWARD COUNTY; THENCE EASTERLY, NORTH 88°20'40" EAST, ALONG SAID TRACT, 383.60 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682; THENCE NORTHERLY, NORTH 01°38'00" WEST, ALONG THE EAST LINE OF SAID TRACT, 70.03 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE EASTERLY, NORTH 88°21'13" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 33, 553.00 FEET TO A FOUND #5 REBAR WITH CAP LS#682; THENCE SOUTHERLY, SOUTH 01°36'37" EAST, 775.18 FEET, TO THE NORTHEAST CORNER OF LOT A, REPLAT OF LOT 1, WAL-MART SUBDIVISION, A ¾" PIPE WITH CAP LS#593 FOUND FOR CORNER; THENCE WESTERLY, SOUTH 88°23'56" WEST, ALONG THE NORTH LINE OF LOT A AND LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, 933.50 FEET, TO THE POINT OF BEGINNING. CONTAINING A TOTAL CALCULATED AREA OF 697,713 SQUARE FEET, OR 16.017 ACRES, MORE OR LESS.

All persons interested may appear and be heard.

Tim Dworak
Building/Zoning & Codes Enforcement Director

PUBLISH 1 TIME February 26, 2020
PROVIDE PROOF (1)

I would like to have the city of Seward annex lots 2 and 3 of wall mart subdivision south of Seward north of the Wall Mart developed lot.

Thanks,

Brian Fehlhafer

A handwritten signature in black ink, appearing to read "Brian Fehlhafer". The signature is written in a cursive style with a large initial "B".

2-19-20

APPLICATION TYPE

Major Subdivision Application

FINAL ACTION?

DEVELOPER/OWNER

Brian & Cindy Fehlhafer

PC HEARING DATE

March 9, 2020

RELATED APPLICATIONS

PROPERTY ADDRESS, ZONING DISTRICT/USE

Walmart Subdivision/North Addition - AG

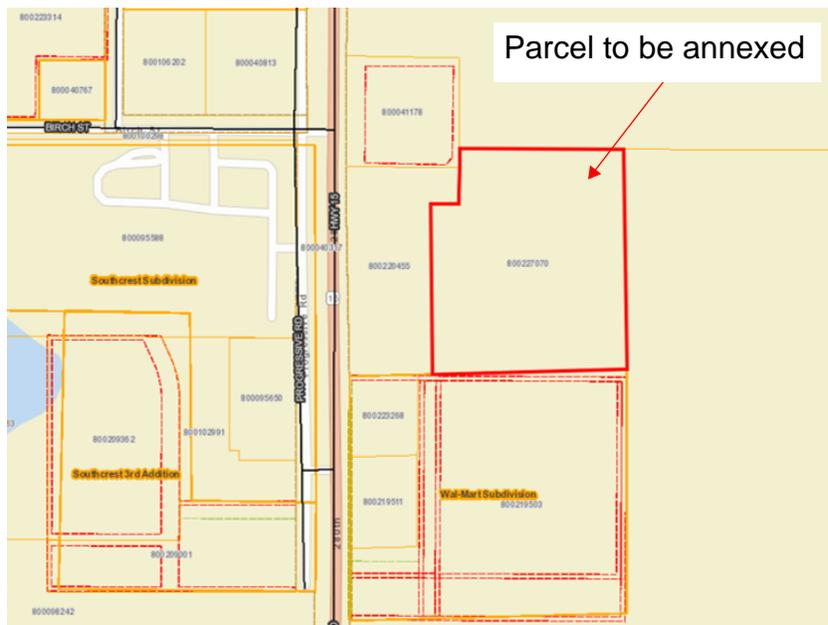
ADJACENT ZONING DISTRICTS/USE:

North, AG - White

East, AG - Ingerslew

South, C-2, Commercial – Walmart

West, I-1, Industrial; C-2, Commercial – Heritage Homes



BRIEF SUMMARY OF REQUEST:

A voluntary Annexation of parcel 800227070 as requested by Brian and Cindy Fehlhafer.

APPLICATION CONTACT

Brian & Cindy Fehlhafer

1369 196th, Seward, NE 68434

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

Use type matches the comprehensive plan recommendations for commercial.

ANALYSIS

A voluntary Annex letter from Brian Fehlhafer is attached to be read .

APPROXIMATE LAND AREA:

461,876.16 sq. ft./10.66 acres

LEGAL DESCRIPTION:

33-11-3 #NW ¼ SW ¼ 10.69 AC

Prepared by

Tim Dworak

City of Seward Building - Zoning – Code Enforcement Director

City of Seward Planning Commission

142 N 7th St. Seward, NE 68434

Staff Report

Tim Dworak, Building/Zoning &
Code Enforcement Director

402-643-4000

APPLICATION TYPE

Major Subdivision Application

FINAL ACTION?

DEVELOPER/OWNER

Brian & Cindy Fehlhafer

PC HEARING DATE

March 9, 2020

RELATED APPLICATIONS

PROPERTY ADDRESS, ZONING DISTRICT/USE

Walmart Subdivision/North Addition - AG

ADJACENT ZONING DISTRICTS/USE:

North, AG - White

East, AG - Ingerslew

South, C-2, Commercial – Walmart

West, I-1, Industrial; C-2, Commercial – Heritage Homes

BRIEF SUMMARY OF REQUEST:

A Major Subdivision preliminary and final plat review of lots 1, 2 and 3 Walmart Subdivision/North Addition. This is being done to create lot sizes that align more effectively with infrastructure.

APPLICATION CONTACT

Brian & Cindy Fehlhafer

1369 196th, Seward, NE 68434

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

Use type matches the comprehensive plan recommendations for commercial.

ANALYSIS

This is a Major Subdivision application to develop parcels of land along the East side of Highway 15 and north of Walmart. The application is submitted by Brian and Cindy Fehlhafer.

The subdivision involves 3 lots, with lot 1 within the City Limits and lots 2 and 3 currently being voluntarily annexed into the city. The current zoning is AG and the 3 lot sizes conform to proposed C-2 zoning site regulations.

The subdivision already is serviced with City utilities and a Subdivision agreement is attached for further development. All City Superintendents have reviewed the Plat and are satisfied with the submitted Plat.

A Notice of Public Hearing was published, mailed to neighboring property owners and the subject property was posted.

See attached Plat, Subdivision agreement, and other supporting documents.

APPROXIMATE LAND AREA:

461,876.16 sq. ft./10.66 acres

LEGAL DESCRIPTION:

33-11-3 #NW ¼ SW ¼ 10.69 AC

Prepared by

Tim Dworak

City of Seward Building - Zoning – Code Enforcement Director

Return to:
City of Seward
Bonnie Otte
537 Main St
Seward, NE 68434

ORDINANCE NO. 2020-

AN ORDINANCE DECLARING THE ANNEXATION OF CERTAIN CONTIGUOUS AND ADJACENT TRACTS OF LAND, URBAN AND SUBURBAN IN CHARACTER, MORE SPECIFICALLY Lots 2 & 3, Walmart Subdivision, North ADDITION TO THE CITY OF SEWARD, TO THE CORPORATE LIMITS OF THE CITY OF SEWARD, NEBRASKA, AND EXTENDING THE LIMITS THEREOF ACCORDINGLY; TO DESCRIBE THE REAL ESTATE TO BE ANNEXED AND ITS BOUNDARIES; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA:

Section 1. TERRITORY ANNEXED; DESCRIPTION. The following described property, having been petitioned for annexation by all of the property owners of said property, is annexed to the corporate limits of the City of Seward, as follows:

Lots 2, & 3, Walmart Subdivision, North Addition, A subdivision of a portion of the Southwest Quarter, Section Thirty-Three, Township Eleven North, Range Three East of the Sixth Principal Meridian, City of Seward, Seward County, Nebraska.

Section 2. CORPORATE LIMITS EXTENDED. The corporate limits are hereby extended to include the territory described in Section 1 of this Ordinance as part of the corporate limits of the City of Seward, Nebraska, as the same is designated, and hereby shall be part of and annexed to the City of Seward, Seward County, Nebraska.

Section 3. FILING AND RECORDING. A certified copy of this Ordinance declaring such annexation under the Seal of the City of Seward, Nebraska, shall be filed with the office of the County Clerk of Seward County, Nebraska.

Section 4. BENEFITS TO INHABITANTS. The inhabitants of the above described territory as set forth in Section 1 of this Ordinance, annexed to the corporate limits of the City of Seward Nebraska, shall receive substantially the benefits of all other inhabitants of the City and such inhabitants shall be subject to the Ordinances and Regulations of the City of Seward, Nebraska.

Section 5. PAMPHLET FORM; PUBLICATION; WHEN OPERATIVE. This ordinance shall be published in pamphlet form and shall be in full force and effect from and after its passage, approval, and publication as provided by law and city ordinance.

Passed and approved this _____ day of _____, 2020.

THE CITY OF SEWARD, NEBRASKA,

Joshua Eickmeier, Mayor

ATTEST:

Bonnie Otte
Assistant Administrator/
Clerk-Treasurer/
Budget & HR Director

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that public hearings will be held by the Planning Commission of the City of Seward, Seward County, Nebraska on Monday, March 9, 2020 at 7:30 p.m. and the City Council of the City of Seward, Seward County, Nebraska on Tuesday, March 17, 2020 at 7:00 p.m. in the Council Chambers at the Municipal Building at 142 North 7th Street, Seward, Nebraska.

Said public hearing will be to review a Preliminary and Final Plat of Walmart Subdivision, North Addition (North of Walmart).

The area which is the subject of this notice and of the public hearings is described as follows.

Legal Description:

A SUBDIVISION LOCATED IN THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 11, NORTH RANGE 3 EAST OF THE 6TH P.M. SEWARD, NE ALSO KNOWN AS TAX PARCEL I.D. NUMBER 800227070, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT B, REPLAT OF LOT 1, WALMART SUBDIVISION, SAID CORNER ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY 15, A #5 REBAR WITH RED CAP LS#440 FOUND FOR CORNER; THENCE NORTHERLY, ALONG THE EAST RIGHT OF WAY LINE OF HIGHWAY 15, ON A BEARING OF NORTH 01°51'36" WEST, 704.36 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE SOUTH LINE OF A TRACT OF LAND AS DESCRIBED IN BOOK 63, PAGE 634, RECORDS OF SEWARD COUNTY; THENCE EASTERLY, NORTH 88°20'40" EAST, ALONG SAID TRACT, 383.60 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682; THENCE NORTHERLY, NORTH 01°38'00" WEST, ALONG THE EAST LINE OF SAID TRACT, 70.03 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE EASTERLY, NORTH 88°21'13" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 33, 553.00 FEET TO A FOUND #5 REBAR WITH CAP LS#682; THENCE SOUTHERLY, SOUTH 01°36'37" EAST, 775.18 FEET, TO THE NORTHEAST CORNER OF LOT A, REPLAT OF LOT 1, WALMART SUBDIVISION, A ¾" PIPE WITH CAP LS#593 FOUND FOR CORNER; THENCE WESTERLY, SOUTH 88°23'56" WEST, ALONG THE NORTH LINE OF LOT A AND LOT B, REPLAT OF LOT 1, WALMART SUBDIVISION, 933.50 FEET, TO THE POINT OF BEGINNING. CONTAINING A TOTAL CALCULATED AREA OF 697,713 SQUARE FEET, OR 16.017 ACRES, MORE OR LESS.

All persons interested may appear and be heard.

Tim Dworak
Building/Zoning & Codes Enforcement Director

PUBLISH 1 TIME February 26, 2020
PROVIDE PROOF (1)



Major Subdivision Application

City of Seward

Applications shall be submitted a minimum of 30 days prior to City Planning Commission Meeting. Planning Commission meets the 2nd Monday of each month

Date Submitted: 2/7/2020

Preliminary Plat Application Fees:
\$400.00 + \$40.00 Per Lot (\$ 520), + \$100 Notification fee = \$620

Name of Subdivision: Walmart Subdivision, North Addition

Owner/Developer: Brian and Cindy Fehlhafer

Legal Description: See attached.

Project Engineer: Crockett Engineering Number of Lots: 3

Present Zoning: Ag Requested Zoning: _____

| | | | |
|---------------------------------|---|--|-----------------------------|
| Within City Limits | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | NA <input type="checkbox"/> |
| Adjacent to City Limits | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | NA <input type="checkbox"/> |
| Within 2 mile area | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | NA <input type="checkbox"/> |
| Annexation Requested | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | NA <input type="checkbox"/> |
| Subdivision Agreement submitted | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | NA <input type="checkbox"/> |
| Performance Bond Required | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | NA <input type="checkbox"/> |

Signed by Developer: *Brian Fehlhafer*

Preliminary Plat Review

Staff Review

| | |
|---------------|-------------------------------------|
| Electric Dept | <input checked="" type="checkbox"/> |
| Street Dept | <input checked="" type="checkbox"/> |
| Water/Waste | <input checked="" type="checkbox"/> |
| Police Dept | <input type="checkbox"/> |
| Park/Rec Dept | <input type="checkbox"/> |

Agency Review

| | |
|--------------|--------------------------|
| Cable TV | <input type="checkbox"/> |
| Gas Co | <input type="checkbox"/> |
| Telephone Co | <input type="checkbox"/> |
| School Board | <input type="checkbox"/> |
| County P.C. | <input type="checkbox"/> |

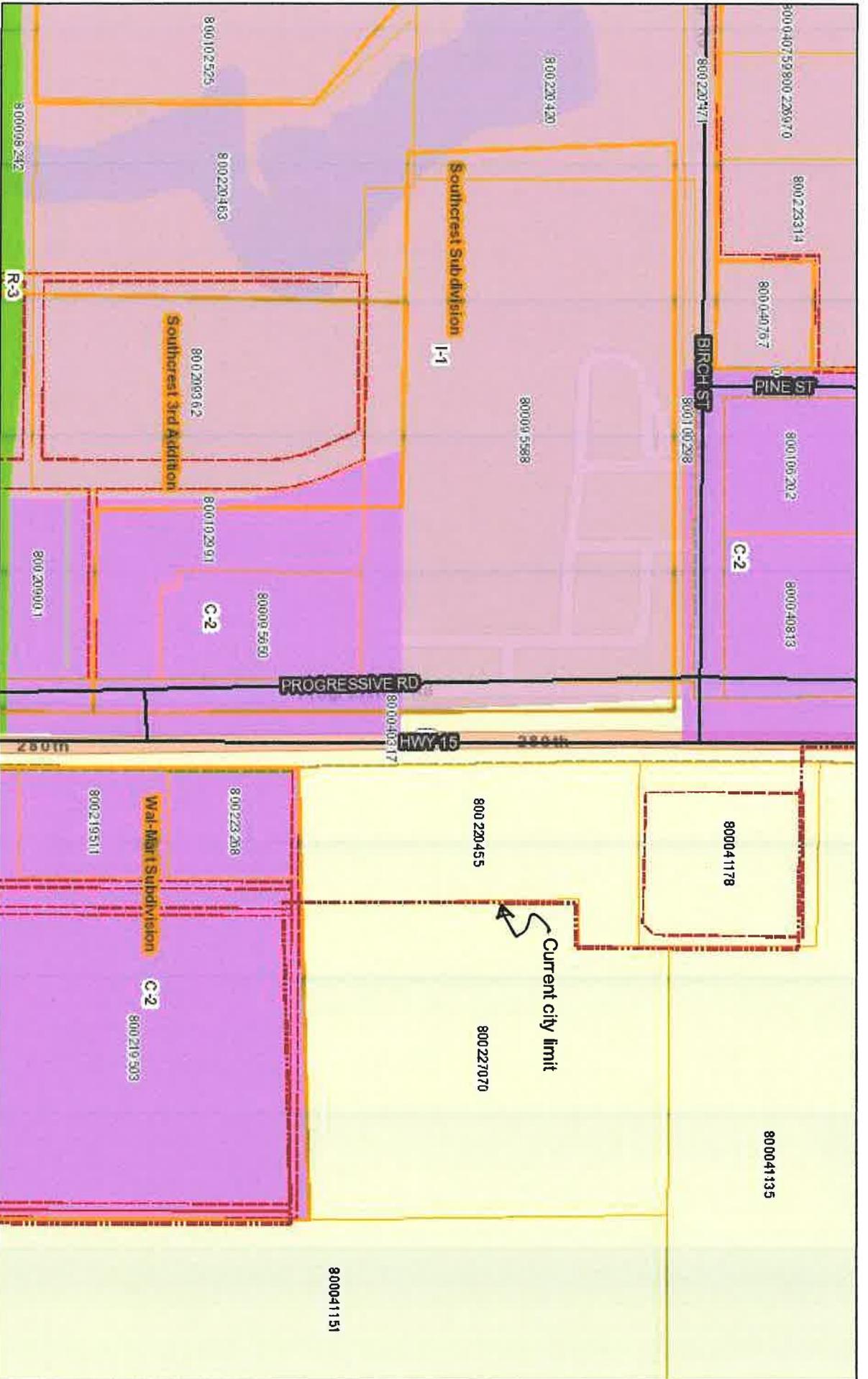
Final Plat Application fees:
\$100.00 + \$10.00 Per Lot (\$ 130.00) + filing fee (\$ 16.00) = \$146.00

Aid to Construction for Electric Dept (City of Seward Resolution 8-07):
Developer fees \$400 Per Lot = \$ N/A + \$4.00 per foot of electrical line installation for lots
= _____

Neighborhood Park Dedication/Fees In Lieu Of (City of Seward Unified Land Development Ord. 410-41.5) See ULDO Article 41, Public Improvements & Infrastructure, 410-41.5 Section B, Parks and Reservations, to determine land or cash donation: N/A

Date and action taken: 2/14/2020 Total Fees Due: \$766.00

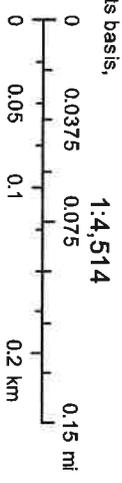
Planning Commission: 3/9/2020 City Council: 3/17/2020



March 5, 2020
 10:24 AM

DISCLAIMER: This map is not intended for conveyances, nor is it a legal survey. The information is presented on a best-efforts basis, and should not be relied upon for making financial, survey, legal or other commitments.

- Streets
- City Limits
- Subdivisions
- Parcels



WALMART SUBDIVISION, NORTH ADDITION

A SUBDIVISION OF A PORTION OF THE SOUTHWEST QUARTER,
SECTION THIRTY-THREE, TOWNSHIP ELEVEN NORTH, RANGE THREE EAST OF THE SIXTH PRINCIPAL MERIDIAN,
CITY OF SEWARD, SEWARD COUNTY, NEBRASKA
"FINAL PLAT"

LEGAL DESCRIPTION:

I HEREBY CERTIFY THAT I HAVE ACCURATELY SURVEYED AND STAKED THE FOREGOING PLAT OF "WALMART SUBDIVISION, NORTH ADDITION" A SUBDIVISION LOCATED IN THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 11 NORTH, RANGE 3 EAST OF THE 6TH P.M., SEWARD, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, SAID CORNER ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY 15, A #5 REBAR WITH RED CAP LS#440 FOUND FOR CORNER; THENCE NORTHERLY, ALONG THE EAST RIGHT OF WAY LINE OF HIGHWAY 15, ON A BEARING OF NORTH 01°51'36" WEST, 704.36 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE SOUTH LINE OF A TRACT OF LAND AS DESCRIBED IN BOOK 63, PAGE 634, RECORDS OF SEWARD COUNTY; THENCE EASTERLY, NORTH 88°20'40" EAST, ALONG SAID TRACT, 383.60 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682; THENCE NORTHERLY, NORTH 01°38'00" WEST, ALONG THE EAST LINE OF SAID TRACT, 70.03 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE EASTERLY, NORTH 88°21'13" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 33, 553.00 FEET, TO A FOUND #5 REBAR WITH CAP LS#682; THENCE SOUTHERLY, SOUTH 01°36'37" EAST, 775.18 FEET, TO THE NORTHEAST CORNER OF LOT A, REPLAT OF LOT 1, WAL-MART SUBDIVISION, A 3/4" PIPE WITH CAP LS#593 FOUND FOR CORNER; THENCE WESTERLY, SOUTH 88°23'56" WEST, ALONG THE NORTH LINE OF LOT A AND LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, 933.50 FEET, TO THE POINT OF BEGINNING. CONTAINING A TOTAL CALCULATED AREA OF 697,713 SQUARE FEET, OR 16.017 ACRES, MORE OR LESS.

OWNERSHIP CERTIFICATE:

WE, BRIAN FEHLHAFFER, AND CINDY FEHLHAFFER, BEING THE OWNERS OF THE REAL ESTATE SHOWN AND DESCRIBED HEREON, DO HEREBY CERTIFY THAT WE HAVE LAID OUT, PLATTED AND SUBDIVIDED, AND DO HERE BY LAY OUT, PLAT, AND SUBDIVIDE SAID REAL ESTATE IN ACCORDANCE WITH THIS PLAT.

THE SUBDIVISION SHALL BE KNOWN AND DESIGNATED AS "WALMART SUBDIVISION, NORTH ADDITION" TO THE CITY OF SEWARD, SEWARD COUNTY, NEBRASKA.

THERE ARE STRIPS OF GROUND SHOWN ON THE PLAT AND MARKED EASEMENT, RESERVED FOR THE USE OF PUBLIC UTILITIES AND SUBJECT THE PARAMOUNT RIGHT OF UTILITY OR CITY TO INSTALL, REPAIR, REPLACE, AND MAINTAIN ITS INSTALLATIONS. NO PERMANENT BUILDINGS OR STRUCTURES SHALL BE PLACED ON SAID EASEMENT WAYS, BUT THE SAME MAY BE USED FOR LANDSCAPING AND OTHER PURPOSES THAT DO NOT NOW OR LATER INTERFERE WITH THE AFORESAID USES OR RIGHTS GRANTED HEREIN.

WITNESS OUR HAND THIS ____ DAY OF _____, 2020.

BRIAN FEHLHAFFER CINDY FEHLHAFFER

ACKNOWLEDGEMENT OF NOTARY:

STATE OF _____)
) SS
COUNTY OF _____)

BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, IN AND FOR THE COUNTY AND STATE, PERSONALLY APPEARED BRIAN FEHLHAFFER AND CINDY FEHLHAFFER, AND THEY ACKNOWLEDGE THIS EXECUTION OF FORGOING INSTRUMENTS AS THEIR VOLUNTARY ACT AND DEED, FOR THE PURPOSES THEREIN EXPRESSED.

WITNESS MY HAND AND NOTARIAL SEAL THIS ____ DAY OF _____, 2020.

NOTARY PUBLIC

SURVEYOR'S CERTIFICATE:

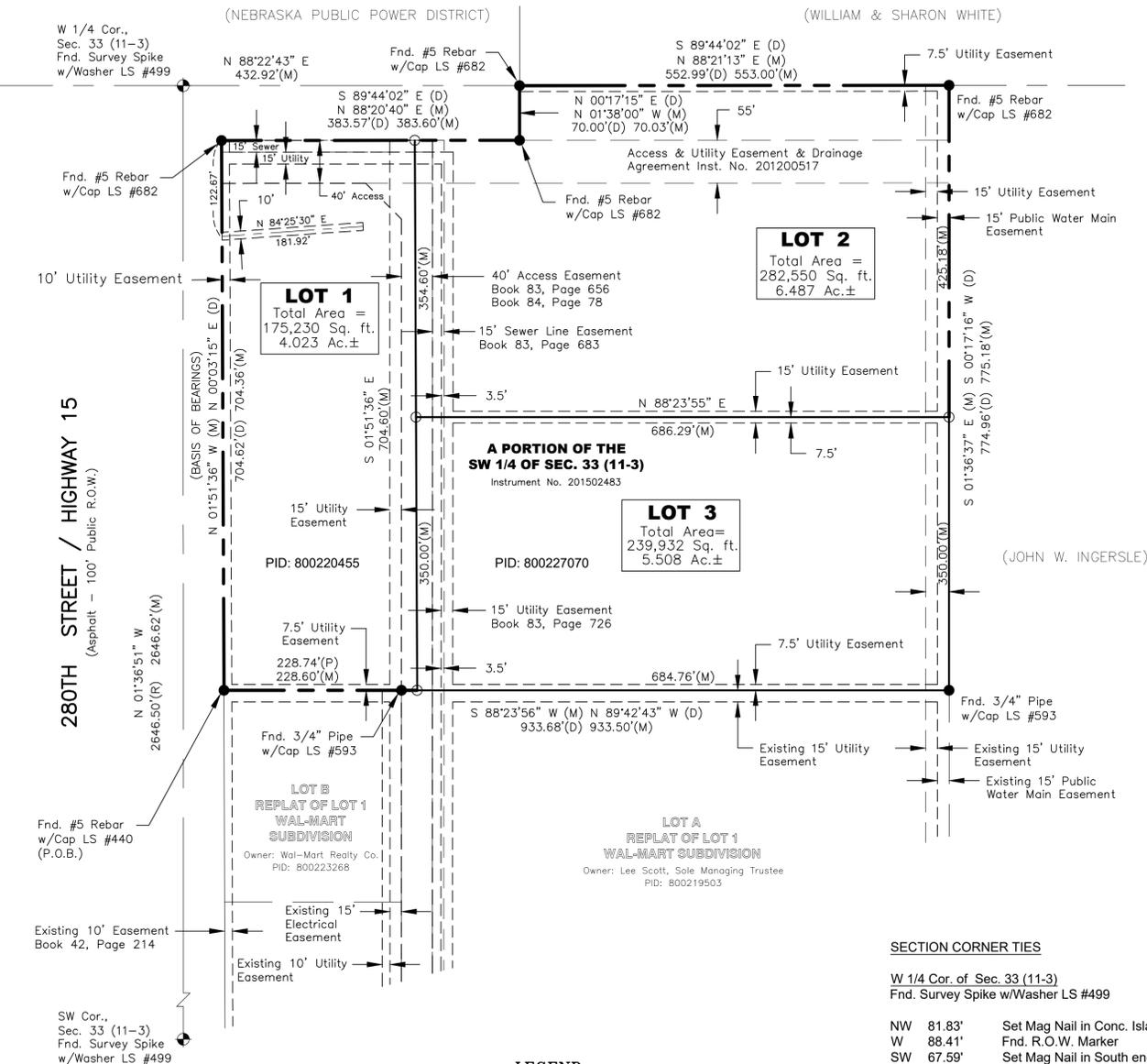
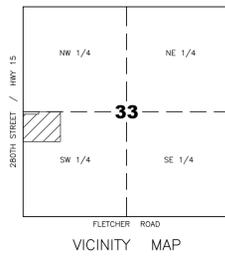
I, JAYME M. MALONE, HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR, REGISTERED IN COMPLIANCE WITH THE LAWS OF THE THE STATE OF NEBRASKA, THAT THIS PLAT CORRECTLY REPRESENTS A SURVEY CONDUCTED BY ME OR UNDER MY DIRECT SUPERVISION, THAT ANY CHANGES FROM THE DESCRIPTION APPEARING IN THE LAST RECORD TRANSFER OF THE LAND CONTAINED IN THIS PLAT ARE SO INDICATED, THAT ALL MONUMENTS SHOWN THEREON ACTUALLY EXIST AS DESCRIBED OR WILL BE INSTALLED AND THEIR POSITION IS CORRECTLY SHOWN AND THAT ALL DIMENSIONS AND GEODETIC DATA IS CORRECT.

SIGNED THIS ____ DAY OF _____, 2020.

JAYME M. MALONE



Scale 1"=150'



LEGEND

- = Section Corner
- = Fnd. #5 Rebar w/Cap LS#461
- = Cor. Set #5 Rebar with Cap #440
- (M) = Meas. Dist.
- (P) = Plat Dist.
- (D) = Deed Dist.
- (R1) = Record Dist. Beenblossom on 4-30-2011.
- (R2) = Record Dist. Kennedy on 4-20-2006.
- P.O.B. = Point of Beginning
- P.O.R. = Point of Reference

SECTION CORNER TIES

W 1/4 Cor. of Sec. 33 (11-3)
Fnd. Survey Spike w/Washer LS #499

| | |
|-----------|-------------------------------------|
| NW 81.83' | Set Mag Nail in Conc. Island |
| W 88.41' | Fnd. R.O.W. Marker |
| SW 67.59' | Set Mag Nail in South end of RCP |
| SE 89.71' | Set Mag Nail in Concrete of Manhole |
| SE 85.85' | Fnd. #5 Rebar w/Blue Cap LS #682 |

SW Cor. of Sec. 33 (11-3)
Fnd. Survey Spike w/Washer LS #499

| | |
|-----------|--------------------------------|
| NW 94.24' | Set #5 Rebar w/Red Cap LS #440 |
| NE 66.25' | Fnd. "X" in R.O.W. Marker |
| SE 59.07' | Fnd. #6 Rebar |
| SW 78.32' | Fnd. "X" in R.O.W. Marker |

APPROVAL OF SEWARD CITY COUNCIL:

THIS PLAT OF "WALMART SUBDIVISION, NORTH ADDITION" HAS BEEN SUBMITTED TO AND APPROVED BY THE SEWARD CITY COUNCIL

SIGNED THIS ____ DAY OF _____, 2020.

MAYOR

ATTEST:

CITY CLERK

APPROVAL OF SEWARD PLANNING COMMISSION:

THIS PLAT OF "WALMART SUBDIVISION, NORTH ADDITION" HAS BEEN SUBMITTED TO AND APPROVED BY THE SEWARD PLANNING COMMISSION

SIGNED THIS ____ DAY OF _____, 2020.

CHAIRPERSON

ATTEST:

CITY CLERK

REGISTER OF DEEDS:

ENTERED ON TRANSFER RECORD THIS ____ DAY OF _____, 2020,
IN _____ AT _____

REGISTER OF DEEDS - FEE - _____ DRAWER NO. _____



4535 Normal Blvd. Ste #101
Lincoln, Ne 68506
(402)423-5202
(402)423-5211
www.huskersurveying.com

Return to:
City Clerk
City of Seward
Seward, NE 68434

ORDINANCE NO. 2020-

AN ORDINANCE TO APPROVE THE FINAL PLAT ENTITLED "WALMART SUBDIVISION, NORTH ADDITION, A SUBDIVISION OF A PORTION OF THE SOUTHWEST QUARTER, SECTION THIRTY-THREE, TOWNSHIP ELEVEN NORTH, RANGE THREE EAST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF SEWARD, SEWARD COUNTY, NEBRASKA" AS HEREINAFTER SET FORTH, LOCATED WEST OF HIGHWAY 15; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR AN EFFECTIVE DATE HEREOF AND ORDERING THE PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA:

Section 1. Plat and Dedication Approved. The Plat and dedication of the following described real estate parcels is hereby approved:

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 11 NORTH, RANGE 3 EAST OF THE 6TH P.M., SEWARD, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, SAID CORNER ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY 15, A #5 REBAR WITH RED CAP LS#440 FOUND FOR CORNER; THENCE NORTHERLY, ALONG THE EAST RIGHT OF WAY LINE OF HIGHWAY 15, ON A BEARING OF NORTH 01°51'36" WEST, 704.36 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE SOUTH LINE OF A TRACT OF LAND AS DESCRIBED IN BOOK 63, PAGE 634, RECORDS OF SEWARD COUNTY; THENCE EASTERLY, NORTH 88°20'40" EAST, ALONG SAID TRACT, 383.60 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682; THENCE NORTHERLY, NORTH 01°38'00" WEST, ALONG THE EAST LINE OF SAID TRACT, 70.03 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE EASTERLY, NORTH 88°21'13" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 33, 553.00 FEET, TO A FOUND #5 REBAR WITH CAP LS#682; THENCE SOUTHERLY, SOUTH 01°36'37" EAST, 775.18 FEET, TO THE NORTHEAST CORNER OF LOT A, REPLAT OF LOT 1, WAL-MART SUBDIVISION, A 3/4" PIPE WITH CAP LS#593 FOUND FOR CORNER; THENCE WESTERLY, SOUTH 88°23'56" WEST, ALONG THE NORTH LINE OF LOT A AND LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, 933.50 FEET, TO THE POINT OF BEGINNING.

CONTAINING A TOTAL CALCULATED AREA OF 697,713 SQUARE FEET, OR 16.017 ACRES,
MORE OR LESS.

Section 2. Plat Designated. The plat of said real estate is hereby designated as "Walmart Subdivision, North Addition, City of Seward, Seward County, Nebraska."

Section 3. Filing and Recording of Plat. An accurate plat of said real estate as platted and dedicated as heretofore set forth, certified to by an Engineer or Surveyor, together with a certified copy of this Ordinance shall be filed in the office of the Seward County Clerk, Seward, Nebraska.

Section 4. Pamphlet form; publication; when operative. This Ordinance shall be published in pamphlet form and shall be in full force and effect from and after its passage, approval and publication as provided by law and City Ordinance.

Passed and approved this _____ day of _____, 2020.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

Attest:

Bonnie Otte
Assistant Administrator/
Clerk-Treasurer/
Budget & HR Director

WALMART SUBDIVISION, NORTH ADDITION

A SUBDIVISION OF A PORTION OF THE SOUTHWEST QUARTER,
SECTION THIRTY-THREE, TOWNSHIP ELEVEN NORTH, RANGE THREE EAST OF THE SIXTH PRINCIPAL MERIDIAN,
CITY OF SEWARD, SEWARD COUNTY, NEBRASKA
"FINAL PLAT"

LEGAL DESCRIPTION:

I HEREBY CERTIFY THAT I HAVE ACCURATELY SURVEYED AND STAKED THE FOREGOING PLAT OF "WALMART SUBDIVISION, NORTH ADDITION" A SUBDIVISION LOCATED IN THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 11 NORTH, RANGE 3 EAST OF THE 6TH P.M., SEWARD, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, SAID CORNER ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY 15, A #5 REBAR WITH RED CAP LS#440 FOUND FOR CORNER; THENCE NORTHERLY, ALONG THE EAST RIGHT OF WAY LINE OF HIGHWAY 15, ON A BEARING OF NORTH 01°51'36" WEST, 704.36 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE SOUTH LINE OF A TRACT OF LAND AS DESCRIBED IN BOOK 63, PAGE 634, RECORDS OF SEWARD COUNTY; THENCE EASTERLY, NORTH 88°20'40" EAST, ALONG SAID TRACT, 383.60 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682; THENCE NORTHERLY, NORTH 01°38'00" WEST, ALONG THE EAST LINE OF SAID TRACT, 70.03 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE EASTERLY, NORTH 88°21'13" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 33, 553.00 FEET, TO A FOUND #5 REBAR WITH CAP LS#682; THENCE SOUTHERLY, SOUTH 01°36'37" EAST, 775.18 FEET, TO THE NORTHEAST CORNER OF LOT A, REPLAT OF LOT 1, WAL-MART SUBDIVISION, A 3/4" PIPE WITH CAP LS#593 FOUND FOR CORNER; THENCE WESTERLY, SOUTH 88°23'56" WEST, ALONG THE NORTH LINE OF LOT A AND LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, 933.50 FEET, TO THE POINT OF BEGINNING. CONTAINING A TOTAL CALCULATED AREA OF 697,713 SQUARE FEET, OR 16.017 ACRES, MORE OR LESS.

OWNERSHIP CERTIFICATE:

WE, BRIAN FEHLHAFFER, AND CINDY FEHLHAFFER, BEING THE OWNERS OF THE REAL ESTATE SHOWN AND DESCRIBED HEREON, DO HEREBY CERTIFY THAT WE HAVE LAID OUT, PLATTED AND SUBDIVIDED, AND DO HERE BY LAY OUT, PLAT, AND SUBDIVIDE SAID REAL ESTATE IN ACCORDANCE WITH THIS PLAT.

THE SUBDIVISION SHALL BE KNOWN AND DESIGNATED AS "WALMART SUBDIVISION, NORTH ADDITION" TO THE CITY OF SEWARD, SEWARD COUNTY, NEBRASKA.

THERE ARE STRIPS OF GROUND SHOWN ON THE PLAT AND MARKED EASEMENT, RESERVED FOR THE USE OF PUBLIC UTILITIES AND SUBJECT THE PARAMOUNT RIGHT OF UTILITY OR CITY TO INSTALL, REPAIR, REPLACE, AND MAINTAIN ITS INSTALLATIONS. NO PERMANENT BUILDINGS OF STRUCTURES SHALL BE PLACED ON SAID EASEMENT WAYS, BUT THE SAME MAY BE USED FOR LANDSCAPING AND OTHER PURPOSES THAT DO NOT NOW OR LATER INTERFERE WITH THE AFORESAID USES OR RIGHTS GRANTED HEREIN.

WITNESS OUR HAND THIS ____ DAY OF _____, 2020.

BRIAN FEHLHAFFER CINDY FEHLHAFFER

ACKNOWLEDGEMENT OF NOTARY:

STATE OF _____)
) SS
COUNTY OF _____)

BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, IN AND FOR THE COUNTY AND STATE, PERSONALLY APPEARED BRIAN FEHLHAFFER AND CINDY FEHLHAFFER, AND THEY ACKNOWLEDGE THIS EXECUTION OF FORGOING INSTRUMENTS AS THEIR VOLUNTARY ACT AND DEED, FOR THE PURPOSES THEREIN EXPRESSED.

WITNESS MY HAND AND NOTARIAL SEAL THIS ____ DAY OF _____, 2020.

NOTARY PUBLIC

SURVEYOR'S CERTIFICATE:

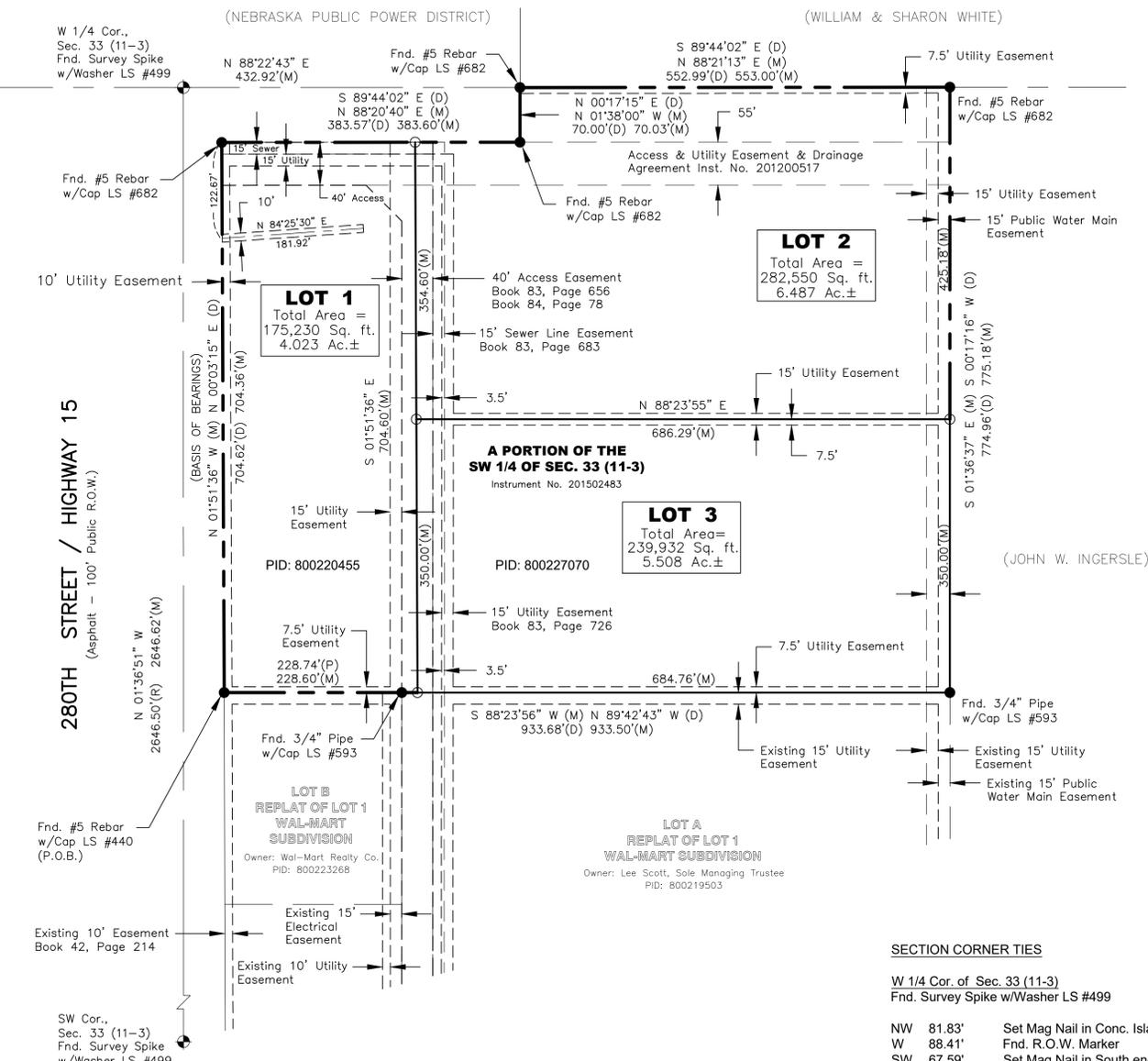
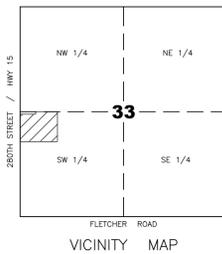
I, JAYME M. MALONE, HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR, REGISTERED IN COMPLIANCE WITH THE LAWS OF THE THE STATE OF NEBRASKA, THAT THIS PLAT CORRECTLY REPRESENTS A SURVEY CONDUCTED BY ME OR UNDER MY DIRECT SUPERVISION, THAT ANY CHANGES FROM THE DESCRIPTION APPEARING IN THE LAST RECORD TRANSFER OF THE LAND CONTAINED IN THIS PLAT ARE SO INDICATED, THAT ALL MONUMENTS SHOWN THEREON ACTUALLY EXIST AS DESCRIBED OR WILL BE INSTALLED AND THEIR POSITION IS CORRECTLY SHOWN AND THAT ALL DIMENSIONS AND GEODETIC DATA IS CORRECT.

SIGNED THIS ____ DAY OF _____, 2020.

JAYME M. MALONE



Scale 1"=150'



LEGEND

- = Section Corner
- = Fnd. #5 Rebar w/Cap LS#461
- = Cor. Set #5 Rebar with Cap #440
- (M) = Meas. Dist.
- (P) = Plat Dist.
- (D) = Deed Dist.
- (R1) = Record Dist. Beenblossom on 4-30-2011.
- (R2) = Record Dist. Kennedy on 4-20-2006.
- P.O.B. = Point of Beginning
- P.O.R. = Point of Reference

SECTION CORNER TIES

W 1/4 Cor. of Sec. 33 (11-3)
Fnd. Survey Spike w/Washer LS #499

| | |
|-----------|-------------------------------------|
| NW 81.83' | Set Mag Nail in Conc. Island |
| W 88.41' | Fnd. R.O.W. Marker |
| SW 67.59' | Set Mag Nail in South end of RCP |
| SE 89.71' | Set Mag Nail in Concrete of Manhole |
| SE 85.85' | Fnd. #5 Rebar w/Blue Cap LS #682 |

SW Cor. of Sec. 33 (11-3)
Fnd. Survey Spike w/Washer LS #499

| | |
|-----------|--------------------------------|
| NW 94.24' | Set #5 Rebar w/Red Cap LS #440 |
| NE 66.25' | Fnd. "X" in R.O.W. Marker |
| SE 59.07' | Fnd. #6 Rebar |
| SW 78.32' | Fnd. "X" in R.O.W. Marker |

APPROVAL OF SEWARD CITY COUNCIL:

THIS PLAT OF "WALMART SUBDIVISION, NORTH ADDITION" HAS BEEN SUBMITTED TO AND APPROVED BY THE SEWARD CITY COUNCIL

SIGNED THIS ____ DAY OF _____, 2020.

MAYOR

ATTEST:

CITY CLERK

APPROVAL OF SEWARD PLANNING COMMISSION:

THIS PLAT OF "WALMART SUBDIVISION, NORTH ADDITION" HAS BEEN SUBMITTED TO AND APPROVED BY THE SEWARD PLANNING COMMISSION

SIGNED THIS ____ DAY OF _____, 2020.

CHAIRPERSON

ATTEST:

CITY CLERK

REGISTER OF DEEDS:

ENTERED ON TRANSFER RECORD THIS ____ DAY OF _____, 2020,
IN _____ AT _____

REGISTER OF DEEDS - FEE - _____ DRAWER NO. _____



4535 Normal Blvd. Ste #101
Lincoln, Ne 68506
(402)423-5202
(402)423-5211
www.huskersurveying.com

After recording please return to:
City Building-Zoning Dept
142 N 7th St.
Seward, NE 68434

SUBDIVISION AGREEMENT

THIS AGREEMENT is made and entered into by and between Brian Fehlhafer and Cindy Fehlhafer, husband and wife, (jointly referred to hereafter as the "Subdivider"), and the City of Seward, Nebraska, a municipal corporation (the "City").

WHEREAS, Subdivider has made application to City for permission to subdivide and for approval of the final plat of Walmart Subdivision North Addition, a copy of which is attached to this Agreement as Exhibit 'A' (the "Final Plat" or "Subdivision"); and

WHEREAS, the Final Plat contains certain provisions requiring an agreement between Subdivider and City relating to the Final Plat and the development thereof.

NOW, THEREFORE, IN CONSIDERATION of the City granting permission to plat and approval of the Final Plat of Walmart Subdivision North Addition, it is agreed by and between Subdivider and City as follows:

1. **Sanitary Sewer.** Current sanitary sewer exists on the current site. Should additional sanitary sewer infrastructure be required, the Subdivider agrees to install and design said sanitary sewer in conformance with the provisions of the City of Seward Unified Land Development Ordinance (ULDO) Article 41, Public Improvements and Infrastructure, 410-41.3 Sanitary Sewers. All costs for said sanitary sewer facilities shall be paid by the Subdivider; provided, however, any additional costs for oversized lines that are not a direct benefit to said Subdivision or other property owned by said Subdivider, shall not be assessed against said Subdivision, but shall be paid by the City.
2. **Water.** Current water service exists on the current site. Should additional water infrastructure be required, the Subdivider agrees to install and design said water lines in conformance with the provisions of the City's ULDO, Article 41, Public Improvements and Infrastructure, 410-41.2 Water. All costs for said water facilities shall be paid by the Subdivider; provided, however, any additional costs for oversized lines that are not a

direct benefit to said Subdivision or other property owned by said Subdivider, shall not be assessed against said Subdivision, but shall be paid by the City.

3. **Storm Water Management.** The Subdivider agrees to design and submit a grading plan that complies with section 410-39.2, and to design and install a storm water management system that is adequate to prevent the undue or unplanned retention of stormwater on the site, and shall not increase the volume of post-development runoff compared to pre-development runoff by use of detention facilities for the 10 year & 100 year storm events, in conformance with the provisions of the City's ULDO, Article 41, Public Improvements and Infrastructure, Stormwater management (410-41.4). The Subdivider agrees to install City approved storm sewer facilities within and adjacent to said Subdivision. All costs for said storm sewer facilities shall be paid by the Subdivider; provided, however, any additional costs for oversized facilities that are not a direct benefit to said Subdivision or other property owned by said Subdivider, shall not be assessed against said Subdivision, but shall be paid by the City. The detention facilities shall be platted in an outlot and shall be maintained by the Subdivider or a property owner's association on a permanent and continuous basis. Subdivider will also identify and document the wetland delineation area in order to protect and preserve the pre-existing natural drainage way.
4. **Streets/Paving.** The Subdivider agrees to design and install public circulation systems, in conformance with the City's ULDO section 410-40.2, including a system that shall provide adequate traffic flow through the subdivision and provide at least two (2) routes from Lots 1, 2 and 3 to the rest of the City. All roadways established within the subdivision shall be private and contained within the public access easements established on the plat attached hereto as Exhibit A.
5. **Sidewalks.** Should sidewalks be required within any planning efforts, the Subdivider agrees that the construction of concrete sidewalks within said Subdivision shall be provided by the Subdivider and/or all succeeding property owners, at the time that such sidewalks or additional roadways are improved, and shall be constructed in conformance with ULDO Section 410-40.3 sub section D, and installed according to the following schedule:
 - A. Sidewalks shall be constructed immediately abutting developed lots, as soon after development as weather shall permit.
 - B. In any event, the Subdivider and/or all succeeding property owners shall provide and construct all sidewalks upon both sides of all public streets within the property within three (3) years of the Subdivision construction being completed, Final Inspections being conducted, and the City formally accepting the Subdivision.
6. **Electrical Infrastructure.** Current electrical infrastructure is established on the site. Should additional electrical infrastructure be required, the City shall agree to install all

electrical infrastructure needed to serve the subdivision, provided that the Subdivider pays the Developer an Aid to Construction fees outlined on the Major Subdivision application, and provides adequate utility easements on the Final Plat, as determined by the City of Seward. In addition, electrical infrastructure will not be installed until final grade is established with no obstructions. Final grade stabilization and seeding may be complete prior to electrical infrastructure installation, however additional disturbance for electrical infrastructure installation shall be the responsibility of the Subdivider.

7. **Street Signs.** The City shall agree to install all Street signs at all intersections as per City Standards and the Manual of Uniform Traffic Control Devices as it deems necessary and all costs shall be the responsibility of the Subdivider, per City's ULDO section 410-40.2.
8. **Erosion Control.** The Subdivider, at his cost, shall provide an erosion control plan. The area of the plat shall be seeded during the first growing season immediately following the completion of grading operations, controlling erosion of areas disturbed by grading operations, constructing temporary terraces on slopes, temporary silting basins, swills and spillways. In addition to the above, the perimeter of said Subdivision shall be enclosed by silt fencing and whatever further measures are necessary to prevent erosion, damage and sedimentation to adjacent properties and public rights-of-way. If sedimentation collects on adjacent properties or public rights-of-way, and the Subdivider or his/her SWPPP contact has been informed that the sedimentation must be removed, the Subdivider has forty-eight (48) hours to remove said sedimentation, failure to remove this sedimentation will result in the removal of the sedimentation by City staff, and a fine of \$500.00 will be assessed to the Subdivider. Final Acceptance of the Subdivision shall not be granted if any of these fines have not been paid.
9. **Fees for Park and Open Spaces.** Fees and/or land for park and open space shall not be required for this subdivision due to it being an commercial subdivision, (ULDO 410-41.5).
10. **Engineering.** It shall be the responsibility of the Subdivider at his or her cost which is not reimbursable, to have all plans and specifications for the construction of Sanitary Sewer, Water, Paving & Storm Sewer prepared by a licensed, professional engineering company. The plans and specifications shall conform to the City of Seward Municipal Code and ULDO and shall be approved by the City of Seward and any other appropriate State agencies prior to construction. The City of Seward reserves the right to make revisions to the plans and specifications, which are not specifically noted in the City of Seward Municipal Code, prior to approval.

The Subdivider shall be responsible for ensuring that all work to be performed meets or exceeds the acceptance requirements in the plans and specifications and shall designate a Construction Management Consultant ('CMC') for all on-site Observation and Testing.

The CMC shall certify that all work performed meets or exceeds the acceptance requirements in the plans and specifications.

Purpose and Intent: The CMC will act in the Subdivider's behalf and provide the Subdivider with adequate representation on the job site. In addition, the services of the CMC will include all professional inspection and testing, required to ensure that all stages of the construction are in compliance with the requirements set forth in this document to ensure that the work is up to City standards. The City reserves the right to turn down any or all work that does not conform to the specifications or observation requirements described herein. All test results, observation reports, and on-site construction photos shall be furnished to the City prior to final acceptance.

Qualifications: The Subdivider shall ensure that the Construction Management Consultant ('CMC') in performance of the inspections, shall possess the necessary qualifications, and have adequate knowledge of the site, to form opinions relating to the conduct of the work, and resolve any questions, problems, and deviations from specifications, which arise in the execution of the inspection.

Observation: The street superintendent, water superintendent, and/or building inspector shall observe the project at the various stages of the work requiring approval, to determine that adequate control is being exercised by the CMC. The applicable City Department shall be notified twenty-four (24) hours in advance of such testing that will require City personnel in attendance for observation. This observance will verify that design specifications and all work employed meets the criteria set forth in the Plans and Specifications document.

Assumptions: In the preparation of the Plans, Specifications, and Bid Documents, for Water, Sanitary Sewer, and Street/Paving Improvements for the predetermined projects under consideration, certain assumptions have been made by the city that the professional engineering consultant, has considered each application for grading as a separate entity. Treated as such each individual application for grading shall have:

- i) Supporting data consisting of a soils engineering report
- ii) Engineering geology report

It shall be assumed that recommendations included in the reports shall be incorporated in the grading plans or specifications. The reports shall be furnished to the City of Seward prior to construction. It shall be assumed that the plans and specifications shall be prepared and signed by a civil engineer.

Soils Engineering Report: The soils engineering report required shall include data regarding the nature, distribution and strength of existing soils, conclusions and recommendations for the grading procedures and design criteria for corrective measures, including all fills when necessary, and opinions and recommendations

covering adequacy of the site, including the stability of slopes.

Engineering Geology Report: The engineering geology report shall include adequate description of the geology of the site, conclusions, and recommendations regarding the effect of geologic conditions on the proposed development, and opinions and recommendations covering the adequacy of sites affected by the proposed grading.

Engineered Grading Requirements: For engineered grading, it shall be the responsibility of the civil engineer who prepares the approved grading plan to incorporate all recommendations from the soils engineering and engineering geology reports into the grading plan. The civil engineer also shall be responsible for the preparation of revised plans and the submission of as-graded grading plans upon completion of the work. The grading contractor shall submit in a form prescribed by the building inspector a statement of compliance to said as-built plan.

Required Inspection: Resident inspection services by the CMC will be required at critical stages of the project to ensure that the construction is within the compliance of the Plans and Specifications and Bid Documents. This inspection is to be completed by the CMC, and in the presence of the appropriate city official. The Subdivider shall be responsible for ensuring that this construction inspection, and coordination with city officials occurs as required. This observance will require approval by the city official to determine that adequate control is being exercised by the professional consultants and the contractor. The proof of compliance will be both visual and accompanied with signed documentation. This documentation will serve as report and record and will be forwarded to the city's project file. These reports will be subject to review for the determination of completion of work.

Inspection Stages: The areas and procedures which will require inspection and documented observation are as follows:

Water/Wastewater (W/WTR) Department Requirements:

1. Location and staking of all mains.
2. Connections to all existing water and sanitary sewer lines.
3. Verification and location of all fire hydrants, all fire hydrants shall be located on the property lines of the lots.
4. Verification and location of all manholes, all manholes that are in City right-of-way shall be located on the property lines of the lots.
5. Chlorination test of water mains, (AWWA C-651).
6. Low pressure test of sewer lines, (ASTM C-828), in addition a televised inspection shall be completed, with a video tape of the main filed with water.
7. High pressure testing of each completed section of water main before final back fill, (AWWA C-600).
8. Service connection to new mains.
9. Verification of bacterial testing consisting of three (3) consecutive samples taken.

The results of each sample must be zero (0) coliform/ml. Each sample to be taken on 24-hour intervals, at the location designated in the plans. Should any of the three (3) samples fail the zero (0) coliform/ml test, the main must be flushed and the test shall start anew. Should the second set fail the main must be re-chlorinated and testing requirements shall start anew.

Street Department Requirements:

1. All testing of compaction of fills.
2. Inspection and establishment of line and grade.
3. Verification of pavement staking.
4. Verification and location of all storm sewers and inlets.
5. Verification of required slope design for storm water pipe, before back fill.
6. Density test for the evaluation of back fill, and for the evaluation of the sub-grade, (ASTI D-698).
7. Concrete cylinder test, (ASTI C-31 & C-39).
8. Lamping of storm water pipe.
9. Verification of required slope behind curb for final grade.
10. Verification of crown of paving machine.
11. Verification of reinforcement bars and expansion joints.
12. Verification of all saw cut joints, and crack sealing.

Building Department Requirements:

1. Verification and location of all monuments, and benchmarks.
2. As-built Construction Plans (see section 16 of this agreement).

Notification of Noncompliance: If in the course of fulfilling their duties, the CMC or the City finds that the work is not being done in compliance with the requirements set forth in the Plans, Specifications and Bid Documents, the discrepancies shall be reported immediately in writing to the Subdivider, contractor and to the applicable city official.

If the Subdivider fails to notify City officials of work to be inspected, as required, this will result in one or more of the following penalties: a STOP WORK ORDER being issued, additional testing to ensure compliance, removal & replacement of work not observed by City personnel, additional one or two years of warranty on work performed, or a fine equal to ten percent (10%) of the cost of the work performed. The City will determine which of these penalties will be enforced based on the situation.

11. **Sale of Lots and Special Assessments.** Any levied and unpaid special assessments which are liens upon a lot within said Subdivision shall be paid in full on or before the closing of the sale of any lot within the Subdivision.

12. **Replatting and Special Assessments.** Any levied and unpaid special assessments which are liens upon a lot within said Subdivision shall be paid in full prior to the approval by the City of any replatting of said Subdivision.
13. **Relocation of Utilities upon replatting.** The cost of any relocation of public utilities or apparatus necessitated by the replatting of any lots or the Subdivision shall be borne by the Subdivider.
14. **Binding Agreement.** This Agreement shall run with the land and shall be binding upon and inure to the benefit of the parties hereto, their successor, assigns, devisees and legatees. Where the term "Subdivider" is used in this Agreement, the subsequent owners of any lots in the Subdivision shall be responsible to perform any of the conditions of this Agreement if the Subdivider has not performed such condition.
15. **Construction/Development Lots.** Development of structures on any lots within said Subdivision shall not occur until all improvements have been installed and Final Acceptance has been granted by the City of Seward or other appropriate authority.
16. **As-built Construction Plans.** A full set of construction drawings which incorporate all changes made during the construction process shall be submitted to the City within 3 months of completion of construction of the Subdivision. Said drawings shall be provided in both paper and digital spatial formats, specifically the following formats; three (3) sets, full size (22"x34" or 24"x36") paper copies, AutoCAD files of all topographic surveys and design files (.dwg format), and in digital GIS format, meaning at least one of the following file types; shapefile (.shp or .shx or .dbf extensions), personal geodatabase (.mdb), or file geodatabase (.gdb).
17. **Markers.** The Subdivider agrees to complete the installation of permanent parcel markers prior to construction on or conveyance of any lot within the Final Plat. The Subdivider agrees to install a survey monument in the roadway centerline at the center of all intersections, and at horizontal point of curvatures, and point of tangencies. The Subdivider agrees to install stainless steel carriage bolts (3/8" x 2") in the top of curb of the roadway paving at all sanitary sewer service locations.
18. The Subdivider agrees to comply with the provisions of ULDO, Article 39, Subdivision Design Criteria and General Standards Construction, including 410-39.2 Site Design and Constraints, grading and erosion control plans, NPDES permits, etc.
19. This Agreement and all obligations and covenants contained herein of the Subdivider shall run with the land and be binding and obligatory upon the heirs, successors and assigns of Subdivider.

20. This Agreement, or a notice of its existence, passage, and execution, shall be recorded with the Seward County Register of Deeds upon the recording of the Final Plat for the Subdivision.
21. This Agreement and all obligations of the Subdivider shall apply to the Subdivision including all of the lots legally described in Exhibit 'C' to this Agreement.
22. Subdivider guarantees the completion of all improvements as required by City of Seward ULDO Article 42, Improvement Financing and Guarantees, including 410-42.3, the Subdivider shall warrant the design, materials, workmanship, construction, and performance of such improvements for **two (2) years** after the date of completion. Any work completed that has failed to in any manner shall be removed and replaced at the Subdivider's cost. The Subdivider agrees to comply with 410-42.4 Subdivision Agreement, and 410-42.6 Performance Guarantees, and will provide an Agreement for Escrow of Security Fund attached hereto as Exhibit 'D'. **THIS REQUIREMENT IS WAIVED SO LONG AS NO ADDITIONAL WATER, SANITARY SEWER, ELECTRIC, NOR STREET IMPROVEMENTS ARE NESSECARY.**
23. An Ownership Certificate for the property included within the Final Plat is attached hereto as Exhibit 'E' to this Agreement.

CITY:

City of Seward, Nebraska

Attest:

By: Bonnie Otte, City Clerk

By: Josh Eickmeier, Mayor

STATE OF NEBRASKA)
) ss
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__
by _____, Mayor, and _____, City Clerk, of the City of Seward,
on behalf of the City.

Notary Public

EXHIBIT 'A'
FINAL PLAT

EXHIBIT 'B'

EXHIBIT 'C'

LEGAL DESCRIPTION OF LOTS CONTAINED WITHIN

Walmart Subdivision/North Addition

A final plat, Walmart Subdivision, North Addition:

Lot 1, Lot 2, lot 3 Walmart Subdivision/North Addition, Seward County, Seward NE

EXHIBIT 'D'

AGREEMENT FOR ESCROW OF SECURITY FUND

WHEREAS, before any final plat may be approved, the required improvements must have been installed or a performance bond, escrow or security agreement must be furnished to the City of Seward, Nebraska to guarantee the installation of the required improvements; and

WHEREAS, _____, a Nebraska limited liability company, hereinafter called "Permittee", has made application to the City for permission to construct improvements consisting of:

| <u>Improvement</u> | <u>Amount</u> |
|------------------------|---------------|
| Sanitary Sewer | \$ |
| Water Distribution | \$ |
| Storm Water Management | \$ |
| Streets/Paving | \$ |

within the final plat of _____, an addition to the City of Seward, Seward County, Nebraska and guarantee the same by placing funds in an escrow account as security for performance of said construction.

NOW, THEREFORE, IT IS AGREED by and between _____, Permittee, and the City of Seward, Nebraska, a municipal corporation, hereinafter called the "City", as follows:

1. That prior to approval of the aforesaid final plat, Permittee shall either deposit the sum of _____ Dollars (\$_____) with _____ Bank (Bank) as escrow agent for the City, or obtain a loan of immediately payable funds from _____ Bank (Bank) in said amount and irrevocably pledge and assign said funds to _____ Bank (Bank) as escrow agent for the City, the same to be held in escrow as security to guarantee the construction of the aforesaid improvements within said final plat.

2. The said escrow fund shall be allocated to the above-specified improvements in said final plat as follows:

| <u>Improvement</u> | <u>Amount</u> |
|------------------------|---------------|
| Sanitary Sewer | \$ |
| Water Distribution | \$ |
| Storm Water Management | \$ |
| Streets/Paving | \$ |

3. The funds designated for any one improvement less the retainage, if any, may be released from escrow when that improvement is completed to the satisfaction of the City and the City has certified to _____ Bank (Bank) in writing that construction has been completed for

that improvement; provided, that all other funds in the escrow account designated as security for remaining uncompleted improvements shall remain in escrow until the improvements for which said funds have been designated has been completed. In the event any or all of the aforesaid improvements are not completed to the satisfaction of the City by the completion dates listed in the conditions of approval for said final plat or replat to do said construction, whichever is earlier, then and in that event _____ Bank (Bank) upon written request from the City, shall pay to the City the total amount of funds designated for each of the aforesaid improvements which shall not have been completed on said date or the amount of funds necessary to complete construction thereof, whichever is the lesser.

4. The conditions of release of the escrow funds upon completion of the improvements set forth in paragraph 1, supra, shall include payment in full of any and all costs due to the City by Permittee in connection with the development and construction of such improvements including, but not limited to, engineering costs, inspection costs, and survey costs.

5. This Agreement shall be contingent upon its execution by the parties hereto, the pledge and assignment of the required security funds with _____ Bank (Bank) as escrow agent for the City of Seward, and the acceptance of this Agreement by said escrow agent.

6. Permittee agrees to pay any and all fees charged by _____ Bank (Bank) as escrow agent for the City of Seward under the terms of this Agreement.

7. _____ Bank (Bank) shall be liable as a depository only.

8. Upon deposit of the security fund as provided in this Agreement, the City agrees to waive the requirement that Permittee post performance bonds for completion of the aforesaid improvements.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this _____ day of _____, 20_____.

PERMITEE:

a Nebraska limited liability company

By: _____
_____, Member

By: _____
_____, Member

STATE OF NEBRASKA)
) ss
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, Member of _____, a Nebraska limited liability company, on behalf of the limited liability company.

Notary Public

STATE OF NEBRASKA)
) ss
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, Member of _____, a Nebraska limited liability company, on behalf of the limited liability company.

Notary Public

CITY:

City of Seward, Nebraska

Attest:

By: Bonnie Otte, City Clerk

By: Josh Eickmeier, Mayor

STATE OF NEBRASKA)
) ss
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, Mayor, and _____, City Clerk, of the City of Seward, on behalf of the City.

Notary Public

ACCEPTANCE OF ESCROW AGREEMENT

_____ Bank (Bank) hereby agrees to the terms and instruction listed above and acknowledges that it has accepted a deposit of _____ Dollars (\$ _____) or an irrevocable pledge and assignment of immediately payable funds in said amount from _____ (Permittee) to be held in escrow (Note No. _____) by _____ Bank (Bank) as escrow agent for the City of Seward, Nebraska, a municipal corporation, to ensure construction of the improvements listed in the above and foregoing Agreement and further agrees not to release any of said monies or irrevocable pledges held by _____ Bank (Bank) to secure construction of said improvements until it has received written authorization from the City of Seward in accordance with the foregoing Agreement.

Dated this _____ day of _____, 20____.

Attest: _____ (Bank)
_____ (Address)

| | |
|--------------|--------------|
| By: _____ | By: _____ |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |

EXHIBIT 'E'
OWNERSHIP CERTIFICATE

I the undersigned, Roger P. and Patricia J. Lindner, owner of the real estate shown and described herein, do hereby certify that I have laid out, platted and subdivided, and do hereby lay out, plat and subdivide said real estate in accordance with this plat.

This subdivision shall be known and designated as TWIN OAKS DEVELOPMENT SEVENTH ADDITION, an addition to the City of Seward, Nebraska. All streets shown and not heretofore dedicated are hereby dedicated to the public unless specifically noted herein.

Clear title to the land contained in this plat is guaranteed.

There are strips of ground shown on this plat and marked easement, reserved for the use of public utilities and subject to the paramount right of utility or city to install, repair, replace and maintain its installations.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that public hearings will be held by the Planning Commission of the City of Seward, Seward County, Nebraska on Monday, March 9, 2020 at 7:30 p.m. and the City Council of the City of Seward, Seward County, Nebraska on Tuesday, March 17, 2020 at 7:00 p.m. in the Council Chambers at the Municipal Building at 142 North 7th Street, Seward, Nebraska.

Said public hearing will be to review a Re-zone application to the City of Seward Unified Land Development Ordinance; said application is to re-zone the Walmart Subdivision, North Addition (North of Walmart) from AG Agricultural District to C-2 Highway Commercial District.

The area which is the subject of this notice and of the public hearings is described as follows.

Legal Description:

A SUBDIVISION LOCATED IN THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 11, NORTH RANGE 3 EAST OF THE 6TH P.M. SEWARD, NE ALSO KNOWN AS TAX PARCEL I.D. NUMBER 800227070, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT B, REPLAT OF LOT 1, WALMART SUBDIVISION, SAID CORNER ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY 15, A #5 REBAR WITH RED CAP LS#440 FOUND FOR CORNER; THENCE NORTHERLY, ALONG THE EAST RIGHT OF WAY LINE OF HIGHWAY 15, ON A BEARING OF NORTH 01°51'36" WEST, 704.36 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE SOUTH LINE OF A TRACT OF LAND AS DESCRIBED IN BOOK 63, PAGE 634, RECORDS OF SEWARD COUNTY; THENCE EASTERLY, NORTH 88°20'40" EAST, ALONG SAID TRACT, 383.60 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682; THENCE NORTHERLY, NORTH 01°38'00" WEST, ALONG THE EAST LINE OF SAID TRACT, 70.03 FEET, TO A FOUND #5 REBAR WITH BLUE CAP LS#682, LOCATED ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SECTION 33; THENCE EASTERLY, NORTH 88°21'13" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 33, 553.00 FEET TO A FOUND #5 REBAR WITH CAP LS#682; THENCE SOUTHERLY, SOUTH 01°36'37" EAST, 775.18 FEET, TO THE NORTHEAST CORNER OF LOT A, REPLAT OF LOT 1, WAL-MART SUBDIVISION, A ¾" PIPE WITH CAP LS#593 FOUND FOR CORNER; THENCE WESTERLY, SOUTH 88°23'56" WEST, ALONG THE NORTH LINE OF LOT A AND LOT B, REPLAT OF LOT 1, WAL-MART SUBDIVISION, 933.50 FEET, TO THE POINT OF BEGINNING. CONTAINING A TOTAL CALCULATED AREA OF 697,713 SQUARE FEET, OR 16.017 ACRES, MORE OR LESS.

All persons interested may appear and be heard.

Tim Dworak
Building/Zoning & Codes Enforcement Director

PUBLISH 1 TIME February 26, 2020
PROVIDE PROOF (1)

City of Seward Planning Commission

142 N 7th St. Seward, NE 68434

Staff Report

Tim Dworak, Building/Zoning &
Code Enforcement Director

402-643-4000

APPLICATION TYPE

Rezoning application

FINAL ACTION?

DEVELOPER/OWNER

Brian & Cindy Fehlhafer

PC HEARING DATE

March 9, 2020

RELATED APPLICATIONS

PROPERTY ADDRESS, ZONING DISTRICT/USE

Walmart Subdivision/North Addition - AG

ADJACENT ZONING DISTRICTS/USE:

North, AG - White

East, AG - Ingerslew

South, C-2, Commercial – Walmart

West, I-1, Industrial; C-2, Commercial – Heritage Homes



BRIEF SUMMARY OF REQUEST:

A Walmart Subdivision/North Addition Rezone application to move from AG Agriculture to C-2 Highway Commercial District.

APPLICATION CONTACT

Brian & Cindy Fehlhafer

1369 196th, Seward, NE 68434

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

Use type matches the comprehensive plan recommendations for commercial.

ANALYSIS

This is a rezoning application by Brian and Cindy Fehlhafer to rezone land for a proposed commercial subdivision involving 3 lots. The subject property is currently in AG Agricultural zoning district with adjacent AG Agricultural zoning, C-2 Commercial Highway zoning and I-1 Limited Industrial zoning. The subject property is currently adjacent established commercial business (Walmart, Sack Lumber, LaCarreta).

The applicant is applying to rezone the subject land to C-2 Highway Commercial District and has designed Walmart Subdivision/North Addition to comply with the site regulations for C-2 zoning.

A Notice of Public Hearing was published, mailed to neighboring property owners, and the subject property was posted.

See enclosed Rezone application, zoning map and supporting documents.

APPROXIMATE LAND AREA:

461,876.16 sq. ft./10.66 acres

LEGAL DESCRIPTION:

33-11-3 #NW ¼ SW ¼ 10.69 AC

Prepared by

Tim Dworak

City of Seward Building - Zoning – Code Enforcement Director

ORDINANCE NO. 2020-

AN ORDINANCE TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF SEWARD, NEBRASKA; TO REZONE CERTAIN PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF SEWARD, NEBRASKA NOW ZONED AG AGRICULTURAL DISTRICT, TO C-2 HIGHWAY COMMERCIAL DISTRICT; SPECIFICALLY, TRACTS OF LAND EAST OF HIGHWAY 15 AND NORTH OF WALMART; TO DESCRIBE THE PROPERTY REZONED; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA:

Section 1. PROPERTY REZONED. The following described property located within the corporate limits of the City of Seward, Nebraska is hereby rezoned from "AG Agricultural District, to C-2 Highway Commercial District" to wit:

Lots 1, 2, & 3, Walmart Subdivision, North Addition, A subdivision of a portion of the Southwest Quarter, Section Thirty-Three, Township Eleven North, Range Three East of the Sixth Principal Meridian, City of Seward, Seward County, Nebraska.

Section 2. USES PERMITTED . Uses permitted by the ordinances of the City of Seward, Nebraska for "Highway Commercial District" are hereby and herein authorized for said area and land described in Section 1 of this ordinance.

Section 3. ZONING MAP AMENDED. The official map of the City of Seward, Nebraska is amended and it is ordered that the above described land shall now be shown as "Highway Commercial District."

Section 4. PAMPHLET FORM; PUBLICATION; WHEN OPERATIVE. This ordinance shall be published in pamphlet form and shall be in full force and effect from and after its passage, approval, and publication or posting as provided by law and city ordinance.

Passed and approved this _____ day of _____, 2020.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

ATTEST:

Bonnie Otte
Assistant Administrator/
Clerk-Treasurer/
Budget & Human Resources Director

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held by the Planning Commission of the City of Seward, Seward County, Nebraska on Monday, March 9th, 2020 at 7:30 p.m. and a public hearing will be held by the City Council of the City of Seward, Seward County, Nebraska on Tuesday, March 17th, 2020 at 7 p.m. in the Council Chambers at the Municipal Building at 142 North 7th Street, Seward, Nebraska.

Said public hearing will be to review a Special Use Permit application for 250 North Columbia Ave., Seward, NE. Said application is for a third story addition and to be exempt from the height limit restrictions.

Legal Description:

SEWARD MEMORIAL HEALTH CARE SUBDIVISION LOT 1.

All persons interested may appear and be heard.

Tim Dworak

Building/Zoning & Code Enforcement Director

Published: 2-26-2020

Provide POP

City of Seward Planning Commission
142 N 7th St. Seward, NE 68434

Staff Report
Tim Dworak, Building/Zoning &
Code Enforcement Director
402-643-4000

| <u>APPLICATION TYPE</u> | <u>FINAL ACTION?</u> | <u>DEVELOPER/OWNER</u> |
|--------------------------------|-----------------------------|--|
| Special Use Permit Application | | Memorial Health Care |
| <u>PC HEARING DATE</u> | <u>RELATED APPLICATIONS</u> | <u>PROPERTY ADDRESS, ZONING DISTRICT</u> |
| Mar. 9, 2020 | | 300 N Columbia, Seward, NE 68434 |

ADJACENT ZONING DISTRICTS/USE:

- North, R-4, Single family homes
- South, R-3, Single family homes
- East, R-4, Single family homes
- West, R-4, Parking lot



BRIEF SUMMARY OF REQUEST

Seward Memorial Health Care Systems requires a Special Use permit granting an exception to the height limit for a third-floor expansion in an R-3 zoning district.

APPLICATION CONTACT

Roger Reamer, Memorial Health Care Systems 402-643-2971
300 Columbia Ave., Seward NE 68434

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

Use type matches the comprehensive plan recommendations for commercial.

ANALYSIS

The original Hospital was built several years ago at a point in time before the City had official zoning regulations, set back requirements, and a Use Matrix. The current Use Matrix requires a Special Use Permit to operate a hospital or health care facility in the current R-3 zoning. ULDO 410-44.3 section I Number 2 states any use established prior to the effective date of the requirement of Special Use permits shall be deemed to have such valid Use permit provided it complies with all other provisions of the ULDO.

Memorial Health Care System wishes to add an additional story to a portion of their existing facility (approximately 4000 sf) but exceed the maximum height permitted in an R-3 zone of other permitted uses which is set at 35 feet. ULDO 410-32.6 section B allows civic use types to be built to a maximum height of 60 feet. The proposed addition would be approximately 42 feet high, therefore exceeding the 35 feet maximum height requirement by roughly 7 feet. Therefore, Memorial Health Care Systems is requesting an exemption from the height requirement in order to expand their facility.

The Notice of Public Hearing was published in the Seward County Independent, mailed to neighboring property owners. Permit application is enclosed.

APPROXIMATE LAND AREA:

165,433.48 sq. ft./3.76 acres

LEGAL DESCRIPTION:

SEWARD MEMORIAL HEALTH CARE SUBDIVISION LOT 1



PAID
2/7/2020

SEWARD

P.O. Box 38 • 537 Main Street
Seward, Nebraska 68434
Phone and TDD 402-643-2928
Fax 402-643-6491

APPLICATION FOR A SPECIAL USE PERMIT

CITY OF SEWARD, SEWARD COUNTY, NEBRASKA

Instructions:

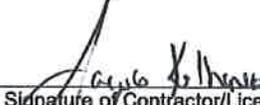
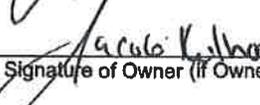
1. Fill out application form completely. Please print or type. Use additional sheets if needed.
2. Filing fee: \$200.00. Notification Fee \$ 100,00 Make check payable to City of Seward.
3. Contact City of Seward Planning & Zoning Director if you have any questions.
4. Submit a list of property owners within 300 feet, prepared by a certified abstractor.
5. Submit completed application and fee 30 days prior to the next regular scheduled Planning Commission meeting.

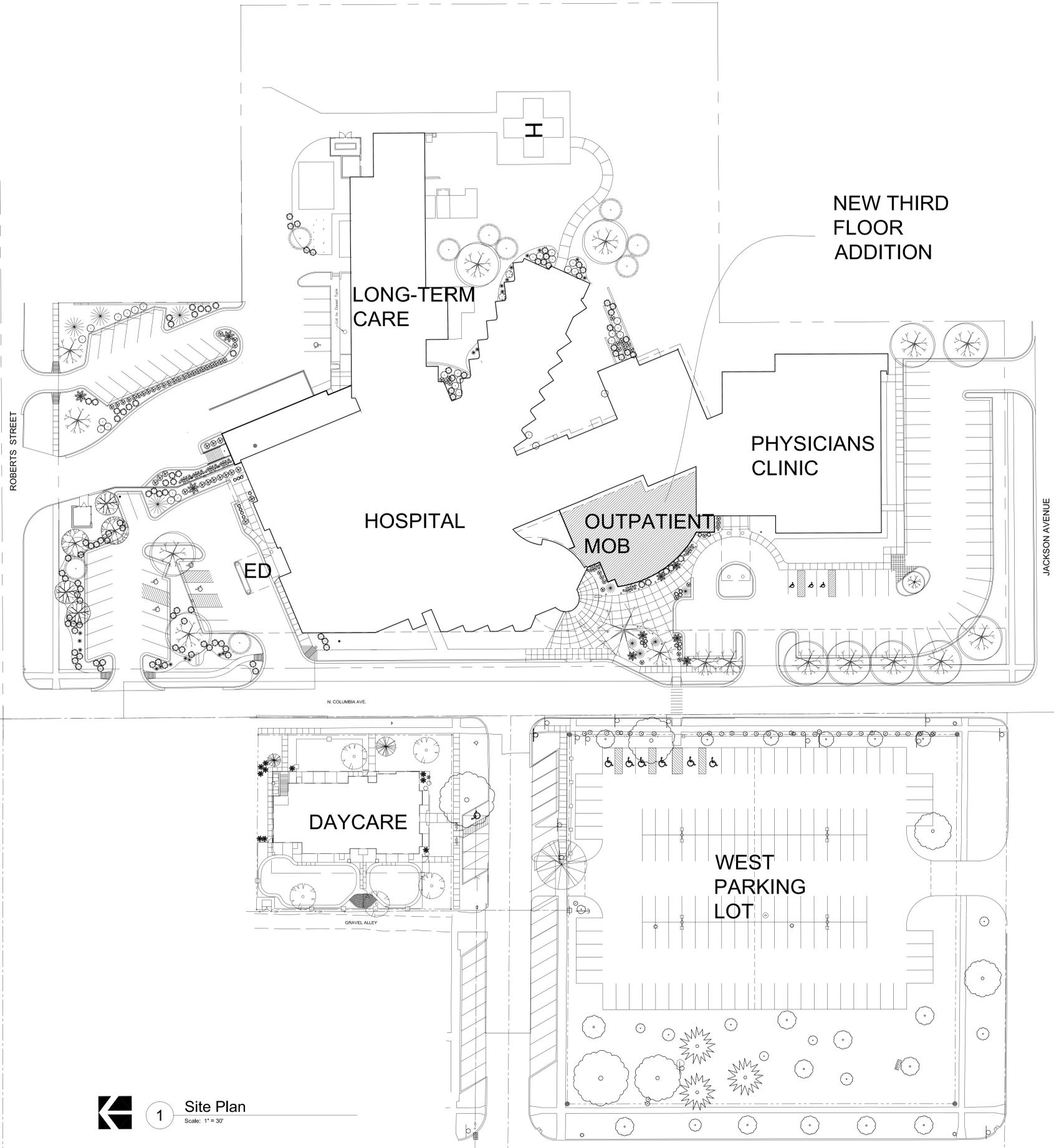
1. Applicant's name: Memorial Heath Care Systems
2. Applicant's address: 300 N. Columbia
Seward, NE ZIP: 68434
3. Telephone (business): 402-643-2971 (home): _____
4. Present use of property: Healthcare
5. Desired use of property: Healthcare
6. Present zoning: R-3
7. Legal description of property: SEWARD MEMORIAL HEALTH CARE SUBDIVISION LOT 1
8. Under what provisions of the zoning regulations are you seeking this permit?
Zoning use to be Hospital/Healthcare
9. For how many years are you seeking this permit (5 years, 10 years, etc.)? 10
10. Explain in detail what you propose to do: Memorial Health Care Systems seeks to add an additional story and to be exempt from the height limit.
11. How are adjoining properties used? Indicate both zoning district designations and actual uses.
North: RESIDENTIAL South: RESIDENTIAL
East: RESIDENTIAL West: COMMERCIAL/RESIDENTIAL
12. This authorizes the City of Seward Planning and Zoning Director to enter upon the property during normal working hours for the purpose of becoming familiar with the proposed situation. The Director may be accompanied by members the City of Seward Planning Commission or Seward City Council.

Date: 2-1-2020

Owner's Signature

CITY OF SEWARD BUILDING PERMIT APPLICATION

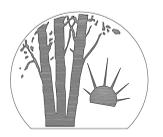
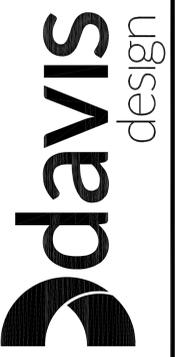
| | | | | | | | |
|---|--|--|----------------------------------|--|-----------------|------------------------------|---------------------------|
| Job Address : 300 North Columbia Ave. | | | | Permit No. B20-29 | | | |
| Legal | | Lot No. | | Block | | Addition | |
| | | | | | | Account No. | |
| 1. | Owner Seward Memorial | | | Address 300 North Columbia Ave Seward NE 68434 | | Phone: (402) 643-2971 | |
| 2. | Contractor Sampson Construction | | | Address 5825 South 14th Street Lincoln NE 68512 | | Phone: (402) 434-5450 | |
| 3. | Architect: Davis Design | | | Address 1221 N. Street - Suite 600 Lincoln NE 68508 | | Phone (402) 476-9700 | |
| 4. | Class of Work | | Addition | | Remodel | | 202 |
| | | | | | | Accessory | |
| 5. | Describe Work | | Completion of third floor | | | | |
| 6. | Use of Building | | Hospital | | Construction | 11-A | Occupancy |
| | | Change of Use From | | | | Bldg. | Size of Bldg. 3794 |
| 7. | Com. Valuation | | | | No. of Stories | 5 | Height |
| | | | | | | No. Dwelling | Max Occ. 120 |
| Special Approvals | | Required | | Received | | Not Required | |
| Zoning | | | | | | Use Zone | |
| Flood Elevation | | | | | | Fire Sprinklers X | |
| Other | | | | | | Lot Dimensions | |
| | | | | | | Lot Size (sf.) | |
| | | | | | | Front Setback | |
| | | | | | | Rear Yard | |
| By | Meier | | Application Date | | 01/23/20 | | |
| By | | | Approved Date | | | | |
| By | | | Rough-In Date | | | | |
| By | | | Final Date | | | | |
| NOTICE | | | | | | | |
| Separate Permits are required for Plumbing, Heating, Ventilating, or Air Conditioning. 24hr NOTICE REQUIRED FOR ALL INSPECTIONS | | | | | | | |
| This Permit becomes null and void if work or construction authorized is not commenced within 180 days, or if construction or work is suspended or abandoned for a period of 180 days at any time after work is commenced. | | | | | | | |
| I hereby certify that I have read and examined this application and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified or not. The granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local law regulating construction or the performance of construction. | | | | | | | |
| Note:: Sidewalks will be constructed as required by the City. | | | | | | | |
| Signature of Contractor/License Holder | |  | | 1/28/20 | | (Date) | |
| Signature of Owner (if Owner Builder) | |  | | 1/28/20 | | (Date) | |
| Permit Fee | | | | | | \$ 3,192.00 | |
| Plan Review | | | | | | \$ 798.00 | |
| Energy Fee | | | | | | \$ 37.94 | |
| Pay This Amount | | | | | | \$ 4,027.94 | |
| Note: PERMITS ARE REQUIRED PRIOR TO BEGINING CONSTRUCTION. 1st offense will result in a Written Warning, 2nd offense will result in DOUBLE PERMIT FEE. Fees for all permits due upon submittal of application. Make checks payable to the City of Seward. | | | | | | | |



1 Site Plan
Scale: 1" = 30'

Lincoln
1221 N Street, Suite 600
Lincoln, NE 68508
Phone 402-476-9700
Fax 402-476-9722

Vermillion
15 East Main, Suite 201
Vermillion, NE 68589
Phone 605-824-1081



CLIENT INFORMATION
Memorial Health Care Systems

PROJECT INFORMATION
Special Use Permit

Job # 19-0166
ISSUE DATE 2-7-202
Revisions:
Date Description

CHECKED:
AUTHOR DAVIS DESIGN ALL RIGHTS RESERVED

SHEET TITLE
Site Plan

SHEET NUMBER
SP-1

City of Seward, NE
Wednesday, January 29, 2020

Chapter 410. Zoning and Subdivision

Part 4. Supplemental Use and Development Regulations

Article 32. Supplemental Development Regulations

§ 410-32.6. Height exceptions.

These provisions allow exceptions to the height limit of any zoning district in certain situations.

A. Vertical projections.

- (1) Chimneys, cooling towers, building mechanical equipment, elevator bulkheads, fire towers, grain elevators, non-parabolic receiving antennas, tanks, solariums, steeples, penthouses not exceeding 25% of total roof area, flagpoles, stage towers or scenery lofts, and water towers may be built to any height in accordance with existing and future ordinances.
- (2) Any such equipment or vertical projections attached to a building and exceeding the height limit shall be screened to prevent visibility from a public right-of-way or adjacent property using materials or design features that are consistent with the overall design of the main building.
- (3) No such projection may be built which in the event of failure could constitute a hazard or fall onto either a public right-of-way or property or another private property.

B. Civic buildings. Buildings housing civic use types may be built to a maximum height of 60 feet. Such buildings located in residential districts shall be set back one foot in addition to required setbacks from each property line for each foot of height over the maximum height of the zoning district.

C. Wind energy conservation systems (WECS). Wind energy conservation systems are subject to the regulations of § **410-31.9B**.

D. Conditional use permit approvals. The City Council, following the recommendation of the Planning Commission, may grant an exception from the height limit for a zoning district for a conditional use as part of its approval of that use. The limit or extent of this exception shall be a specific part of the conditional use permit.^[1]

[1] *Editor's Note: Amended at time of adoption of Code (see Ch. 1, General Provisions, Art. I).*

NOTICE OF PUBLIC HEARINGS

Public notice is hereby given by the Planning Commission of the City of Seward, Nebraska, that a public hearing will be held at 7:30 p.m. on March 9, 2020 at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

Public notice is hereby also given by the Mayor and City Council of the City of Seward, Nebraska, that a public hearing will be held at 7:00 p.m. on March 17, 2020, at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

The purpose of both hearings is to obtain public comment prior to the review and consideration of a proposed amendment to the redevelopment plan for the City of Seward, including a specific redevelopment project.

The property which is the subject of this notice and of the public hearing is generally located 511 Bradford Street in Seward, Nebraska and is legally described as follows:

Lots 1-3, 5-6, East 3.5' of Lot 9, Lots 10-18 and 1/2 Alley's
Adjacent, Block 37, Seward Cloyd's Addition, City of Seward,
Seward County, Nebraska (PID# 800078098).

All interested parties shall be afforded at each public hearing a reasonable opportunity to express their views regarding the proposed redevelopment plan amendment. A map of the redevelopment area and a copy of the redevelopment plan and cost-benefit analysis shall be maintained in the office of the City Clerk.

Bonnie Otte, City Clerk

Publish February 19, 26, 2020
One Proof of Publication

Tax-Increment Financing Application

CITY OF SEWARD, NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY (CRA)
537 MAIN STREET – P.O. BOX 38 – SEWARD, NE 68434-0038
(Return to City Administrator's Office)

PROJECT SCOPE: (PLEASE PRINT OR TYPE ALL INFORMATION)

1. Applicant Information

The Alps Dag Retreat LLC
Business Name
Scott Dinslage
Contact Person for Applicant
1869 154th Rd Garland NE 68360
Street Address
Same as street address
Mailing Address
402-646-2627
Telephone
N/A
Alternate Telephone
Scott@theAlpsRetreat.com
Email
Single-member Nebraska LLC
Business Structure: (e.g. corporation, limited liability company, etc.; also identify the state of organization):
Scott Dinslage
Owners

2. Project Description

- a. What type of business does this project involve (i.e. industrial, commercial, residential, etc.)
- i. If the project involves housing, please give a description of intended tenants, type of household (families/elderly/etc.), income levels, impact on the schools and/or community, etc.:
- ii. If the project involves retail business, please give a description of the retail business, how the community would benefit from this retail business, the impact on similar existing retail businesses, etc.:
- iii. If the project involves industry, please give a description of the type of industry, impact on the environment, impact on the community, similar existing industries in town, etc.:
- b. What is the estimated number of new jobs this project will create?
- c. What is the pay scale and benefits package for these positions?

3. Proposed Project Site:

Please provide the address, legal description, current owner. If the current owner is not the applicant, identify whether the project site is under contract, option, etc.:

4. Physical Description of the Proposed Project:

Building square footage, size of property, description of building materials, etc. (Attach site plan, if available)

5. Land Use:

- a. If property is to be subdivided, show division planned (attach copy of the plat):
- b. Current Zoning of the property:
- c. Is the proposed project a permitted use on the property? What permits would be required?
- d. Please describe any other relevant information relating to zoning, permitting, or similar land use issues:

Attached

6. Estimated Project Costs:

- a. Land Acquisition, if applicable: \$ _____
- b. Site Development (itemize):
 - i. Demolition: \$ _____
 - ii. Grading: \$ _____
 - iii. Site Preparation \$ _____
 - iv. Other (explain): \$ _____
- c. Building Construction Cost: \$ _____
- d. Other Site Improvements (explain) \$ _____
- e. Equipment: \$ _____
- f. Architectural and Engineering Fees: \$ _____
- g. Legal Fees: \$ _____
- h. Financing Costs: \$ _____
- i. Broker Costs, if any: \$ _____
- j. Contingencies: \$ _____
- k. Other (explain): \$ _____
- Total:** \$ _____

7. Please attach the following documentation:

- a. Construction Pro Forma. *Exhibit A*
- b. Annual Income and Expense Pro Forma (with appropriate schedules).
- c. Applicant's Corporate/Business Annual Financial Statements for the last three years.
- d. Business Plan for the proposed project.

8. Estimated Tax Increment:

- a. Total estimated assessed valuation of Real Property at completion (please also describe how you arrived at this value; e.g., discussions with County Assessor, based on previous construction projects, etc.):
- b. Latest property valuation before construction (from Property Tax Statement):
- c. Estimated increase in real estate valuation:
- d. Estimated new real estate tax generated annually:

9. Proposed Source of Financing:

- a. Equity
- b. Bank loan (please provide conditional approval or commitment letters, if applicable):
- c. Tax Increment Financing:
- d. Other (please describe):

10. Name and address of architect, engineer, and general contractor:

11. Project construction schedule:

- a. Construction start date: _____
- b. Construction completion date: _____
- c. If project is phased:
 - Year _____ / _____ % Complete
 - Year _____ / _____ % Complete

12. Municipal reference (if applicable). Please name any other municipality wherein the applicant, or other corporations the applicant has been involved with, has completed development within the last five years:

13. Amount of TIF request: \$ _____

14. Application Fee Paid: \$ _____

(Note: If the Application is approved, the applicant is not entitled to receive the requested TIF amount. The actual amount of the TIF indebtedness will vary depending on multiple factors including without limitation lender interest rates, identification of eligible expenditures, and additional information identified in the redevelopment project approval process. However, as a general estimate for this application, request no more than ten (10) times the amount identified in section 8(d) of this application.

15. Describe eligible costs for which tax increment financing will be used.

Please provide a detailed breakdown of proposed eligible uses and costs of each use, including any available bids or cost estimates for such work (include attachment if necessary):

16. Statement of necessity for use of tax increment financing (include attachment if necessary):

- a. Is your project economically feasible as designed without tax increment financing? If no, please indicate how tax increment financing is necessary for the economic feasibility of your project.
- b. Would you locate your project in the redevelopment area without Tax Increment Financing? Explain.

17. List any other long term public benefits your project will bring to the City, or any other information relevant to this application.

"Applicant"

By: The Alps Dog Retreat

Name: Scott Dinslage

Title: Owner

⑈001142⑈ ⑆104901348⑆ 1 205⑈⑈

MEMO

AUTHORIZED SIGNATURE

[Handwritten Signature]

City of Seward

Eight Hundred Ninety and 00/100*****
DOLLARS

\$ **890.00

PAY TO THE ORDER OF City of Seward

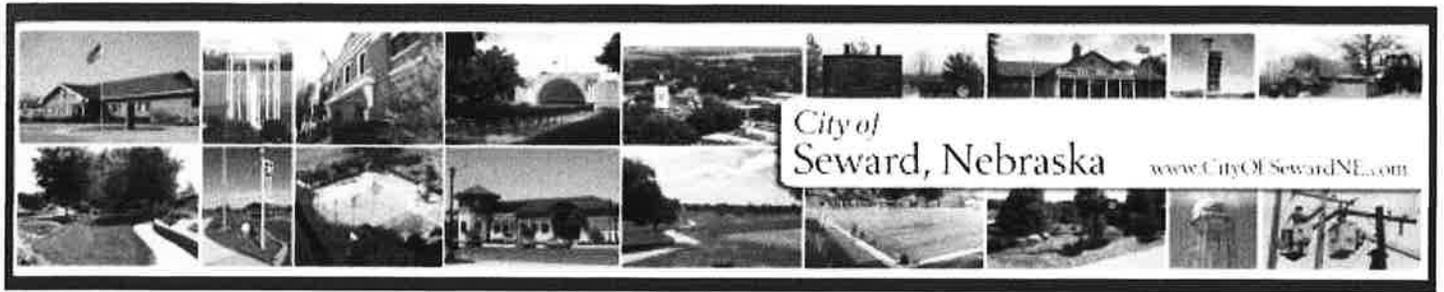
2/6/2020

K9 SUPPLY AND RESCUE
310 N. 5TH STREET, SUITE A
SEWARD, NE 68434

THE CATTLE NATIONAL BANK
& TRUST CO.
76-134-1049

1142

FD Security features. Details on back.



CITY OF SEWARD COMMUNITY REDEVELOPMENT AUTHORITY

537 Main Street
PO BOX 38
Seward, NE 68434
402-643-2928
CityofSewardNE.com

Tax Increment Financing Package & Application Documents

March 2017

CITY OF SEWARD

TAX INCREMENT FINANCING PROGRAM OVERVIEW

Tax Increment Financing, or TIF, is a tool to assist in financing redevelopment projects in designated blighted and substandard areas of the city. The City of Seward issues bonds or a promissory note to finance any approved public improvements associated with a redevelopment project. The property taxes generated from the increased valuation of the development are then captured for a period of up to 15 years to repay the public investment.

The purpose of TIF is to help communities undertake redevelopment activities for urban renewal and municipal growth. TIF allows a city to pay for the public improvements that are part of a private redevelopment project. TIF is not a grant and it is not a primary funding source for a redevelopment project, but does provide an incentive for private development that will increase the tax base of the Seward community and create additional jobs.

✓ REDEVELOPMENT AREA

All TIF projects must occur within a redevelopment area that has been declared blighted and substandard by the City of Seward. The City of Seward has established a redevelopment area based upon a blight study that was completed in July of 2010. Please contact the Seward City Administrator or Seward County Economic Development Executive Director with your proposed property location to determine redevelopment verification & eligibility.

✓ PROJECT ELIGIBILITY

To be eligible for TIF, a proposed redevelopment project must be located in a designated redevelopment area in the City of Seward. TIF can be used to pay for eligible public improvements, which may include:

- Site Acquisition & Demolition
- Site Preparation – Landscaping
- HVAC Efficiency Systems
- Facade Improvement Upgrades
- Installation or Construction of Public
- Improvements Consisting of:
 - Streets & Utilities Extensions
 - Public Spaces- Green Space- Art Work
 - Public Facilities
 - Uses Listed In Q&A Section of Package
 - Or For Other Uses In Accordance With An Approved Redevelopment Plan

Additionally, in order to use TIF, the City must perform a cost-benefit analysis of the project and determine that the costs and benefits of the project are in the long-term best interest of the City and the project would not be economically feasible without the use of TIF.

✓ COMMUNITY REDEVELOPMENT AUTHORITY OR COMMUNITY DEVELOPMENT AGENCY

The Community Redevelopment Authority of the City of Seward ("CRA") is responsible for carrying out the redevelopment activities for the City. The CRA is instrumental in the TIF process. The CRA evaluates each TIF application and recommends redevelopment projects to the City. It also enters into approved redevelopment contracts with the redeveloper to establish the rights and obligations of the parties and the details of the TIF bond.

✓ TIF PROCESS CHECKLIST:

- Meeting with the City of Seward and developer's to review TIF process & determine initial eligibility of proposed TIF project
- Determine if prospective project is within the City's redevelopment area
- Determination of eligible publically owned improvements
- Developer submits completed TIF application to Seward City Administrator's office with application fee
- Initial project analysis is completed by City of Seward TIF legal counsel
- Initial redevelopment project data for plan completed by City of Seward's TIF counsel
- Community Redevelopment Authority (CRA) reviews applications & selects projects
- CRA Board gives City Council 30-day notice before entering into redevelopment contract
- Redevelopment plan is amended to include the proposed & approved project by TIF counsel
- Certified notices of public hearings sent to Seward county taxing entities
- Public hearing scheduled & published for future City Planning Commission meeting
- Public hearing conducted at the City Planning Commission meeting to amend redevelopment plan & adopt project
- City of Seward's TIF legal counsel prepares final redevelopment plan amendments, required resolutions & ordinances
- Public hearing scheduled & published for future Seward City Council meeting
- Public hearing conducted at the Seward City Council meeting to amend redevelopment plan & adopt project
- Developer and CRA negotiate and sign redevelopment agreement setting forth the rights & obligations for the specific project
- TIF bond/note is rate circulated & issued
- The redevelopment project is completed & the additional tax revenue created by TIF project is collected and used to pay off the TIF bond/note debt obligation & then property returns to normal re-tax distribution process.

✓ **TIF APPLICATION PROCESS**

The applicant shall complete a fully legible City application request for TIF that is attached to this application package. The completed application document will be signed, dated and submitted to the Seward City Administrator or Seward County Economic Development Director for procession and future eligibility analysis.

- Application Fee: a nonrefundable application fee equal to the lesser of: (a) one percent of the requested TIF indebtedness; or (2) One Thousand Dollars and No/100 shall be submitted with the application. Fee applied toward 3% administrative fee collected at closing.

✓ **TIF FINANCING PROJECT EXAMPLE**

This demonstrates how TIF works with a hypothetical project. In this example, the developer owns a lot valued at \$10,000 located in the redevelopment area.

The developer is going to construct a building on the property such that the valuation of the property after the project will be \$250,000.

The annual TIF available for 15 years would be approximately \$4,933:

| | Valuation | Taxes |
|-------------------------|-----------|---------|
| Pre-project: | \$ 10,000 | \$ 205 |
| Completed Project: | \$250,000 | \$5,138 |
| Difference (Increment): | \$240,000 | \$4,933 |

Assuming that a developer can borrow at a 6% interest rate, the TIF revenue, collected for 15 years could pay off a \$47,910 loan in this example:

Present Value Calculation Case Example

| Year | TIF |
|-------|----------|
| 1 | \$ 4,933 |
| 2 | \$ 4,933 |
| 3 | \$ 4,933 |
| 4 | \$ 4,933 |
| 5 | \$ 4,933 |
| 6 | \$ 4,933 |
| 7 | \$ 4,933 |
| 8 | \$ 4,933 |
| 9 | \$ 4,933 |
| 10 | \$ 4,933 |
| 11 | \$ 4,933 |
| 12 | \$ 4,933 |
| 13 | \$ 4,933 |
| 14 | \$ 4,933 |
| 15 | \$ 4,933 |
| Total | \$73,995 |

Present Value of \$73,995
@ 6% = \$47,910

✓ **TIF QUESTIONS AND ANSWERS**

Q) What is a substandard & blighted area?

A) An area that has been declared substandard and blighted in accordance with the Nebraska State Statutes. It is defined as one where conditions are present that may have a detrimental effect on public health, safety, morals, or welfare of the neighborhood.

Q) What can a substandard area contain?

A) The area may have inadequate infrastructure, conditions which endanger life and property by fire or other causes, dilapidated buildings, inadequate parking, congestion, and economically or socially unacceptable land uses.

Q) How was the redevelopment area created?

A) The redevelopment area was created in a study completed for the City of Seward by an independent Nebraska planning, architecture and urban design firm in July of 2010.

Q) What is the Geography of the Redevelopment Area?

A) The study considers the presence of substandard conditions or blight in the city of Seward pursuant to the requirements of the Nebraska Revised Statutes. A total of 468.8 acres are included in the TIF Redevelopment Area as of July 2010. Included in this application packet is a current redevelopment area map and TIF application projects must be in the shaded/designated areas.

Q) How does TIF work?

A) TIF is the use of new real property tax dollars created as the result of a commercial project to help support the financing of the project. TIF allows the use of the new property taxes generated by the increased value of the property to be paid on the TIF bond retirement. The taxes are redirected for the benefit of the project for a period of 15 years. Property taxes on the original value of the property continue to be paid to local taxing entities.

Q) What types of projects are eligible?

A) In other Nebraska TIF projects, it has been used to provide public improvements for economic development incentives for industrial and manufacturing entities, rental housing projects, upgrades of buildings and public facilities in downtown areas, purchase of land for redevelopment activities, update of business and recreational facilities, and other development enhancing activities. The City of Seward's CRA encourages and evaluates TIF projects based upon their positive impacts on neighborhoods and the community in general.

Q) How do you qualify for TIF?

A) Applicants/developers must fully complete a TIF application request and submit to the City of Seward Administrator's office with the application fee. Refer to the TIF Process Checklist on the previous page for full TIF process descriptions and requirements. The application must receive a recommendation for approval from the CRA.

1. Project Description

- a. A commercial dog services business
 - i. N/A
 - ii. The Alps Bark Park will sell a limited number of retail items. The community will benefit from these items because the products will be high-end foods, treats, and toys, which cannot be found in Seward. Currently, Orchelins and Walmart sell dog supplies in Seward. These businesses will not be negatively affected, because The Alps will be selling higher quality items.
 - iii. With this second location, The Alps will be bringing a whole new industry to Seward County. Nowhere in Seward County will you find a business that offers dog boarding, daycare, retail, grooming, self-wash services, and training under one roof. This location will have very little impact on the environment and will serve as a large benefit to the community.
- b. We estimate the creation of five new jobs
- c. Hourly employees will earn between \$9-\$11/hour, salaried employees will earn \$38,000/year.

2. Proposed Project Site

- a. Site address is 511 Bradford St in Seward, currently known as the Mike's Fresh Market building. The current owner is Huron Heights Retreat LLC (single-member LLC owned by Leroy Dinslage). Huron Heights is not the applicant; The Alps Dog Retreat is under contract with Huron Heights Retreat and has full permission to seek TIF for this project. Legal Description: SEWARD CLOYD'S ADDITION BLOCK 37 LOTS 1-3, 5-6, E 3.5' LOT 9, LOTS 10-18 & 1/2 ALLEY'S ADJACENT

3. Physical Description of the Proposed Project:

- a. The building is 10,000 square feet and is built with block walls and steel ceiling joists. The North part of the building consists of floor to ceiling single-pane glass windows. The Alps will replace all windows, replace one quarter of the concrete floor, will update plumbing, heating, and air conditioning, and install all new electrical. Rubber flooring will be added to the indoor play areas; steel studs, concrete board, and drywall will be used to construct most all 8' walls.

4. Land Use:

- a. N/A
- b. Commercial Zoning
- c. The proposed project has been permitted by the City of Seward. A building permit is the only requirement
- d. N/A

5. Estimated Project Costs:

- a. Land Acquisition, if applicable: \$ 0.00
- b. Site Development
 - i. Demolition \$20,000

| | |
|---|------------------|
| ii. Grading | \$0.00 |
| iii. Site Preparation | \$0.00 |
| iv. Other (explain): | \$0.00 |
| c. Building Construction Cost: | \$358,400 |
| d. Other Site Improvements (explain: New façade windows): | \$28,812 |
| e. Equipment: | \$14,000 |
| f. Architectural and Engineering Fees: | \$6,500 |
| g. Legal Fees: | \$0.00 |
| h. Financing Costs: | \$0.00 |
| i. Broker Costs, if any: | \$0.00 |
| j. Contingencies: | \$0.00 |
| k. Other (explain): | \$0.00 |
| Total | \$427,712 |

6. Please Attach the following documentation:

- a. Construction Pro Forma
- b. Annual Income and Expense Pro Forma (with appropriate schedules).
- c. Applicant's Corporate/Business Annual Financial Statements for the last three years.
- d. Business Plan for the proposed project.

7. Estimate Tax Increment:

- a. Total estimated assessed valuation of Real Property at completion:

Marilyn Hladky Tue, Jan 14, 12:15 PM ☆ ↩
to me ▾
Hi Scott,

Bob Ehler sent me the value for your Dog Retreat in the former Mikes Market building.

He has put this disclaimer at the bottom of his estimate:
*01/14/2020 VAI: THIS PRC IS A TIF ESTIMATE OF VALUE. BLDG WAS A VACANT GROCERY STORE. TIF ESTIMATE ASSUMES THE BUILDING WILL BE CONVERTED TO AN INDOOR ANIMAL DAYCARE.
MANY ASSUMPTIONS OF QUALITY AND DESIGN ARE MADE, THERE IS NO GURANTEE THAT THE FINAL VALUE WILL BE THE SAME AS THIS TIF ESTIMATE.*

The current land value is: \$251,639. The building value is estimated at: \$715,380 for a total of \$967,020.

- b. Latest Property valuation before construction:

1/30/2020 Seward County Assessor gWorks

| Parcel Information | |
|--------------------------|---|
| Parcel ID | 800078098 |
| Links | Photo #1 Photo #2 Sketch #1 Sketch #2 |
| Area # | |
| Current Owner | HURON HEIGHTS RETREAT, LLC |
| Mailing Address | 1869 154TH RD GARLAND, NE 68360-9311 |
| Site Address | 511 BRADFORD ST |
| Tax District | 5 |
| School District | 401 (Seward SD9) |
| Legal Description | SEWARD CLOYD'S ADDITION BLOCK 37 LOTS 1-3, 5-6 E 3 5' LOT 9, LOTS 10-18 & 1/2 ALLIY'S ADJACENT |
| Class | Commercial |

* Disclaimer: This legal description should not be used to prepare legal documents.

| Current Value Information | | | |
|---------------------------|----------------|-------------------|-------------|
| Land Value | Dwelling Value | Improvement Value | Total Value |
| \$251,639 | \$0 | \$186,072 | \$437,711 |

c. Estimated Increase in Real Estate valuation: \$529,309.00

d. Estimated Real Estate Tax Generated Annually:

TIF Calculation Based on Marilyn Hladky's Estimates on Tuesday, January 14

Assumptions:

| | |
|-----------------|----------|
| Tax Levy (2019) | 1.733791 |
| Number of Years | 15 |

Property Valuation:

| | Assessed Value | Estimated Taxes |
|-------------------|----------------|-----------------|
| Pre-Project | \$437,711.00 | \$7,588.99 |
| Completed Project | \$967,020.00 | \$16,766.11 |
| Difference | \$529,309.00 | \$9,177.11 |

TIF Calculations:

| | TIF Developer Bond | TIF Note from Lender |
|---------------------------|---------------------|----------------------|
| Annual TIF Amount | \$9,177.11 | \$9,177.11 |
| 15 Year TIF | \$137,656.68 | \$91,771.12 |
| 3% Admin. Fee | \$4,129.70 | \$2,753.13 |
| Approx. Costs of Issuance | \$5,000.00 | \$5,000.00 |
| Total: | \$128,526.98 | \$84,017.98 |
| | \$8,568.47 | |

8. Proposed Source of Financing:

- Owner will offer \$110,000 cash
- Cattle Bank and Trust Co. is willing to loan \$150,000 toward this project
- Tax Increment Financing: From Lender: \$84,017.98
- Will ask for gap-financing assistance through LB840

9. Name and Address of Architect, engineer, and general contractor:

- Architect: Jim Hutchinson
- General Contractor: Scott Dinslage

10. Project Construction schedule:

- Construction start date: March 1st, 2020
- Construction completion date: July 1st, 2020

11. Municipal reference:

- N/A

12. Amount of TIF request: \$85,000-\$89,000

13. Application Fee Paid:

14. Describe Eligible costs for which TIF will be used.

- a. Additional HVAC Efficiency System:
 - i. New rooftop system: \$55,000
- b. Site Demolition
 - i. Asbestos Removal: \$15,500
- c. Façade improvements Upgrades:
 - i. New Windows: \$28,812 (Will use remaining \$14,500 toward this upgrade)

15. Statement of necessity for use of tax increment financing:

- a. Is your project economically feasible as designed without TIF? If no, please indicate how tax increment financing is necessary for the economic feasibility of your project.
 - i. This project is not economically feasible without TIF. Our building is in “poor condition” according to the county assessor because it is a step above uninhabitable. Because of this, construction costs have been much higher than expected. For example, all electrical wire was pulled from every conduit in the building. Additionally, the North-facing windows are sixty years old and leak a substantial amount of outside air. We need all the help we can get to reduce costs and make this a viable, long lasting business.
- b. Would you locate your project in the redevelopment area without TIF? Explain.
 - i. No. We purchased this property because it was in the Blighted and Substandard district, knowing this property would require TIF for whatever it would become.

16. List any other long-term public benefits your project will bring to the City, or any other information relevant to this application.

The Alps Bark Park will greatly reduce dog service “leakage,” meaning dollars for these services will not leave town. Additionally, clients from surrounding communities will use this facility. What does this mean for Seward? It means less tax revenue will be lost and new tax revenue will be gained from clients outside of town.

Additionally, Seward is working hard to attract young professionals. A trend among this demographic is they are having less children and more pets. If Seward wants to attract young professionals, it needs to be more pet friendly and needs services available to care for these animals. The Alps Bark Park will fill these needs and help attract these people.

Exhibit A

| The Alps Dog Retreat Construction Proforma | | |
|--|-----------|-------------------|
| Revenues for Fiscal Year 2020 | | |
| Alps Bark Park (Gross) | \$ | 264,584.00 |
| Alps Dog Retreat (Net) | \$ | 30,000.00 |
| Total: | \$ | 294,584.00 |
| Project Costs | | |
| HVAC | \$ | 55,000.00 |
| Windows | \$ | 28,000.00 |
| Epoxy | \$ | 25,000.00 |
| Plumbing | \$ | 75,000.00 |
| Electrical | \$ | 70,000.00 |
| Demolition & Asbestos | \$ | 20,000.00 |
| Ceiling Paint | \$ | 10,000.00 |
| Rubber Flooring | \$ | 13,000.00 |
| Drop Ceiling | \$ | 2,000.00 |
| Concrete removal and new | \$ | 25,000.00 |
| Sprinklers | \$ | 14,212.00 |
| Dog Kennels | \$ | 20,000.00 |
| Cory | \$ | 50,000.00 |
| Architect | \$ | 6,500.00 |
| Equipment | \$ | 14,000.00 |
| Total | \$ | 427,712.00 |
| Business Costs for Fiscal Year 2020 (See B. Plan) | \$ | 133,746.00 |
| Financing Interest: Fiscal Year 2020 | \$ | 7,500.00 |
| Total Project Costs: Fiscal Year 2020 | \$ | 568,958.00 |
| Net Business Cash Flow Fiscal Year 2020 | \$ | 153,338.00 |
| Cash Investment | \$ | 110,000.00 |
| Year One Cash-on-cash return | | 72% |



CONFIDENTIAL

The Alps Dog Retreat LLC

Business plan
Prepared January 2020

Contact Information

Scott Dinslage
scott.dinslage@gmail.com
402-641-2627

Table of Contents

| | |
|---------------------------------------|-----------|
| Executive Summary | 1 |
| Opportunity | 1 |
| Expectations | 2 |
| Opportunity | 4 |
| Problem & Solution | 4 |
| Target Market | 4 |
| Competition | 5 |
| Execution | 8 |
| Marketing & Sales | 8 |
| Operations | 9 |
| Milestones & Metrics | 12 |
| Company | 14 |
| Overview | 14 |
| Team | 14 |
| Financial Plan | 16 |
| Forecast | 16 |

Financing.....22

Statements.....23

Appendix27

Executive Summary

Opportunity

Problem

Dog owners in Seward Nebraska are without any professional dog services.

Solution

Build a one-stop-shop dog service facility to meet the needs of the community in a convenient downtown location.

Market

The greatest strength of the pet care industry is the willingness of customers to travel for trustworthy services. Our first location in Garland saw customers from Omaha to Grand Island. We estimate that our new location in Seward will see similar success and serve dog owners within a fifty minute driving radius. Better yet, a large percentage of income earners within this 50 minute radius earn disposable incomes above the state's average.

Competition

There are currently no dog services within the city limits of Seward. Dog owners must leave town to find the services they need. Dog boarding and dog grooming for small breeds are the closest services to Seward, however, no business in Seward county offers all dog services under one roof.

Why Us?

The Alps Dog Retreat's Seward location will be the first dog service facility in Seward county to offer daycare, overnight care, grooming, in-home care, DIY bathing stations, training, and an indoor dog park. Our facility will be conveniently located in downtown Seward, be equipped with webcam capabilities, and will house an above ground storm shelter to ensure the safety of all dogs in our care.

Expectations

Forecast

Our financial forecast was calculated with conservative estimates of dogs in both Seward and surrounding communities. We wanted to determine if this costly venture would survive on conservative estimates. We were pleased to learn that it would.

Financial Highlights by Year



Financing Needed

This venture will begin with cash equity of \$110,000 from the owner. This money will be used to secure additional financing from Cattle National Bank in Seward.

We will also seek Tax Increment Financing funds from the city to help update the building before any indoor construction begins. The Alps will also seek financial help from Seward's Community Block Grant and LB 840 Economic Development programs. We assume the road to receiving assistance from these programs will be

smooth since the investment will add jobs to the community and broaden the city's tax base.

Opportunity

Problem & Solution

Problem Worth Solving

Dog owners in Seward are without any local solutions for the services their loyal companions need. They are forced to travel outside of the city limits to find professional grooming, overnight boarding, daycare, and self-bathing stations. Furthermore, many of these services in surrounding communities are *not* under one roof, forcing owners to travel to multiple locations for different services.

Our solution

The Alps Dog Retreat wants to create a one-stop-shop for dog owners in Seward and offer the highest quality dog services under one roof. Dog owners will no longer have to take time-consuming trips out of town to find the services their dogs need.

Target Market

Our market will not be limited to the city limits of Seward. Our location in Garland attracted customers from Omaha, Lincoln, David City, York, Milford, Staplehurst, Aurora, Malcolm, and even Grand Island. There is one thing we know for certain about dog lovers: no distance is too far when it comes to the safety and well-being of their favorite companion(s). We have no doubt this new location in Seward will experience the same market results.

Based on our experience, we believe that individuals needing overnight care will gladly travel fifty minutes to a facility they trust. This means our market radius for overnight boarding is comprised of 154,00 households with 204,944 income earning individuals with median household incomes of \$58,000 per year. Additionally, the median disposable income among these same households is \$47,000 per year -- \$7,000 more than Nebraska's state average.

For our services that require a higher frequency of travel time (i.e. daycare, grooming, bathing, etc.), we will decrease our market radius travel time from fifty minutes to ten. Our market radius for these services is comprised of 3,000 households with 3,707 income earning individuals with median household incomes of \$70,000 per year. Additionally, the median disposable income among these same households is \$52,911 per year -- \$12,000 more than Nebraska's state average.

The Alps Dog Retreat in Garland does not see any customer trends based on age. However, it is clear that females dominate the decision-making process for dog-related services. Ninety percent of first-time callers seeking overnight services at The Alps in Garland are female. Our marketing efforts will target females in high-income households.

Since our services are more commonly used by opulent households with higher disposable incomes, and because Nebraska ranks 20th in cost of living in the U.S., we feel Seward is an appropriate location for our higher-end services.

Competition

Current alternatives

Currently, there is no competition for dog services inside the city limits of Seward. Here are the closest closest services you'll find:

- Animal Crackers Dog Boarding in Staplehurst
- Grooming services at Cross Creek Animal Hospital in Staplehurst
- Dog boarding and small breed grooming at Waggin' Tails Inn in Milford

Animal Crackers fact sheet:

- **Boarding fees:** \$25/night
- **Hours of operation:** open 7 days a week - no specific hours
- **Multi-day discounts:** possibly
- **Grooming services:** no, just overnight boarding

- **Check-in capabilities:** owner send clients pictures; hoping to install webcam soon
- **Additional services or charges:** no
- **Drop-off and Pick-up times:** by appointment only
- **Dog's schedule during day:** dogs are let out multiple times per day
- **Disaster plan:** yes
- **Indoor play area:** yes, on sealed hardwood floors

Waggin' Tails Inn fact sheet:

- **Boarding fees:** \$15/day for regular kennels, \$22/day for larger kennel
- **Hours of operation:** Flexible
- **Multi-day discounts:** None
- **Grooming services:** Yes, for small breeds only -- not set up for large breeds
- **Check-in capabilities:** no webcam, owner sends pictures if client asks
- **Additional services or charges:** Treat before bedtime
- **Drop-off and Pick-up times:** Flexible
- **Dog's schedule during day:** Potty break in the morning, afternoon, and evening. Dogs can play outside if owner is around and the weather is nice
- **Disaster plan:** None
- **Indoor play area:** None

Our advantages

Our largest advantages over our competitors is our convenient location and the number of services we offer under one roof.

Our facility will be located in downtown Seward; one block North of Seward's historic commercial square. Our building is easily accessible from Highway 15, Bradford St., and 5th St., and off-street parking is plentiful.

Unlike our competitors, our business will offer an array of dog services. Currently, dog owners in Seward must travel out of town to find the services they need. We plan to solve this problem by being the only dog care center in the county who offers grooming, daycare, overnight care, bathing stations, and training classes under one roof.

Also, many of the individuals we spoke with stated they would love the ability to check-in on their dog at their convenience. We will meet this demand by offering 24 hour webcams for our clients on our website.

Lastly, we will also offer an amenity that will immediately separate us from dog care facilities all over the country: an above ground storm shelter. Nebraska is no stranger to deadly storms. Most boarding kennels are without above-ground or below-ground emergency shelters. This means the safety of the animals in their care can not be guaranteed. When we spoke to owners, the safety of their dogs was their number one priority when choosing a new dog care provider. Our storm shelter will guarantee the safety of all dogs in our care and be a marketable difference from our competitors.

Execution

Marketing & Sales

Marketing Plan

When we first opened The Alps Dog Retreat in Garland, our only focus was to offer exceptional care for our clients' dogs. We focused on details, kept our kennel spotless, and stayed in close contact with our customers. As a result, we receive so many referrals that we stopped our marketing efforts entirely. Today, our clients know they must schedule their bookings one and a half months in advance if they want to guarantee a spot for their dogs.

This experience taught us something very valuable: take care of your clients and they will take care of your business.

The service we created was remarkable. It was a business that our clients could not help but remark about to their friends and family. We plan to do the same with our new location in Seward. We plan to create a remarkable facility that people will have to see to believe.

Our uniqueness will be our greatest attraction. No other facility in Seward County will have so many services under one roof; no other facility will have an above-ground storm shelter to ensure the safety of their dogs; and no other facility will have a temperature controlled dog park.

We plan to announce our opening in surrounding communities through local newspaper interviews and ads. We also plan to use mailings that appeal to females in higher-income households.

10,000 square feet and is visible and accessible from Highway 15 and has two more entryways from adjacent streets.

Our convenience will be our strength. Dog owners who commute to Lincoln will not have to travel out of their way to utilize our daycare services. Also, vacationers will not have to wait long to see their dog after returning home. Our convenient location will also allow us to pick up or drop off dogs within a three mile radius of our facility.



Technology

Dog Service Software:

We will use Gingr, an all-inclusive, cloud-based software that will help us manage the services we offer. Gingr will help us accept online reservation requests, manage employees, collect payments, create dog profiles, and automate reporting and customer communication.

Unfortunately, Gingr isn't cheap. The online software costs \$149 per month and their point of sale system is an additional \$5.00/month.

Accounting Software:

We will use QuickBooks to record sales, track sales tax, and generate reports for our business. Gingr comes equipped with a plug-in that connects to QuickBooks, making it easy to download our sales log each week. For this transfer to happen, we will need to set up a QuickBooks Online account since Gingr is a cloud-based software.

Milestones & Metrics

Milestones Table

| Milestone | Due Date | Who's Responsible | Details |
|--|--------------------|-------------------|---|
| Secure outside funding | May 01, 2019 | Owner | Outside funding is vital for reducing our monthly costs and improving our profitability. |
| Complete build-out | September 01, 2019 | Owner and Builder | Once funding is secured, we must hit the ground running to build our facility. |
| Grand Opening | September 20, 2019 | Team | After our facility is built, we will need time to train our employees and organize for clients. |
| Begin providing 1st class dog services | October 01, 2019 | Team | By this date, we will be serving our community and meeting the needs of dog owners. |

Key metrics

1. During our first year at this new location, we feel our most important metric is our promoter score -- the overall likelihood our customers will promote our business to family and friends. If our customers aren't satisfied with our services, they will not recommend our business to others. We will measure this by following up with our clients and asking if their expectations were exceeded. If they were not, we will learn how to improve.
2. Our second key metric is demand for our memberships. We believe our membership perks will be of great value to our members. However, if we fail to sell all fifty memberships within the first three months after opening, we must re-evaluate our perks and learn what our clients value the most out of our memberships.

3. Since we will be offering several services under one roof, we want to track how many services each customer is utilizing. We will strive to be every dog owners' one-stop-shop for all their dog care needs. If clients aren't using multiple services, we must learn why.
4. Gaining clients from surrounding communities will be vital to our profitability. Our profit and loss projections are based on 150 to 300 dogs from Seward and surrounding towns. That is a low estimate. Even though it is low, we know we can be profitable at these numbers. Any dogs outside of our range will be icing on the cake. To measure this, we will track where our customers are visiting us from and determine if our marketing efforts in surrounding communities are working or not.
5. Lastly, and obviously, we want to track our growth as it relates to net revenues each quarter. Our revenues from our location in Garland saw substantial growth from 2016 to 2019. We believe we can match this growth at our new location. If we are unable, we must learn how we can better serve the needs of our clients.

Company

Overview

Ownership & Structure

The Alps Dog Retreat is a single-member Limited Liability Company and is registered with the Nebraska Secretary of State. The LLC is owned by Scott Dinslage. No outside equity is involved with this company.

Company history

The Alps Dog Retreat opened for business in July of 2016. We began our business with a goal of caring for one or two dogs each weekend. After announcing our opening on a community Facebook page, we were overwhelmed by the response. Before we could prepare for more than two dogs, all of our kennels were booked for three consecutive months after we opened.

Team

Scott Dinslage - Customer Relations:

Mr. Dinslage has over three years of experience in the pet retail business and three years of experience in the overnight dog boarding business. Scott became certified in canine CPR and First Aid in 2017. Scott has also been serving on the board of Blue River Pet Rescue since 2016.

In the beginning, Scott will focus his attention on the front counter and oversee customer relations and transactions. Scott will be best utilized in this position because of his knowledge of our services and his connections to the community.

Lacey Bessinger - Manager:

Mrs. Bessinger began working professionally in the pet care industry in 2009. She has managed two pet resorts since that time and is also a professional groomer. She

is certified in pet CPR and First Aid, and also has training in administering medications and vaccinations. Lacey has studied dog behavior, dog training, and dog nutrition for over 15 years.

Lacey will be in charge of hiring and training all dog care professionals. She will also oversee feeding operations and help keep play areas clean and safe. The experience Lacey brings to this team is invaluable.

Groomer - not hired, no prospects

In-home care specialist - not hired, no prospects

Pet Care Specialist - not hired, one prospect

Financial Plan

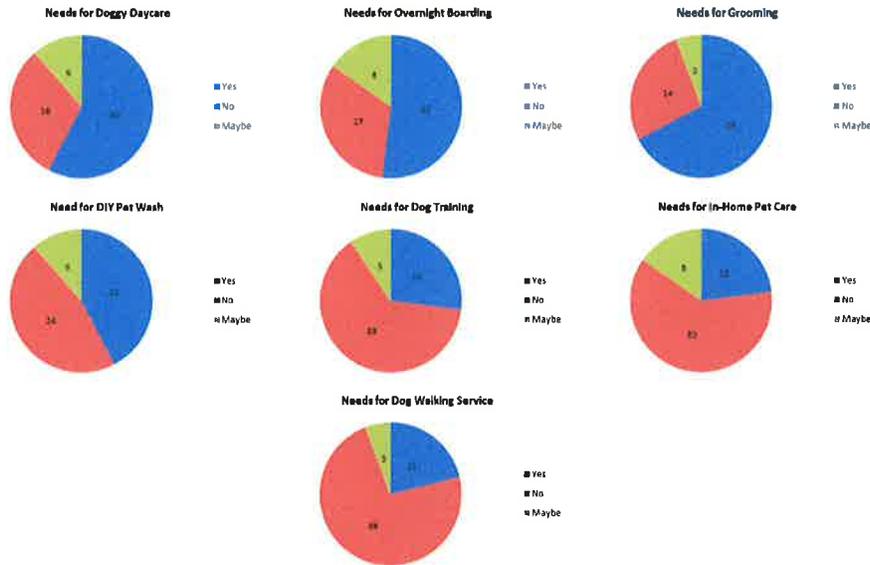
Forecast

One of the biggest reasons companies fail is because their assumptions about the marketplace they are entering are proven false. To prevent this from happening, entrepreneurs must test their assumptions before they start a new venture. The best way to test assumptions is to speak directly to potential customers in your target market.

We talked to over fifty dog owners in Seward and asked them about their overall satisfaction with the dog services that were offered in town and surrounding communities. By doing so, we gained valuable insights on the needs of the pet community.

Our assumption was that Seward wasn't satisfied with the lack of dog services in town; we were correct. Below are the results from our phone conversations with over fifty dog owners in town:

The Alps Dog Retreat



228 dogs were registered with the Seward Police Department in 2018. This number includes new registrations and renewals (dog owners are required to register their dogs every year). The actual number of dogs living in Seward is unknown. The Police Department knows not all dog owners license their dogs. They know there are more dogs living in the community. Animal Control told us they could safely assume there are close to 400 dogs in Seward.

For statistically conservative purposes, we set out to determine if our new location could survive with only 150 dogs living in Seward (for all services except overnight care and grooming). We used the data we collected from our conversations with dog owners to predict the number of dogs we'd entertain on a daily basis. These daily assumptions were then used to forecast our monthly and yearly revenue projections.

Revenue Projections for Doggy Daycare

Out of the 52 dog owners we spoke with, 30 said they would utilize a daycare facility once or twice per week (57%). After looking at this data, we agreed that 57% didn't accurately represent the needs of the community since individuals who needed daycare commonly referred us to other individuals needing daycare, which we believe skewed our data. To adjust for this, we lowered our percentage from 57% to 30%. For our projections, based on 150 dogs, we will assume that 45 dogs will use our daycare facility once per week.

45 dogs per week equals 6 dogs per day. 6 dogs per day at an average of \$19.50 per day would generate \$117.00 per day.

Caveat: these figures exclude dogs from neighboring communities, dogs using this service multiple times each week, and increased traffic over holidays.

Revenue Projections for Overnight Boarding

Out of the 52 dog owners we spoke with, 27 said they would utilize an overnight boarding facility in town (52%). From our experience, the average boarding request from our clients is three to four days. For our projections, we will double the number of dogs in the community from 150 to 300 to adjust for boarding requests from surrounding communities. For our projections, based on 300 dogs, we will assume that 156 dog owners will need boarding services three times per year.

156 dogs needing 4 days of boarding three times per year equates to 5 dogs per day. 5 dogs per day at an average of \$27.00 per day would generate \$135.00 per day.

Caveat: these figures exclude increased traffic over holidays.

Revenue Projection for Dog Grooming

Out of 52 dog owners we spoke with, 35 said they were in need of more convenient dog grooming services (67%). Most dog owners told us they groom their dogs once every six weeks. For our projections, we will double the number of dogs in the community from 150 to 300 to adjust for grooming requests from surrounding communities. For our projections, based on 300 dogs, we will assume that 201 dogs will require grooming services once every six weeks.

201 dogs needing grooming services 8.6 times per year equates to 4.7 grooms per day. Since grooming prices depend on dog size, we will use an average charge of \$45/groom for our calculations. 4.7 grooms per day at \$45/groom equates to \$211/day.

Our groomer will be an independent contractor. The Alps will receive 40% of gross sales from all services performed by the groomer. At \$211/day, our groomer will gross \$77,000 in sales each year. The Alps' yearly share will be \$23,100.

Caveat: \$45/groom is a low average.

Revenue Projections for DIY Dog Wash Stations

Out of the 52 dog owners we spoke with, 22 said they would utilize a DIY bathing station (42%). For our projections, based on 150 dogs, we will assume that 63 dogs will utilize this service once every 3 months.

63 dogs needing this service four times each year equates to .7 dogs per day. Our DIY stations will cost \$11 each visit. Using these numbers, we will project \$7.70 of daily revenue from this service.

Revenue Projections for In-Home Pet Care

Out of the 52 dog owners we spoke with, 12 said they would prefer in-home pet care over boarding their dogs at a facility (23%). While this number may seem low, we were pleased the majority of dog owners would prefer a boarding facility over

in-home care. In-home pet care is costly. These costs are ultimately pushed onto the client and a profit-margin is added. Our in-home care specialist also has a limited amount of time to satisfy the needs of all clients. The Alps would sell this service in twenty minute time frames. A full day of in-home care would consist of a twenty minute visit in the morning, a twenty minute visit over lunch time, and a twenty minute visit in the evening. Customers will also be able to purchase any number of individual twenty minute time frames to meet their individual needs.

For our projections, we will assume 34 dog owners will need 4 days of in-home care 4 times per year. On average, customers will spend \$11.50 per twenty minute time frame. Using these figures, we can safely project monthly income for this service at \$625.

Caveat: these assumptions do not include add-ons such as dog walks or other in-home care needs.

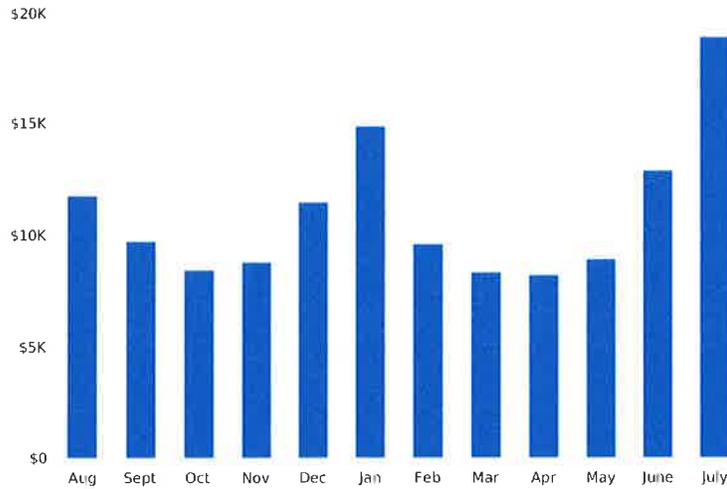
Revenue Projections for Memberships

The Alps Dog Retreat will offer a limited number of memberships to clients. The primary perk of our memberships is the ability to use the indoor dog park over the lunch hour and in the evening at no additional cost. Additional perks include a cash-back program, free cubbies, and discounts on our largest services. Each membership will be \$15 per month for one dog and \$20 per month for two dogs. For our projections, we will assume all fifty memberships will be "sold" within the first three months of operation.

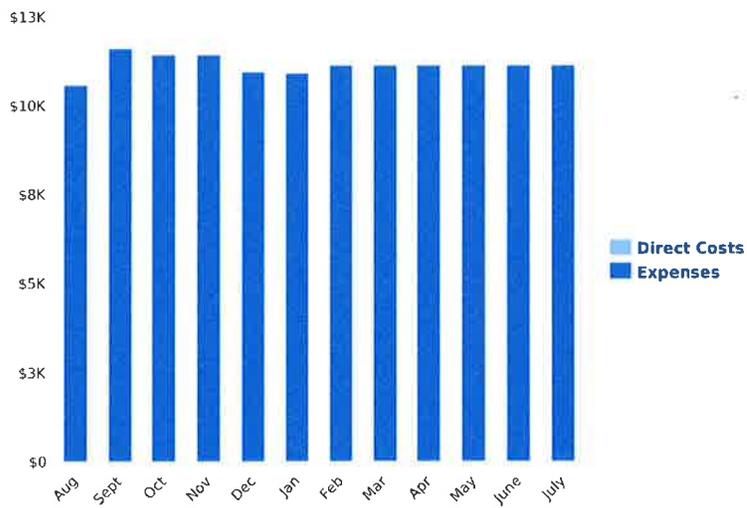
\$15 for 50 dogs will generate \$750/month in revenue.

Overall Caveat for Revenue Projections: none of our projections include increases in revenue for families with more than one dog; none of our projections include any add-ons that customers may choose during time of service; and none of our service include increases in revenue over holidays or weekends.

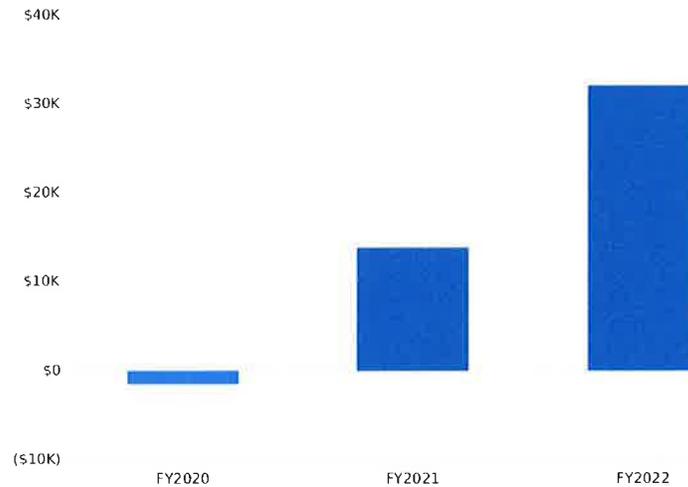
Revenue by Month



Expenses by Month



Net Profit (or Loss) by Year



Financing

Sources of Funds

The Alps Dog Retreat will use a variety of tools to help secure financing for this project.

This project will begin with a \$110,000 cash investment from Scott Dinslage. This money will help secure a traditional business loan from Cattle National Bank. We will also seek a funding from Seward's Economic Development Fund (LB840) and Community Development Block Grant. Lastly, because our location is in a blighted and substandard area of town, we plan to apply for Tax Increment Financing.

Use of funds

We will do whatever possible to maximize our TIF dollars. These funds will help us update our HVAC system, remove asbestos tile and mastic, and improve our facade.

All other funding will be used to build our floor plan, update our building, purchase equipment, and create our website.

Statements

Projected Profit and Loss

| | FY2020 | FY2021 | FY2022 |
|-------------------------------------|------------------|------------------|------------------|
| Revenue | \$132,292 | \$150,280 | \$173,016 |
| Direct Costs | | | |
| Gross Margin | \$132,292 | \$150,280 | \$173,016 |
| Gross Margin % | 100% | 100% | 100% |
| Operating Expenses | | | |
| Salaries & Wages | \$62,160 | \$62,160 | \$62,160 |
| Employee Related Expenses | \$12,432 | \$12,432 | \$12,432 |
| Rent | \$10,200 | \$13,200 | \$13,200 |
| Marketing | \$7,200 | \$2,400 | \$2,400 |
| Internet | \$1,200 | \$1,200 | \$1,200 |
| Gas, Water, Sewer, Electric | \$14,400 | \$14,400 | \$14,400 |
| Insurance | \$3,600 | \$3,600 | \$3,600 |
| Supplies | \$2,400 | \$2,400 | \$2,400 |
| Live Plan Online Business Planning | \$144 | \$144 | \$144 |
| Dog Service Software and POS system | \$1,788 | \$1,788 | \$1,788 |
| Total Operating Expenses | \$115,524 | \$113,724 | \$113,724 |
| Operating Income | \$16,768 | \$36,556 | \$59,292 |
| Interest Incurred | \$18,222 | \$19,590 | \$19,274 |
| Depreciation and Amortization | | | |
| Gain or Loss from Sale of Assets | | | |
| Income Taxes | \$0 | \$3,102 | \$8,004 |
| Total Expenses | \$133,746 | \$136,416 | \$141,002 |
| Net Profit | (\$1,454) | \$13,864 | \$32,014 |

The Alps Dog Retreat

| | | | |
|---------------------------|-------------|-----------|------------|
| Net Profit / Sales | (1%) | 9% | 19% |
|---------------------------|-------------|-----------|------------|

Projected Balance Sheet

| | FY2020 | FY2021 | FY2022 |
|---------------------------------------|------------------|------------------|------------------|
| Cash | \$396,006 | \$404,324 | \$431,400 |
| Accounts Receivable | \$0 | \$0 | \$0 |
| Inventory | | | |
| Other Current Assets | | | |
| Total Current Assets | \$396,006 | \$404,324 | \$431,400 |
| Long-Term Assets | | | |
| Accumulated Depreciation | | | |
| Total Long-Term Assets | | | |
| Total Assets | \$396,006 | \$404,324 | \$431,400 |
| Accounts Payable | \$0 | \$0 | \$0 |
| Income Taxes Payable | \$0 | \$853 | \$2,007 |
| Sales Taxes Payable | \$2,855 | \$2,630 | \$3,028 |
| Short-Term Debt | \$6,174 | \$6,490 | \$6,822 |
| Prepaid Revenue | | | |
| Total Current Liabilities | \$9,029 | \$9,973 | \$11,857 |
| Long-Term Debt | \$388,431 | \$381,941 | \$375,119 |
| Long-Term Liabilities | \$388,431 | \$381,941 | \$375,119 |
| Total Liabilities | \$397,460 | \$391,914 | \$386,976 |
| Paid-In Capital | | | |
| Retained Earnings | | (\$1,454) | \$12,410 |
| Earnings | (\$1,454) | \$13,864 | \$32,014 |
| Total Owner's Equity | (\$1,454) | \$12,410 | \$44,424 |
| Total Liabilities & Equity | \$396,006 | \$404,324 | \$431,400 |

Projected Cash Flow Statement

| | FY2020 | FY2021 | FY2022 |
|--------------------------------------|------------------|------------------|------------------|
| Net Cash Flow from Operations | | | |
| Net Profit | (\$1,454) | \$13,864 | \$32,014 |
| Depreciation & Amortization | | | |
| Change in Accounts Receivable | \$0 | \$0 | \$0 |
| Change in Inventory | | | |
| Change in Accounts Payable | \$0 | \$0 | \$0 |
| Change in Income Tax Payable | \$0 | \$853 | \$1,154 |
| Change in Sales Tax Payable | \$2,855 | (\$225) | \$398 |
| Change in Prepaid Revenue | | | |
| Net Cash Flow from Operations | \$1,401 | \$14,492 | \$33,566 |
| Investing & Financing | | | |
| Assets Purchased or Sold | | | |
| Net Cash from Investing | | | |
| Investments Received | | | |
| Dividends & Distributions | | | |
| Change in Short-Term Debt | \$6,174 | \$316 | \$332 |
| Change in Long-Term Debt | \$388,431 | (\$6,490) | (\$6,822) |
| Net Cash from Financing | \$394,605 | (\$6,174) | (\$6,490) |
| Cash at Beginning of Period | \$0 | \$396,006 | \$404,324 |
| Net Change in Cash | \$396,006 | \$8,318 | \$27,076 |
| Cash at End of Period | \$396,006 | \$404,324 | \$431,400 |

Appendix

Profit and Loss Statement (With monthly detail)

| FY2020 | Aug '19 | Sept '19 | Oct '19 | Nov '19 | Dec '19 | Jan '20 | Feb '20 | Mar '20 | Apr '20 | May '20 | June '20 | July '20 |
|-------------------------------------|----------|----------|---------|---------|----------|----------|---------|---------|---------|---------|----------|----------|
| Total Revenue | \$11,821 | \$9,741 | \$8,451 | \$8,811 | \$11,551 | \$14,931 | \$9,631 | \$8,331 | \$8,231 | \$8,931 | \$12,931 | \$18,931 |
| Total Direct Costs | | | | | | | | | | | | |
| Gross Margin | \$11,821 | \$9,741 | \$8,451 | \$8,811 | \$11,551 | \$14,931 | \$9,631 | \$8,331 | \$8,231 | \$8,931 | \$12,931 | \$18,931 |
| Gross Margin % | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Operating Expenses | | | | | | | | | | | | |
| Salaries and Wages | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 | \$5,180 |
| Employee Related Expenses | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 | \$1,036 |
| Rent | \$600 | \$600 | \$600 | \$600 | \$600 | \$600 | \$1,100 | \$1,100 | \$1,100 | \$1,100 | \$1,100 | \$1,100 |
| Marketing | \$1,500 | \$1,500 | \$1,000 | \$1,000 | \$500 | \$500 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 |
| Internet | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 | \$100 |
| Gas, Water, Sewer, Electric | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 |
| Insurance | \$300 | \$300 | \$300 | \$300 | \$300 | \$300 | \$300 | \$300 | \$300 | \$300 | \$300 | \$300 |
| Supplies | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 |
| Live Plan Online Business Planning | \$12 | \$12 | \$12 | \$12 | \$12 | \$12 | \$12 | \$12 | \$12 | \$12 | \$12 | \$12 |
| Dog Service Software and POS system | \$149 | \$149 | \$149 | \$149 | \$149 | \$149 | \$149 | \$149 | \$149 | \$149 | \$149 | \$149 |

The Alps Dog Retreat

| | | | | | | | | | | | | |
|----------------------------------|----------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|-----------|----------|----------|
| Total Operating Expenses | \$10,277 | \$10,277 | \$9,777 | \$9,777 | \$9,277 | \$9,277 | \$9,477 | \$9,477 | \$9,477 | \$9,477 | \$9,477 | |
| Operating Income | \$1,544 | (\$536) | (\$1,326) | (\$966) | \$2,274 | \$5,654 | \$154 | (\$1,146) | (\$1,246) | (\$546) | \$3,454 | \$9,454 |
| Interest Incurred | | \$1,667 | \$1,664 | \$1,663 | \$1,661 | \$1,658 | \$1,657 | \$1,654 | \$1,653 | \$1,650 | \$1,649 | \$1,646 |
| Depreciation and Amortization | | | | | | | | | | | | |
| Gain or Loss from Sale of Assets | | | | | | | | | | | | |
| Income Taxes | \$309 | (\$309) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Expenses | \$10,586 | \$11,635 | \$11,441 | \$11,440 | \$10,938 | \$10,935 | \$11,134 | \$11,131 | \$11,130 | \$11,127 | \$11,126 | \$11,123 |
| Net Profit | \$1,235 | (\$1,894) | (\$2,990) | (\$2,629) | \$613 | \$3,996 | (\$1,503) | (\$2,800) | (\$2,899) | (\$2,196) | \$1,805 | \$7,808 |
| Net Profit / Sales | 10% | (19%) | (35%) | (30%) | 5% | 27% | (16%) | (34%) | (35%) | (25%) | 14% | 41% |

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The Alps Dog Retreat

| | FY2020 | FY2021 | FY2022 |
|-------------------------------------|------------------|------------------|------------------|
| Total Revenue | \$132,292 | \$150,280 | \$173,016 |
| Total Direct Costs | | | |
| Gross Margin | \$132,292 | \$150,280 | \$173,016 |
| Gross Margin % | 100% | 100% | 100% |
| Operating Expenses | | | |
| Salaries and Wages | \$62,160 | \$62,160 | \$62,160 |
| Employee Related Expenses | \$12,432 | \$12,432 | \$12,432 |
| Rent | \$10,200 | \$13,200 | \$13,200 |
| Marketing | \$7,200 | \$2,400 | \$2,400 |
| Internet | \$1,200 | \$1,200 | \$1,200 |
| Gas, Water, Sewer, Electric | \$14,400 | \$14,400 | \$14,400 |
| Insurance | \$3,600 | \$3,600 | \$3,600 |
| Supplies | \$2,400 | \$2,400 | \$2,400 |
| Live Plan Online Business Planning | \$144 | \$144 | \$144 |
| Dog Service Software and POS system | \$1,788 | \$1,788 | \$1,788 |
| Total Operating Expenses | \$115,524 | \$113,724 | \$113,724 |
| Operating Income | \$16,768 | \$36,556 | \$59,292 |
| Interest Incurred | \$18,222 | \$19,590 | \$19,274 |
| Depreciation and Amortization | | | |
| Gain or Loss from Sale of Assets | \$0 | \$3,102 | \$8,004 |
| Income Taxes | | | |
| Total Expenses | \$133,746 | \$136,416 | \$141,002 |

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The Alps Dog Retreat

| | | | |
|--------------------|-----------|----------|----------|
| Net Profit | (\$1,454) | \$13,864 | \$32,014 |
| Net Profit / Sales | (1%) | 9% | 19% |

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The Alps Dog Retreat

Balance Sheet (With Monthly Detail)

| FY2020 | Aug '19 | Sept '19 | Oct '19 | Nov '19 | Dec '19 | Jan '20 | Feb '20 | Mar '20 | Apr '20 | May '20 | June '20 | July '20 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Cash | \$402,371 | \$400,370 | \$397,489 | \$392,892 | \$393,827 | \$398,379 | \$394,591 | \$391,881 | \$389,064 | \$385,162 | \$387,374 | \$396,006 |
| Accounts Receivable | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Inventory | | | | | | | | | | | | |
| Other Current Assets | | | | | | | | | | | | |
| Total Current Assets | \$402,371 | \$400,370 | \$397,489 | \$392,892 | \$393,827 | \$398,379 | \$394,591 | \$391,881 | \$389,064 | \$385,162 | \$387,374 | \$396,006 |
| Long-Term Assets | | | | | | | | | | | | |
| Accumulated Depreciation | | | | | | | | | | | | |
| Total Long-Term Assets | | | | | | | | | | | | |
| Total Assets | \$402,371 | \$400,370 | \$397,489 | \$392,892 | \$393,827 | \$398,379 | \$394,591 | \$391,881 | \$389,064 | \$385,162 | \$387,374 | \$396,006 |
| Accounts Payable | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Income Taxes Payable | \$309 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sales Taxes Payable | \$827 | \$1,509 | \$2,101 | \$617 | \$1,425 | \$2,470 | \$675 | \$1,258 | \$1,834 | \$625 | \$1,530 | \$2,855 |
| Short-Term Debt | \$5,898 | \$5,923 | \$5,947 | \$5,972 | \$5,997 | \$6,022 | \$6,047 | \$6,072 | \$6,097 | \$6,123 | \$6,148 | \$6,174 |
| Prepaid Revenue | | | | | | | | | | | | |
| Total Current Liabilities | \$7,034 | \$7,432 | \$8,048 | \$6,589 | \$7,422 | \$8,492 | \$6,722 | \$7,330 | \$7,931 | \$6,748 | \$7,678 | \$9,029 |
| Long-Term Debt | \$394,102 | \$393,597 | \$393,090 | \$392,581 | \$392,070 | \$391,556 | \$391,041 | \$390,523 | \$390,003 | \$389,481 | \$388,957 | \$388,431 |
| Long-Term Liabilities | \$394,102 | \$393,597 | \$393,090 | \$392,581 | \$392,070 | \$391,556 | \$391,041 | \$390,523 | \$390,003 | \$389,481 | \$388,957 | \$388,431 |

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The Alps Dog Retreat

| | | | | | | | | | | | | |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|
| Total Liabilities | \$401,136 | \$401,029 | \$401,138 | \$399,170 | \$399,492 | \$400,048 | \$397,763 | \$397,853 | \$397,935 | \$396,229 | \$396,636 | \$397,460 |
| Paid-In Capital | | | | | | | | | | | | |
| Retained Earnings | | | | | | | | | | | | |
| Earnings | \$1,235 | (\$659) | (\$3,649) | (\$6,278) | (\$5,665) | (\$1,669) | (\$3,172) | (\$5,972) | (\$8,871) | (\$11,067) | (\$9,262) | (\$1,454) |
| Total Owner's Equity | \$1,235 | (\$659) | (\$3,649) | (\$6,278) | (\$5,665) | (\$1,669) | (\$3,172) | (\$5,972) | (\$8,871) | (\$11,067) | (\$9,262) | (\$1,454) |
| Total Liabilities & Equity | | | | | | | | | | | | |
| Total Liabilities & Equity | \$402,371 | \$400,370 | \$397,489 | \$392,892 | \$393,827 | \$398,379 | \$394,591 | \$391,881 | \$389,064 | \$385,162 | \$387,374 | \$396,006 |

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The Alps Dog Retreat

| | FY2020 | FY2021 | FY2022 |
|----------------------------------|------------------|------------------|------------------|
| Cash | \$396,006 | \$404,324 | \$431,400 |
| Accounts Receivable | | | \$0 |
| Inventory | \$0 | \$0 | \$0 |
| Other Current Assets | | | |
| Total Current Assets | \$396,006 | \$404,324 | \$431,400 |
| Long-Term Assets | | | |
| Accumulated Depreciation | | | |
| Total Long-Term Assets | | | |
| Total Assets | \$396,006 | \$404,324 | \$431,400 |
| Accounts Payable | \$0 | \$0 | \$0 |
| Income Taxes Payable | \$0 | \$653 | \$2,007 |
| Sales Taxes Payable | \$2,855 | \$2,630 | \$3,028 |
| Short-Term Debt | \$6,174 | \$6,490 | \$6,822 |
| Prepaid Revenue | | | |
| Total Current Liabilities | \$9,029 | \$9,973 | \$11,857 |
| Long-Term Debt | \$388,431 | \$381,941 | \$375,119 |
| Long-Term Liabilities | \$388,431 | \$381,941 | \$375,119 |
| Total Liabilities | \$397,460 | \$391,914 | \$386,976 |
| Paid-in Capital | | | |
| Retained Earnings | | (\$1,454) | \$12,410 |
| Earnings | (\$1,454) | \$13,864 | \$32,014 |
| Total Owner's Equity | (\$1,454) | \$12,410 | \$44,424 |

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The Alps Dog Retreat

Total Liabilities & Equity \$396,006 \$404,324 \$431,400

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The Alps Dog Retreat

Cash Flow Statement (With Monthly Detail)

| FY2020 | Aug '19 | Sept '19 | Oct '19 | Nov '19 | Dec '19 | Jan '20 | Feb '20 | Mar '20 | Apr '20 | May '20 | June '20 | July '20 |
|--------------------------------------|----------------|------------------|------------------|------------------|----------------|----------------|------------------|------------------|------------------|------------------|----------------|----------------|
| Net Cash Flow from Operations | | | | | | | | | | | | |
| Net Profit | \$1,235 | (\$1,854) | (\$2,990) | (\$2,629) | \$613 | \$3,996 | (\$1,503) | (\$2,800) | (\$2,899) | (\$2,196) | \$1,805 | \$7,808 |
| Depreciation & Amortization | | | | | | | | | | | | |
| Change in Accounts Receivable | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Change in Inventory | | | | | | | | | | | | |
| Change in Accounts Payable | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Change in Income Tax Payable | \$309 | (\$309) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Change in Sales Tax Payable | \$827 | \$682 | \$592 | (\$1,484) | \$808 | \$1,045 | (\$1,795) | \$583 | \$576 | (\$1,209) | \$905 | \$1,325 |
| Change in Prepaid Revenue | | | | | | | | | | | | |
| Net Cash Flow from Operations | \$2,371 | (\$1,521) | (\$2,399) | (\$4,113) | \$1,421 | \$5,040 | (\$3,298) | (\$2,218) | (\$2,322) | (\$3,405) | \$2,711 | \$9,133 |
| Investing & Financing | | | | | | | | | | | | |
| Assets Purchased or Sold | | | | | | | | | | | | |
| Net Cash from Investing | | | | | | | | | | | | |

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The Alps Dog Retreat

| | FY2020 | FY2021 | FY2022 |
|--------------------------------------|------------------|------------------|------------------|
| Net Cash Flow from Operations | | | |
| Net Profit | | | \$32,014 |
| Depreciation & Amortization | (\$1,454) | \$13,864 | |
| Change in Accounts Receivable | \$0 | \$0 | \$0 |
| Change in Inventory | | | |
| Change in Accounts Payable | \$0 | \$0 | \$0 |
| Change in Income Tax Payable | \$0 | \$853 | \$1,154 |
| Change in Sales Tax Payable | \$2,855 | (\$225) | \$398 |
| Change in Prepaid Revenue | | | |
| Net Cash Flow from Operations | \$1,401 | \$14,492 | \$33,566 |
| Investing & Financing | | | |
| Assets Purchased or Sold | | | |
| Net Cash from Investing | | | |
| Investments Received | | | |
| Dividends & Distributions | | | \$332 |
| Change in Short-Term Debt | \$6,174 | \$316 | |
| Change in Long-Term Debt | \$388,431 | (\$6,490) | (\$6,822) |
| Net Cash from Financing | \$394,605 | (\$6,174) | (\$6,490) |
| Cash at Beginning of Period | \$0 | \$396,006 | \$404,324 |
| Net Change in Cash | \$396,006 | \$8,318 | \$27,076 |
| Cash at End of Period | \$396,006 | \$404,324 | \$431,400 |

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Tax Increment Financing Projections

1. Assumptions:

| | |
|-----------------|----------|
| Tax Levy (2019) | 1.733791 |
| Interest Rate | 5.50% |
| Number of Years | 15 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$437,711 | \$7,589 |
| Completed Project | \$967,020 | \$16,766 |
| Difference | \$529,309 | \$9,177 |

2.(a) TIF Calculations (monetized):

| | |
|----------------|------|
| Base Year | 2020 |
| Effective Date | 2021 |

| | |
|-------------------------|-----------|
| Annual TIF Amount | \$9,177 |
| Total TIF | \$137,657 |
| TIF Indebtedness Amount | \$92,915 |
| less 3% Admin Fee | (\$2,787) |
| Total TIF Available | \$90,128 |

3. TIF USES

| | |
|--------------------------|-----------|
| Demolition/Asbestos | \$15,500 |
| Energy Eff. Enhancements | |
| HVAC | \$55,000 |
| Windows | \$28,812 |
| Arch. And Eng. Fees | \$6,500 |
| Total | \$105,812 |

* Plus Cost of Issuance and Attorney Fees

TIF Loan Amortization Schedule

| | | | | | | |
|--------------------------|-------------|--------------------------|----------------|-----------------|-------------------------------|-------------------------|
| Principal | | \$92,915.05 | | | | |
| Interest Rate | | 5.50% | | | Projected TIF Payments | |
| Payments/Year | | 2 | | | Annual | \$9,177.11 |
| Loan Payment | | \$4,588.56 | | | Semi-Ann | \$4,588.56 |
| Est. Closing Date | | 01/01/20 | | | | |
| year | Date | Principal Balance | Payment | Interest | Principal | Ending Principal |
| | 6/15/2021 | \$92,915.05 | \$7,537.73 | \$7,537.73 | \$0.00 | \$92,915.05 |
| | 12/15/2021 | \$92,915.05 | \$2,555.16 | \$2,555.16 | \$0.00 | \$92,915.05 |
| 1 | 6/15/2022 | \$92,915.05 | \$4,588.56 | \$2,555.16 | \$2,033.39 | \$90,881.66 |
| | 12/15/2022 | \$90,881.66 | \$4,588.56 | \$2,499.25 | \$2,089.31 | \$88,792.35 |
| 2 | 6/15/2023 | \$88,792.35 | \$4,588.56 | \$2,441.79 | \$2,146.77 | \$86,645.58 |
| | 12/15/2023 | \$86,645.58 | \$4,588.56 | \$2,382.75 | \$2,205.80 | \$84,439.78 |
| 3 | 6/15/2024 | \$84,439.78 | \$4,588.56 | \$2,322.09 | \$2,266.46 | \$82,173.32 |
| | 12/15/2024 | \$82,173.32 | \$4,588.56 | \$2,259.77 | \$2,328.79 | \$79,844.53 |
| 4 | 6/15/2025 | \$79,844.53 | \$4,588.56 | \$2,195.72 | \$2,392.83 | \$77,451.70 |
| | 12/15/2025 | \$77,451.70 | \$4,588.56 | \$2,129.92 | \$2,458.63 | \$74,993.06 |
| 5 | 6/15/2026 | \$74,993.06 | \$4,588.56 | \$2,062.31 | \$2,526.25 | \$72,466.82 |
| | 12/15/2026 | \$72,466.82 | \$4,588.56 | \$1,992.84 | \$2,595.72 | \$69,871.10 |
| 6 | 6/15/2027 | \$69,871.10 | \$4,588.56 | \$1,921.46 | \$2,667.10 | \$67,204.00 |
| | 12/15/2027 | \$67,204.00 | \$4,588.56 | \$1,848.11 | \$2,740.45 | \$64,463.55 |
| 7 | 6/15/2028 | \$64,463.55 | \$4,588.56 | \$1,772.75 | \$2,815.81 | \$61,647.74 |
| | 12/15/2028 | \$61,647.74 | \$4,588.56 | \$1,695.31 | \$2,893.24 | \$58,754.50 |
| 8 | 6/15/2029 | \$58,754.50 | \$4,588.56 | \$1,615.75 | \$2,972.81 | \$55,781.69 |
| | 12/15/2029 | \$55,781.69 | \$4,588.56 | \$1,534.00 | \$3,054.56 | \$52,727.13 |
| 9 | 6/15/2030 | \$52,727.13 | \$4,588.56 | \$1,450.00 | \$3,138.56 | \$49,588.57 |
| | 12/15/2030 | \$49,588.57 | \$4,588.56 | \$1,363.69 | \$3,224.87 | \$46,363.70 |
| 10 | 6/15/2031 | \$46,363.70 | \$4,588.56 | \$1,275.00 | \$3,313.55 | \$43,050.15 |
| | 12/15/2031 | \$43,050.15 | \$4,588.56 | \$1,183.88 | \$3,404.68 | \$39,645.47 |
| 11 | 6/15/2032 | \$39,645.47 | \$4,588.56 | \$1,090.25 | \$3,498.31 | \$36,147.17 |
| | 12/15/2032 | \$36,147.17 | \$4,588.56 | \$994.05 | \$3,594.51 | \$32,552.66 |
| 12 | 6/15/2033 | \$32,552.66 | \$4,588.56 | \$895.20 | \$3,693.36 | \$28,859.30 |
| | 12/15/2033 | \$28,859.30 | \$4,588.56 | \$793.63 | \$3,794.93 | \$25,064.38 |
| 13 | 6/15/2034 | \$25,064.38 | \$4,588.56 | \$689.27 | \$3,899.29 | \$21,165.09 |
| | 12/15/2034 | \$21,165.09 | \$4,588.56 | \$582.04 | \$4,006.52 | \$17,158.57 |
| 14 | 6/15/2035 | \$17,158.57 | \$4,588.56 | \$471.86 | \$4,116.70 | \$13,041.88 |
| | 12/15/2035 | \$13,041.88 | \$4,588.56 | \$358.65 | \$4,229.90 | \$8,811.97 |
| 15 | 6/15/2036 | \$8,811.97 | \$4,588.56 | \$242.33 | \$4,346.23 | \$4,465.75 |
| | 12/15/2036 | \$4,465.75 | \$4,588.56 | \$122.81 | \$4,465.75 | \$0.00 |

**AMENDMENT TO THE REDEVELOPMENT PLAN
OF THE CITY OF SEWARD, NEBRASKA**

(THE ALPS REDEVELOPMENT PROJECT)

Introduction

The City of Seward, Nebraska (“City”) has undertaken a plan of redevelopment within the community pursuant to the adoption of the Redevelopment Plan for a certain redevelopment area in the City of Seward, as amended (the “Redevelopment Plan”). The Redevelopment Plan was approved by the City Council of the City as of November 15, 2011. The Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City, as set forth in the Redevelopment Plan.

Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), the City created the Community Redevelopment Authority of the City of Seward (“CRA”), which has administered the Redevelopment Plan for the City.

The purpose of this Plan Amendment is to identify specific property within the redevelopment area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site located in the City of Seward, Nebraska, and legally described on the attached and incorporated Exhibit “A” (the “Project Site”). The project under consideration will consist of the renovation and rehabilitation of the existing commercial building on the Project Site and associated improvements necessary for operation of a commercial dog services business on the Project Site (the “Project”).

Project Site

The Project Site is in need of redevelopment. The CRA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CRA finds that such a redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract businesses and/or development. In order to support additional private development, the Project Site and the Redevelopment Area are in need of renovation and development.

The existing building on the Project Site formerly housed Mike’s Fresh Market, but is currently vacant and functionally and economically obsolescent.

The building is in poor condition and, without significant renovation and rehabilitation, it is at risk of becoming uninhabitable. The Project will include demolition and remediation of environmental conditions, and energy efficiency enhancements, including replacement of windows that are nearly 60 years old. The improvements on the Project Site will eliminate blight and substandard conditions from the Redevelopment Area, and will curb further deterioration of the Project Site and the Redevelopment Area. Due to the significant upfront costs that are required to eliminate blight and substandard conditions from the Project Site, the Project would not be economically feasible for the Redeveloper, and the Redeveloper would not undertake the Project, without the benefit of tax increment financing.

The general location of the Project Site is depicted below:



A recent photograph of the Project Site is set forth below:



The current land use map set forth in the 2018 City of Seward Comprehensive Plan (“Comprehensive Plan”) identifies the current land use as commercial use. The future land use map set forth in the Comprehensive Plan designates the future land use of the Project Site as Downtown Urban Mixed Use. The current and future land use maps set forth in the Comprehensive Plan are incorporated into the Redevelopment Plan by this reference. Areas designated for Urban Mixed Use are described as vibrant, urban areas that draw customers and employees from outside the immediate area. Uses encouraged within the Urban Mixed Use designation include a mix of complementary uses, including residential, commercial uses, office and service uses.

Project

The Alps Dog Retreat, LLC (“Redeveloper”) has submitted a proposal for the redevelopment of the Project Site. by the Alps Dog Retreat, LLC and Huron Heights, LLC (“Redeveloper”). The Project will consist of the renovation and rehabilitation of the existing building on the Project Site, including demolition and remediation of environmental conditions, energy efficiency enhancements, and other improvements that are eligible public improvements under the Act. In addition to the eligible public improvements, the Redeveloper will make a significant investment in modernizing the building for operation of a commercial dog services business on the Project Site, including improvements to the plumbing and electrical systems, installation of rubber flooring, replacement of existing concrete flooring, and other improvements. Upon completion, the commercial dog services business operated on the Project Site will offer dog boarding, daycare, grooming, self-wash and training services, as well as high-end retail pet products. Commercial dog services are not currently offered in the City of Seward, so local pet owners historically have had to travel to other communities for boarding, grooming, daycare and other services. The establishment of a dog services business in the City of Seward should benefit the community by offering previously unavailable services, attracting customers from surrounding communities, and increasing sales tax revenue. Further, the Project is anticipated to eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan.

As part of the Project, the CRA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: demolition and environmental remediation, energy efficiency enhancements, architectural and engineering fees, and other eligible uses. The use of TIF to assist with the costs of the eligible public improvements will make the Project as designed feasible. The Redeveloper shall be responsible for all other costs and expenses associated with the Project.

A preliminary site plan is attached as Exhibit “B” and incorporated herein by this reference. The CRA acknowledges that the plan is preliminary in nature and subject to change, but includes the current information submitted by the Redeveloper.

Redeveloper intends to commence construction in March of 2020 and complete construction in the summer of 2020. The base year for the Project is anticipated to be 2020 and the effective date for the division of taxes shall be January 1, 2021. If delays in construction occur and the 2021 valuation does not include all the improvements constituting the Project, then the tax increment in the first year will be less than projected and Redeveloper will be responsible for any shortfall or payment in lieu of taxes, which will be set forth in more detail in the redevelopment agreement for this Project.

The base value of the Project Site is anticipated to be \$437,711 which is the current assessed valuation of the Project Site. Pursuant to the Seward County Assessor’s preliminary appraisal of the Project, the projected completed valuation of the Project is \$967,020. The preliminary appraisal is not binding and is based upon the information and assumptions provided from the Redeveloper to the Assessor. The CRA does not make any representations as to the final value of the Project or any other redevelopment project. Any changes in market conditions, building plans, construction materials, etc., will have an effect on the final valuation.

Based upon the anticipated completed valuation of \$967,020, Redeveloper has requested \$92,915 in TIF Indebtedness. The Redeveloper estimates that the total Project costs shall be approximately \$427,712. Redeveloper shall also be responsible for the CRA’s administrative fee and the City’s attorney fees and cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$105,812 in TIF-eligible expenditures. The current estimated TIF uses is set forth below:

| | |
|--|----------------|
| Demolition/Asbestos Removal | \$15,500 |
| Façade/ Energy Efficiency Enhancements - Windows | \$55,000 |
| Energy Efficiency Enhancements - HVAC | \$28,812 |
| <u>Architectural and Engineering Fees</u> | <u>\$6,500</u> |
| Total estimated TIF eligible costs: | \$105,812 |

The identified TIF-eligible uses, together with the CRA administration fee and cost of issuance, exceed the requested TIF amount of \$92,915. The final, actual cost of all TIF-eligible expenses shall be certified by Redeveloper upon completion of construction. In addition to the TIF Indebtedness, Redeveloper has stated that the Project would be financed in part using approximately \$110,000 in investor equity and an approximately \$150,000 bank loan. The Redeveloper will seek Local Option Municipal Economic Development Act funds to cover the remainder of the costs required to construct the Project.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. This section includes a consideration of the specific statutory elements identified under the Nebraska Community Development Law.

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper is under contract to purchase Huron Heights, LLC owns the Project Site and the Alps Dog Retreat, LLC shall lease the Project Site.

B. Population Density

The proposed development at the Project Site is the renovation and rehabilitation of the existing commercial building on the Project Site for use as a commercial dog services business, which will not affect population density in the project area.

C. Land Coverage

The Project consists of the renovation and rehabilitation of the existing building on the Project Site. The footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of Seward.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The intended use of the existing building on the Project Site as a commercial dog services building should not significantly increase traffic flow in comparison to the building's prior use as a fresh food market. Downtown infrastructure is anticipated to be sufficient for the intended use.

E. Parking

The site plan for the Project includes a surface parking lot on the Project Site for use by customers and employees. In addition, off-street parking is plentiful in the area surrounding the Project Site. The Project will meet or exceed the parking requirements set forth in the applicable zoning district.

F. Zoning, Building Code, and Ordinances

The Project Site is located in a CBD - Commercial Business District zone. Pet services is a permitted use in the CBD - Commercial Business District zone. Pursuant to Section 410-3.7.w of the Seward Municipal Code, pet services means "retail sales, incidental pet health services, and grooming and boarding, when totally within a building, of dogs, cats, birds, fish, and similar small animals customarily used as household pets. Typical uses include pet stores, small animal clinics, dog bathing and clipping salons, and pet grooming shops, but exclude uses for livestock and large animals." No additional zoning, building code, or ordinance changes will be necessary for the Project.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit “C” and incorporated by this reference.

Comprehensive Plan

Several goals of the Comprehensive Plan will be furthered by this Project. This section is not a comprehensive analysis of the Project’s implementation and conformance with the Comprehensive Plan, but is meant to highlight and summarize the key points on this topic. Some selections from the Comprehensive Plan are set forth below:

VIBRANT BUSINESSES: GOALS

- Invest in Downtown Seward as a destination, an economic engine, and the heart of the community
- Promote a strong retail, restaurant, and service economy
- Focus business recruitment and incubation on sectors that complement the overall character of the city in terms of its strengths, its people, and its vision for the future
- Support and promote the creation of community amenities that will attract and retain a young and talented workforce

GOAL 1: INVEST IN DOWNTOWN SEWARD AS A DESTINATION, AN ECONOMIC ENGINE, AND THE HEART OF THE COMMUNITY

Actions and Recommendations: The community should invest to make downtown a vibrant place with people, businesses, and things to do.

Understand the role of downtown. Downtown should not be reviewed by the same metrics as a traditional stand-alone business but should instead be judged by its contribution to the community as a whole. Downtown contributes to the city by offering it an identity (what is Seward if not for its iconic downtown), by providing a place for people to gather (how much do people enjoy downtown), and by leaving a lasting impression with visitors, including Concordia parents, business prospects, residents, and prospective residents. While subjective, downtown contributes to Seward in a remarkable way and deserves community support.

Increase patron visits. Ultimately, the goal of the plan is to make downtown into an area where people live, work, and play because each of these actions support a prosperous business community, reinforce downtown as the center of the community, and will increase reinvestment in downtown buildings.

Actions highlighted in the Downtown Revitalization Plan include:

Promote full occupancy of downtown buildings through incentives, demonstration projects, and promotional events. Downtown buildings should be viewed as infrastructure; when fully occupied, these resources serve

the community to the maximum benefit through unique housing, destination businesses, and by reinforcing the overall quality of the district.

GOAL 2: PROMOTE A STRONG RETAIL, RESTAURANT, AND SERVICE ECONOMY

Actions and Recommendations: Establish incentive programs to support additional retail, restaurants and service businesses in target areas, such as downtown.

When evaluating a project, the following questions should be asked:

- Does the project respond to specific or high-profile community issues or needs?
- Does the project attract both local residents and visitors, increasing business traffic and creating new reasons for people to be downtown?
- Can the project be implemented within a reasonable timeframe with available resources?

Additional Project Information from the Redeveloper

Redeveloper has represented that without the use of TIF, this Project would not be feasible and the Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

EXHIBIT "A"
Legal Description of the Project Site

The property is generally located at 511 Bradford Street, and the property is legally described as follows:

Lots 1, 2, 3 and the East Half of the vacated alley adjoining said lots to the West; Lots 15, 16, 17, 18, together with the vacated alley North of Lots 15, 16, 17 and 18, in Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska; and

Lot 5, 6 and the West Half of vacated alley adjoining said lots to the East; the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, together with the vacated alley North of the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, all in Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska; and

Lot 12, Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska, together with the vacated alley adjacent thereto.

EXHIBIT "B"
Preliminary Site Plan

The site plan is conceptual and preliminary in nature and subject to change.



Exhibit "B"

**EXHIBIT “C”
Cost Benefit Analysis**

(Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the Alps Redevelopment Project, as described in the Amendment to the Redevelopment Plan to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing funds authorized by Neb. Rev. Stat. §18-2147.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

| | | |
|----|---|-----------|
| a. | Redevelopment Project Valuation: | \$437,711 |
| b. | Projected Completed Project Assessed Valuation: | \$967,020 |
| c. | Projected Tax Increment Base: | \$529,309 |
| d. | Estimated Tax Levy: | 1.733791 |
| e. | Annual Projected Tax Shift: | \$9,177 |

Note: The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2019 levy rate. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

No substantial adverse effects are anticipated on the public infrastructure and community public service needs. All public infrastructure and community public services required to serve the Project exist. The Project will further the City’s stated goal of promoting development and a strong service economy in downtown Seward without adverse effects on public infrastructure and community public service needs.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate sales tax growth for the City. The Redeveloper anticipates that the Project will enable the City to retain sales taxes that would otherwise be paid for pet services offered in other communities, and that the Project will attract customers from surrounding communities as well. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will eliminate blight and substandard conditions on the Project Site, which will enhance the aesthetics of the Project Site and the Redevelopment Area as a whole. Further, the Project is anticipated to attract consumer traffic to downtown Seward. Overall, revitalization of the Project Site should benefit employers in the downtown area.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

Similar to the answer provided in Section 3, above, the Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The increased consumer traffic to the downtown area from a new business is a benefit to all downtown businesses and helps to achieve the City's stated goals of creating a strong service economy and a more vibrant downtown. There should be no material and unreasonable impact on other businesses.

5. Impacts on the student populations of school districts within the City:

The Project does not include the construction of any residential dwelling units, so it is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

The Redeveloper anticipates that the Project will result in the creation of 5 new jobs in the City of Seward, which should further the City's stated goal of retaining a young workforce. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

7. Summary of Findings:

The Project will facilitate the development of a blighted and substandard area of the City without the incurrence of significant public cost. Additionally, the Project will increase property tax revenue in the long-term. The benefits outweigh the costs of the proposed Project.

**REDEVELOPMENT AGREEMENT
(THE ALPS REDEVELOPMENT PROJECT)**

This Redevelopment Agreement is made and entered into as of the ____ day of March, 2020, by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and The Alps Dog Retreat, LLC, a Nebraska limited liability company (“and Huron Heights, LLC, a Nebraska limited liability company (collectively the “Redeveloper”).

RECITALS

A. The CRA is a duly organized and existing community redevelopment authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Agreement.

B. The City of Seward, in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 to 18-2154, as amended (collectively the “Act”), has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

C. Redeveloper owns the Project Site which is located in the Redevelopment Area.

D. Redeveloper submitted a redevelopment project proposal to redevelop the Project Site.

E. Redeveloper’s proposed redevelopment project will consist of the renovation, redevelopment, and improvement of the existing structure on the Project Site for operation of a commercial dog services business, as more particularly described on the attached Exhibit “A”.

F. The CRA has approved the Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing to provide for the construction of the eligible public improvements defined in this Redevelopment Agreement.

G. CRA and Redeveloper desire to enter into this Redevelopment Agreement for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, CRA and Redeveloper do hereby covenant, agree and bind themselves as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Agreement.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Agreement, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

A. “Act” means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended, and acts amendatory thereof and supplemental thereto.

B. “Anticipated Tax Increment” means the Anticipated Tax Increment for this Project as set forth on the attached Exhibit “B”.

C. “City” means the City of Seward, Nebraska.

D. “CRA” means Community Redevelopment Authority of the City of Seward, Nebraska.

E. “Effective Date” means January 1, 2021.

F. “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements and other items eligible for reimbursement under the Act.

G. “Minimum Project Valuation” means the amount of Nine Hundred Sixty-Seven Thousand Twenty and No/100 Dollars (\$967,020.00).

H. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.

I. “Project” means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit “A” attached and incorporated by this reference.

J. “Project Completion Date” means December 31, 2020.

K. “Project Site” means all that certain real property situated in the City of Seward, Seward County, Nebraska, more particularly described on Exhibit “A”.

L. “Public Improvements” shall include all the public improvements more particularly described on Exhibit “A” which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments of the TIF Indebtedness.

M. “Redevelopment Agreement” means this Redevelopment Agreement between the CRA and Redeveloper with respect to the Project.

N. “Redeveloper” means collectively The Alps Dog Retreat, LLC, a Nebraska limited liability company, and Huron Heights, LLC, a Nebraska limited liability company.

O. “Redevelopment Area” means Redevelopment Area #1 that is set forth in the Redevelopment Plan.

P. “Redevelopment Plan” means the Redevelopment Plan for the Redevelopment Area by the CRA and approved by the City pursuant to the Act, as amended from time to time.

Q. “Tax Increment” means in accordance with Neb. Rev. Stat. § 18-2147 of the Nebraska Community Development Law, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the Seward County Board of Equalization) for the Project Site before the completion of the construction of the Private Improvements and the ad valorem tax which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project.

R. “TIF Indebtedness” means the sums payable under any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CRA or the City secured in whole or in part by Tax Increment.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Agreement shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Agreement shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Agreement it is provided that any person may do or perform any act or thing the word “may” shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The phrase “at any time” shall be construed as meaning “at any time or from time to time.”

(d) The word “including” shall be construed as meaning “including, but not limited to.”

(e) The words “will” and “shall” shall each be construed as mandatory.

(f) The words “herein,” “hereof,” “hereunder,” “hereinafter” and words of similar import shall refer to the Redevelopment Agreement as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(g) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Agreement are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

ARTICLE II REPRESENTATIONS

Section 2.01 Representations by the CRA.

The CRA makes the following representations and findings:

(a) The CRA is a duly organized and validly existing community redevelopment authority under the Act.

(b) The CRA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing employment, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Area.

(d) 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 CRA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company in good standing and has the power to enter into this Redevelopment Agreement and perform all obligations contained herein.

(b) The execution and delivery of the Redevelopment Agreement and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Agreement or, except as disclosed in writing to the CRA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns the Project Site in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Agreement by Redeveloper.

(e) Pursuant to Neb. Rev. Stat. § 18-2119, the Redeveloper certifies to the CRA that Redeveloper does not intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

(f) The Project would not be economically feasible without the use of tax increment financing.

(g) The Project would not occur in the Redevelopment Area without the use of tax increment financing.

ARTICLE III OBLIGATIONS OF THE CRA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

Subject to the contingencies described below and to all of the terms and conditions of this Redevelopment Agreement, commencing for the tax year of the Effective Date and continuing thereafter, the CRA shall capture the Tax Increment from the Private Improvements pursuant to the Nebraska Community Development Law. The CRA shall capture the Tax Increment generated by the Project Site for a total period of not to exceed fifteen (15) years after the Private Improvements have been included in the assessed valuation of the Project Site and the Project Site is generating the Tax Increment subject to capture by the CRA. The effective date of this provision shall be the Effective Date. The CRA shall file with the Seward County Assessor the "Notice to Divide Taxes" on or prior to August 1 in the year of the Effective Date.

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CRA shall incur or issue TIF Indebtedness in an amount not to exceed Ninety Two Thousand Nine Hundred Fifteen and No/100 Dollars (\$92,915.00), as calculated on the attached and incorporated Exhibit "B". The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit "E" ("Note"). The TIF Indebtedness shall be purchased by the Redeveloper or a lender of the Redeveloper. The TIF Indebtedness shall not be a general obligation of the CRA or City which shall issue such Note solely as a conduit. If the Redeveloper does not acquire and fund the TIF Indebtedness itself, the Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by the Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CRA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF

Indebtedness that the CRA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, the CRA shall retain an amount sufficient to pay its reasonable and necessary cost of issuance, including attorney fees, and a CRA administration fee in the amount of three percent (3%) of the TIF Indebtedness. The Redeveloper shall pay to the CRA the cost of issuance and CRA administration fee at or prior to the issuance of the TIF Note. The Tax Increment, shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

Section 3.04 Creation of Fund.

CRA will create a special fund to collect and hold the receipts of the Tax Increment. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.02 above.

Section 3.05 Projected TIF Sources and Uses.

In addition to the TIF Indebtedness calculation formula set forth on Exhibit “B”, Redeveloper’s anticipated TIF sources and eligible uses are attached and incorporated for the parties’ reference as Exhibit “C.”

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

The Redeveloper shall, no later than ninety (90) days following the execution of this Redevelopment Agreement, provide to the CRA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of the Redeveloper in connection with acquisition of the Project Site and construction of the Public Improvements and the Private Improvements. To the extent allowed by law, the CRA agrees to keep said information confidential. Such information shall state the amount and source of liquid assets on hand or immediately available to the Redeveloper for use in constructing the Private Improvements; and shall state the amount and source of debt financing which is available, or irrevocably committed, to the Redeveloper for use in completing the Private Improvements. Such information shall be provided in a form satisfactory to the CRA, and evidence of loan commitments shall include all of the documents evidencing the loan commitment, acceptance by the Redeveloper, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance, and the loan. Submittal of such financial information in a form satisfactory to the CRA shall be a condition precedent to the requirement of the CRA to proceed with its obligations under this Redevelopment Agreement.

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to

acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CRA as to the actual progress of Redeveloper with respect to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CRA a Certificate of Completion in the form attached hereto as Exhibit "F" from Redeveloper's engineer or architect, or owner's representative. When accepted in writing by the CRA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance) and a penal bond as required by the Act. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance). This insurance shall insure against the perils of fire and extended coverage and shall include "special causes of loss" insurance for physical loss or damage.

Section 4.03 Cost Certification.

Redeveloper shall submit to CRA a certification of Eligible Project Costs in the form of the certification attached hereto as Exhibit "G" ("Eligible Project Costs Certification"), after expenditure of such project costs. Redeveloper may, at its option, submit one or more partial Eligible Project Costs Certifications prior to expenditure of all Eligible Project Costs providing certification of receipt of billings for work in progress. All Eligible Project Costs Certifications shall be subject to review and approval by the CRA. Determinations by the CRA whether costs included in the Eligible Project Costs Certification are properly included in Eligible Project Costs as defined in this Redevelopment Agreement shall be made in its sole discretion and shall be conclusive and binding on Redeveloper.

The TIF Indebtedness shall not exceed the actual and certified Eligible Project Costs for the Project. In the event that the certified Eligible Project Costs for the Project are less than the TIF Indebtedness, the CRA shall reduce the TIF Indebtedness amount and Redeveloper shall repay to the CRA within ten (10) days of said cost certification any amount in excess of the Eligible Project Costs issued prior to the Eligible Project Costs Certification.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, 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 Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, 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 Project.

Section 4.05 Pay Real Estate Taxes.

(a) Redeveloper has agreed to create a taxable real property valuation of the Project and Project Site of not less than the Minimum Project Valuation no later than the Effective Date. During the period of this Redevelopment Agreement, Redeveloper, and any successors and assigns, will: (1) not protest a real estate property valuation of the Project Site to a sum less than the Minimum Project Valuation; and (2) not convey the Project Site or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

(b) If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes (“Deficiency Payments”) to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CRA.

Section 4.06 No Assignment or Conveyance.

Redeveloper shall not convey, assign or transfer the Project Site or any interest therein prior to the termination of the fifteen (15) year period commencing on the Effective Date without the prior written consent of the CRA, which shall not be unreasonably withheld and which the CRA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyance, which shall be permitted without consent of the CRA: (i) any conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises (whether incurred prior to or after the effective date of this Redevelopment Agreement) with the outstanding principal amount of all such indebtedness secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Agreement; or (ii) any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises provided that any such conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Agreement.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all

necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except, (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such lien is discharged or bonded within ninety (90) days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within ninety (90) days of Redeveloper receiving notice thereof.

Section 5.03 Mortgage Financing.

(a) Mortgage Holder Obligations. Each mortgage holder who obtains title to the Project Site or any part thereof as a result of foreclosure or other judicial proceedings or action in lieu thereof (referred to in this section as the “Mortgage Holder”) shall be obligated to require construction and completion of the Private Improvements and the Public Improvements by any person who subsequently obtains title to the Project Site or any part thereof from the Mortgage Holder; provided, however, the Mortgage Holder shall not be obligated by and shall be exempted from those provisions of this Redevelopment Agreement which require construction and completion of the Private Improvements and the Public Improvements. Additionally, no person, including the Mortgage Holder, may devote the Private Improvements and the Public Improvements thereon or any part thereof to any use or construct any improvements thereon other than those uses and improvements provided and permitted in accordance with this Redevelopment Agreement for the term of this Redevelopment Agreement.

(b) Copy of Notice of Default to Mortgagee. Whenever the CRA shall deliver any notice or demand to Redeveloper with respect to any breach or default by Redeveloper of its obligations or covenants in this Redevelopment Agreement, the CRA shall, at the same time, forward a copy of such notice or demand to each holder of any mortgage authorized by this Redevelopment Agreement at the last address of such holder as shown in the records of the CRA or as provided by such mortgagee.

(c) Mortgagee’s Option to Cure Defaults. If thirty (30) days after notice or demand with respect to any breach or default, such breach or default remains uncured, each holder shall (and every mortgage instrument made prior to acceptance by the CRA of the Certificate of Completion with respect to any of the Private Improvements or the Public Improvements by Redeveloper or its successors in interest shall so provide) have the right, at its option, to cure or remedy such breach or default within sixty (60) days after notice or demand, and to add the cost thereof to the mortgage debt and the lien of its mortgage. If the mortgage holder commences efforts to cure the default within such period and the default cannot, in the exercise of due

diligence, be cured within such period, the holder shall have the right to diligently continue to cure the default.

(d) Mortgage Rights Applicable to Other Forms of Encumbrance. The rights and obligations of this Redevelopment Agreement relating to mortgages of the Project Site shall apply to any other type of encumbrance on the Project Site, and any of the stated rights, obligations and remedies of any party relating to mortgage foreclosures shall be applicable to procedures under any deed of trust or similar method of encumbrance.

(e) Termination of Provisions. The provisions of this Section 5.03 shall terminate upon acceptance by the CRA of the Redeveloper's Certificate of Completion.

ARTICLE VI DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of the CRA and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Agreement or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Agreement shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Agreement, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CRA set out in Section 6.02, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

Section 6.02 Additional Remedies of the CRA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CRA made for such payment within thirty (30) days following written notice from the CRA;

- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CRA,

then Redeveloper shall be in default of this Redevelopment Agreement; and if such failure to perform, breach or default is not cured in the period herein provided, the parties agree that the damages caused to the CRA would be difficult to determine with certainty. To the extent that such failure results in the fact that the CRA is not able to capture the full amount of Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the Anticipated Tax Increment exceeds the actual Tax Increment. Additionally, the CRA may, but is not required to, declare the entire amount due hereunder for the remainder of the TIF period immediately due and payable by Redeveloper, such amount or any portion thereof which may from time to time remain unpaid shall bear interest at a rate of twelve percent (12%) per annum or, if less, the maximum legal rate permitted by law, until all amounts due hereunder are paid in full.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event Redeveloper fails to perform any other provisions of this Redevelopment Agreement (other than those specific provisions contained in Section 6.02), and such failure has not been cured within thirty (30) days following written notice from the CRA, then Redeveloper shall be in default. In such an instance, the CRA may seek to enforce the terms of this Redevelopment Agreement or exercise any other remedies that may be provided in this Redevelopment Agreement or by applicable law.

Section 6.04 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VI or this Redevelopment Agreement to the contrary, neither the CRA, City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the CRA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither City nor the CRA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CRA and the City from and agrees that the CRA and the City shall not be liable for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Private Improvements.

(b) Redeveloper shall indemnify, defend (at the CRA's and/or the City's option) and hold harmless the CRA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims,

liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CRA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

ARTICLE VII MISCELLANEOUS

Section 7.01 Memorandum.

A Memorandum of this Redevelopment Agreement shall be recorded with the Seward County Register of Deeds. The form of the Memorandum is attached as Exhibit "D" and incorporated by this reference.

Section 7.02 Governing Law.

This Redevelopment Agreement shall be governed by the laws of the State of Nebraska, including the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Agreement shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Agreement shall run with the Project Site. The Redevelopment Agreement shall not be amended except by a writing signed by the party to be bound.

Section 7.04 No Agency or Partnership.

This Redevelopment Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between: (i) the CRA and/or the City; and (ii) the Redeveloper, or any officer, employee, contractor or representative of Redeveloper. No joint employment is intended or created by this Redevelopment Agreement for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Redevelopment Agreement.

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by the Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under

the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by the Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be: The Alps Dog Retreat, LLC, 1869 154th Rd., Garland, NE 68360, Attn.: Scott Dinslage. Email: scott@thealpsretreat.comscott@thealpsretreat.com.

(Signature page follows)

IN WITNESS WHEREOF, the CRA and Redeveloper have signed this Redevelopment Agreement as of the date and year first above written.

“CRA”
COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
The Alps Dog Retreat, LLC, a
Nebraska limited liability company

By: _____
Scott Dinslage, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Scott Dinslage, Manager of The Alps Dog Retreat, LLC, on behalf of the company.

Notary Public

Huron Heights, LLC, a Nebraska
limited liability company

By: _____
_____, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March,
2020, by _____, Manager of Huron Heights, LLC, on behalf of the company.

Notary Public

EXHIBIT "A"
DESCRIPTION OF PROJECT

The Project undertaken by Redeveloper on the Project Site, defined as the real estate legally described as:

Lots 1, 2, 3 and the East Half of the vacated alley adjoining said lots to the West; Lots 15, 16, 17, 18, together with the vacated alley North of Lots 15, 16, 17 and 18, in Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska; and

Lot 5, 6 and the West Half of vacated alley adjoining said lots to the East; the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, together with the vacated alley North of the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, all in Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska; and

Lot 12, Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska, together with the vacated alley adjacent thereto;

Includes the following Public Improvements and Private Improvements, which shall be undertaken and completed by the Redeveloper.

- (a) **Private Improvements.** The renovation and rehabilitation of the existing building on the Project Site for use as a commercial dog services business, and other associated improvements on the Project Site.
- (b) **Public Improvements.** Demolition and environmental remediation, façade and energy efficiency enhancements, architectural and engineering fees, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

**EXHIBIT “B”
TIF INDEBTEDNESS**

1. Projected Base Value: \$437,711
2. Projected Minimum Final Value: \$967,020
3. Projected Incremental Valuation: \$529,309
4. Assumed Tax Levy: 1.733791
5. Anticipated Tax Increment: \$9,177 annually
6. Assumed Interest Rate: 5.50%
7. TIF Indebtedness:
 - a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$92,915, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2036, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
 - b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2021. The CRA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CRA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CRA has no obligation to make any payments other than the actual Tax Increment received from the Project.
 - c. **Maturity Date.** On or before December 31, 2036.
 - d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, commencing on the Effective Date of January 1, 2021 (2021 taxes paid in 2022) and terminating on December 31, 2035 (2035 taxes due on December 31, 2035 but paid in 2036). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

Note: All calculations are based on assumptions and estimates of future values that may be different than the values used herein or may vary from year to year.

Note: If the Effective Date is changed pursuant to the Redevelopment Agreement, the Maturity Date will change to reflect that change.

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

| | |
|-----------------|----------|
| Tax Levy | 1.733791 |
| Interest Rate | 5.50% |
| Number of Years | 15 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$437,711 | \$7,589 |
| Completed Project | \$967,020 | \$16,766 |
| Difference | \$529,309 | \$9,177 |

TIF Calculations:

| | |
|------------------------------|-----------|
| Annual TIF Amount | \$9,177 |
| TIF Indebtedness | \$92,915 |
| less 3% Admin Fee | (\$2,787) |
| TIF Available to Redeveloper | \$90,128 |

2. TIF USES:

| | |
|--|----------------|
| Cost of Issuance (estimate) | \$6,000 |
| Demolition/Asbestos Removal | \$15,500 |
| Façade/ Energy Efficiency Enhancements - Windows | \$55,000 |
| Energy Efficiency Enhancements - HVAC | \$28,812 |
| <u>Architectural and Engineering Fees</u> | <u>\$6,500</u> |
| Total estimated TIF eligible costs: | \$111,812 |

The actual eligible amount of the façade and energy efficiency enhancements shall be limited to the costs of enhancements to the building which exceed minimum building and design standards in the community and prevent the recurrence of substandard and blighted conditions. Written documentation from the Redeveloper's engineer or architect shall be provided to verify the eligible amount of building enhancements.

EXHIBIT “D”

After recording please return to:

Bonnie Otte
City of Seward
City Hall, 537 Main Street
Seward, NE 68434

**MEMORANDUM OF REDEVELOPMENT AGREEMENT
(The Alps Redevelopment Project)**

This Memorandum of Redevelopment Agreement (“Memorandum”) is made this ___ day of March, 2020 by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and The Alps Dog Retreat, LLC, a Nebraska limited liability company (“, and Huron Heights, LLC, a Nebraska limited liability company (collectively the “Redeveloper”).

1. **Redevelopment Agreement.** CRA and Redeveloper have entered into that certain Redevelopment Agreement dated as of this even date, describing the public improvements and the private improvements being made to real property owned by Redeveloper and legally described as:

Lots 1, 2, 3 and the East Half of the vacated alley adjoining said lots to the West; Lots 15, 16, 17, 18, together with the vacated alley North of Lots 15, 16, 17 and 18, in Block 37, Cloyd’s Addition to the City of Seward, Seward County, Nebraska; and

Lot 5, 6 and the West Half of vacated alley adjoining said lots to the East; the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, together with the vacated alley North of the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, all in Block 37, Cloyd’s Addition to the City of Seward, Seward County, Nebraska; and

Lot 12, Block 37, Cloyd’s Addition to the City of Seward, Seward County, Nebraska, together with the vacated alley adjacent thereto (the “Project Site”).

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CRA of the private improvements to be made by the Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment

Agreement. The Tax Increment so captured by the CRA shall be used to make the public improvements as described in the Redevelopment Agreement.

3. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in full. A full and correct copy of the Redevelopment Agreement may be inspected at the CRA offices in Seward, Nebraska.

[Signature Page Follows]

“CRA”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”

The Alps Dog Retreat, LLC, a
Nebraska limited liability company

By: _____
Scott Dinslage, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Scott Dinslage, Manager of The Alps Dog Retreat, LLC, on behalf of the company.

Notary Public

Huron Heights, LLC, a Nebraska
limited liability company

By: _____
_____, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by _____, Manager of Huron Heights, LLC, on behalf of the company.

Notary Public

**EXHIBIT “E”
FORM OF TIF PROMISSORY NOTE**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (“THE 1933 ACT”) AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF SEWARD, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(THE ALPS REDEVELOPMENT PROJECT)
SERIES 2020A

| Maturity Date | Interest Rate | Original Issuance Date |
|-------------------|---------------|------------------------|
| December 15, 2036 | 5.5% | |

| Registered Holder | Principal Amount |
|---------------------------|------------------|
| The Alps Dog Retreat, LLC | \$92,915.00 |

THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA (the “Issuer”), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the City Treasurer, as Paying Agent and Registrar, and in like manner to pay solely from said source interest on said principal sum at the Interest Rate identified above from the Original Issuance Date identified above or from the most recent date to which interest has not been paid. Principal and accrued interest shall be payable in thirty (30) semi-annual installments due June 15, 2022, December 15, 2022, and each June 15 and December 15 thereafter through December 15, 2036, when all principal and accrued interest shall be due and payable. Except with respect to interest not punctually paid, the principal and interest on this Note will be paid by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the fifteenth calendar day next preceding the applicable maturity date at his address as it appears on such note registration books. The principal and interest of this Note is payable in any coin or currency of the United States of America which on the respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated the Community Redevelopment Authority of the City of Seward, Nebraska Redevelopment Revenue Note (The Alps Redevelopment Project), Series 2020A, aggregating Ninety Two Thousand Nine Hundred Fifteen and No/100 Dollars (\$92,915.00) (“Note”) in principal amount which has been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the “Act”) and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and The Alps Dog Retreat, LLC, a Nebraska limited liability company, and Huron Heights, LLC, a Nebraska limited liability company, for the The Alps Redevelopment Project (the “Redevelopment Agreement”), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the “Project”). All such revenue has been duly pledged for the purpose of paying this Note.

THIS NOTE AND THE INTEREST HEREON DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE AND THE INTEREST HEREON EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Agreement against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible “redevelopment project” as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of Seward, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and

due time, form and manner as required by law; and, that this Note does not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by his duly authorized attorney, upon written documentation of transfer satisfactory to the Issuer and the Registrar duly executed by the Registered Holder and the assignee/transferee, together with a purchase letter in a form provided by Issuer and any other documentation required by the Issuer. Prior to the approval of any transfer of this Note, the Registered Holder shall pay all of the Issuer's costs, including attorney's fees, relating to the transfer of the Note. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is prepayable at any time in whole or in part, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service. Prepayments shall reduce the number, but not the amount, of scheduled debt service payments on the Note, in inverse order of maturity.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

This Note shall not be entitled to any benefit or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of Seward as
Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT "F"
FORM OF CERTIFICATE OF COMPLETION
(The Alps Redevelopment Project)

The undersigned certifies, represents and warrants to the City of Seward, Nebraska, and the Community Redevelopment Authority of the City of Seward, Nebraska ("CRA") with regard to the following real property situated in the City of Seward, Seward County, Nebraska, to wit:

Lots 1, 2, 3 and the East Half of the vacated alley adjoining said lots to the West; Lots 15, 16, 17, 18, together with the vacated alley North of Lots 15, 16, 17 and 18, in Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska; and

Lot 5, 6 and the West Half of vacated alley adjoining said lots to the East; the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, together with the vacated alley North of the East 3½ feet of Lot 9, Lots 10, 11, 13, 14, all in Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska; and

Lot 12, Block 37, Cloyd's Addition to the City of Seward, Seward County, Nebraska, together with the vacated alley adjacent thereto,

that the Private Improvements and Public Improvements required to be constructed by the Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated March __, 2020, as referenced in the Memorandum of Redevelopment Agreement recorded as Instrument No. _____ in the office of the Register of Deeds for Seward County, Nebraska.

"REDEVELOPER"

The Alps Dog Retreat, LLC, a Nebraska limited liability company
Huron Heights, LLC

By: _____

By: _____
Scott Dinslage, Manager
_____, Manager

"CRA"

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

EXHIBIT "G"
FORM OF A CERTIFICATION OF ELIGIBLE PROJECT COSTS

Date: _____

The Alps Dog Retreat, LLC, a Nebraska limited liability company ("Redeveloper"), hereby certify that they have incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between the Redeveloper and the Community Redevelopment Authority of the City of Seward. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

| | |
|---|------------|
| Demolition/Asbestos Removal | \$ _____ |
| Façade/Energy Efficiency Enhancements - Windows | \$ _____ |
| Energy Efficiency Enhancements - HVAC | \$ _____ |
| Architectural and Engineering Fees | \$ _____ |
| <hr/> | |
| Total: | \$ _____ * |

***Principal Amount of TIF Indebtedness shall not exceed \$92,915.**

The Alps Dog Retreat, LLC, a Nebraska limited liability company
Huron Heights, LLC

By: _____

By: _____
Scott Dinslage, Manager

By: _____
_____, Manager

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CRA:

Michael Hecker, Chairman

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Plan Amendment – Alps Dog Retreat Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING AN AMENDMENT OF THE REDEVELOPMENT PLAN FOR THE CITY OF SEWARD, NEBRASKA, INCLUDING A SPECIFIC REDEVELOPMENT PROJECT.

RECITALS

A. The Community Redevelopment Authority of the City of Seward (“CRA”) has recommended that the Redevelopment Plan for the City of Seward (the “Redevelopment Plan”), a copy of which is on file and available for public inspection with the City Clerk, should be amended to include a project for the redevelopment of certain real property within the Redevelopment Area identified and legally defined in said amendment (the “Project Site”).

B. The proposed amendment to the Redevelopment Plan (“Redevelopment Plan Amendment”) is on file and available for public inspection with the Seward City Clerk.

C. The Redevelopment Plan Amendment includes a redevelopment project identified as the Alps Dog Retreat Redevelopment Project (the “Project”) that will utilize Tax Increment Financing pursuant to Neb. Rev. Stat. § 18-2147.

D. The CRA submitted the question of whether the Redevelopment Plan Amendment should be recommended to the City Council to the Planning Commission of the City of Seward.

E. The Planning Commission recommended the approval of the Redevelopment Plan Amendment.

F. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan Amendment by the City Council was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. §§ 18-2115 and 18-2115.01, and Nebraska law.

G. On March 17, 2020, the City Council held a public hearing relating to the question of whether the Redevelopment Plan Amendment should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

H. The City Council has reviewed the Redevelopment Plan Amendment, the cost benefit analysis prepared by the CRA and attached to the Redevelopment Plan Amendment, the recommendations of the Planning Commission, and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, it is found by the City Council of the City of Seward, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.
2. The Redevelopment Plan Amendment will, in accordance with the present and future needs of the City of Seward, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.
3. The Redevelopment Plan Amendment is in conformance with the general plan for development of the City of Seward as a whole, as set forth in the City of Seward Comprehensive Plan, as amended.
4. The cost and benefits set forth in the Project cost benefit analysis are found to be in the long-term best interest of the City of Seward.
5. The Project would not be economically feasible without the use of Tax Increment Financing.
6. The Project would not occur on the Redevelopment Area without the use of Tax Increment Financing.

BE IT FURTHER RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Redevelopment Plan Amendment is hereby approved and adopted by the City Council as the governing body for the City of Seward.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Agreement – Alps Dog Retreat Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE COMMUNITY REDEVELOPMENT AUTHORITY TO ENTER INTO SAID AGREEMENT.

RECITALS

A. Pursuant to the Nebraska Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended (the “Act”), the City of Seward, Nebraska (“City”), has adopted a redevelopment plan (“Redevelopment Plan”) for certain portions of the City. A copy of the Redevelopment Plan is on file with the City Clerk for inspection.

B. The Redevelopment Plan, as amended, includes a specific redevelopment project identified as the Alps Dog Retreat Redevelopment Project that will include the use of Tax Increment Financing (the “Project”).

C. On March 11, 2020, the CRA approved the Redevelopment Agreement for the Project.

D. The City Council has reviewed the Redevelopment Agreement and has found it to be in conformity with the Act and the General Comprehensive Development Plan of the City, and in the best interests of the City.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Seward, Nebraska, that the Redevelopment Agreement between the Community Redevelopment Authority of the City of Seward, Nebraska and The Alps Dog Retreat, LLC, which is on file with the City Clerk and available for public inspection, is hereby approved.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to execute and deliver the Redevelopment Agreement, with such changes, modifications, additions, and deletions therein and shall they seem necessary, desirable or appropriate, for and on behalf of the CRA.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of such TIF Indebtedness as set forth in the Redevelopment Agreement. Such TIF Indebtedness shall be repaid solely from the Tax Increment created by the Project and does not represent the general obligation of the CRA of the City.

BE IT FURTHER RESOLVED, that all Resolutions or parts thereof in conflict with the provisions of this Resolution or to the extent of such conflicts, are hereby repealed.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

NOTICE OF PUBLIC HEARINGS

Public notice is hereby given by the Planning Commission of the City of Seward, Nebraska, that a public hearing will be held at 7:30 p.m. on March 9, 2020 at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

Public notice is hereby also given by the Mayor and City Council of the City of Seward, Nebraska, that a public hearing will be held at 7:00 p.m. on March 17, 2020, at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

The purpose of both hearings is to obtain public comment prior to the review and consideration of a proposed amendment to the redevelopment plan for the City of Seward, including a specific redevelopment project.

The property which is the subject of this notice and of the public hearing is generally located 139 N 6th Street in Seward, Nebraska and is legally described as follows:

Lots One (1) and Four (4), Block Seven (7) Original Town of
Seward, Seward County, Nebraska (PID# 800072928).

All interested parties shall be afforded at each public hearing a reasonable opportunity to express their views regarding the proposed redevelopment plan amendment. A map of the redevelopment area and a copy of the redevelopment plan and cost-benefit analysis shall be maintained in the office of the City Clerk.

Bonnie Otte, City Clerk

Publish February 19, 26, 2020
One Proof of Publication

6. Estimated Project Costs:

- a. Land Acquisition, if applicable: \$ _____
- b. Site Development (itemize):
 - i. Demolition: \$ _____
 - ii. Grading: \$ _____
 - iii. Site Preparation \$ _____
 - iv. Other (explain): \$ _____
- c. Building Construction Cost: \$ _____
- d. Other Site Improvements (explain) \$ 467,570
- e. Equipment: \$ _____
- f. Architectural and Engineering Fees: \$ 30,000
- g. Legal Fees: \$ _____
- h. Financing Costs: \$ _____
- i. Broker Costs, if any: \$ _____
- j. Contingencies: \$ _____
- k. Other (explain): \$ _____
- Total:** \$ 447,570

7. Please attach the following documentation:

- a. Construction Pro Forma.
- b. Annual Income and Expense Pro Forma (with appropriate schedules).
- c. Applicant's Corporate/Business Annual Financial Statements for the last three years.
- d. Business Plan for the proposed project.

8. Estimated Tax Increment:

- a. Total estimated assessed valuation of Real Property at completion (please also describe how you arrived at this value; e.g., discussions with County Assessor, based on previous construction projects, etc.):
- b. Latest property valuation before construction (from Property Tax Statement):
- c. Estimated increase in real estate valuation:
- d. Estimated new real estate tax generated annually:

9. Proposed Source of Financing:

- a. Equity
- b. Bank loan (please provide conditional approval or commitment letters, if applicable):
- c. Tax Increment Financing:
- d. Other (please describe):

10. Name and address of architect, engineer, and general contractor:

11. Project construction schedule:

- a. Construction start date: _____
- b. Construction completion date: _____
- c. If project is phased:
Year ____ / ____ % Complete
Year ____ / ____ % Complete

12. Municipal reference (if applicable). Please name any other municipality wherein the applicant, or other corporations the applicant has been involved with, has completed development within the last five years:

13. Amount of TIF request: \$ 81,830.00
14. Application Fee Paid: \$ _____

(Note: If the Application is approved, the applicant is not entitled to receive the requested TIF amount. The actual amount of the TIF Indebtedness will vary depending on multiple factors including without limitation lender interest rates, identification of eligible expenditures, and additional information identified in the redevelopment project approval process. However, as a general estimate for this application, request no more than ten (10) times the amount identified in section 8(d) of this application.

15. Describe eligible costs for which tax increment financing will be used.

Please provide a detailed breakdown of proposed eligible uses and costs of each use, including any available bids or cost estimates for such work (include attachment if necessary):

16. Statement of necessity for use of tax increment financing (include attachment if necessary):

- a. Is your project economically feasible as designed without tax increment financing? If no, please indicate how tax increment financing is necessary for the economic feasibility of your project.
- b. Would you locate your project in the redevelopment area without Tax Increment Financing? Explain.

17. List any other long term public benefits your project will bring to the City, or any other information relevant to this application.

"Applicant"
By: 
Name: ALYSSA HENDRIX
Title: MANAGING MEMBER

1. Applicant Information:

Business Name: KACH Investments, LLC., structured by KACH Enterprise, LLC.

Project Address: 139 N 6th St, Seward

Contact: Alyssa Hendrix

Address: 139 N 6th Street, Seward Telephone: 402-641-3798

Email: kachinvestments@gmail.com

Business Structure: Nebraska Limited Liability Company Owners: Carey & Alyssa Hendrix

2. Project description:

The project renovates the approximately 4,000 sq. ft. main floor with 10,000 sq.ft. second story renovations of 139 N 6th Street, Seward, Nebraska so that it is a suitable space for commercial tenants as well as residential tenants by meeting current fire marshal code and building inspection upgrades. KACH Investments, LLC., owns the building.

A. **What type of business does this project involve?** Commercial and/or residential

I. **If the project involves housing, give a description of the intended tenants, type of household, income levels, impact on schools and/or community.**

The vision for this project improvement is to take an old building and make it functional with an esthetically inviting facelift for the downtown community to provide jobs and downtown living.

Commercial: The main level, 4,000 sq.ft. space can provide an opportunity for a restaurant, service or retail business. Rent for the space is projected to be \$3,200.00-\$4,000.00 per month. The number of jobs, pay scale and benefits package would be determined by the individual business and their structured business plan.

Residential or Commercial: The second level, nine studio apartments can provide an opportunity for a bachelor/bachelorette, young professional or traveling individual. The projected rent per apartment is \$850-\$1,150.00 per month. If the second level space was to be commercial, rent for the designed space is projected to be \$3,200.00-\$5,800.00 per month depending on the amount of sq.ft. needed. The number of jobs, pay scale and benefits package would be determined by the individual business and their structured business plan.

3. Proposed project site:

Provide the address, legal description, current owner.

The address is 139 N 6th Street, Seward, Nebraska. Owner is KACH Investments, LLC..

Legal description is Seward original town block 7, lots 1 and 4.

4. Physical description of the proposed project:

Building square footage, size of property, description of building materials. Site plan is attached.

The building and size of the property are approximately 4,000 sq. ft. main level and 10,000 sq.ft. second story. The materials are brick, mortar and concrete.

5. Land use:

b. *Current zoning of the property:* Commercial.

c. *Is the proposed project a permitted use on the property?* Yes.

What permits would be required? Building, electrical, HVAC, plumbing and sprinkler

permits.

6. Estimated Project Costs: See attachment

7. Business Plan:

KACH Enterprise, LLC., is a multiple commercial and residential property investment limited liability company in Nebraska. KACH has a vision to complete their properties by means of multiple options directed by the City of Seward's Comprehensive Plan.

- 2006: KACH Investments, LLC., purchased its first property, 139 N. 6th Street, Seward.
- 2013: KACH 133, LLC., purchased commercial property at 133 N. 6th Street, Seward, whose current tenant is Jazzercise, Inc..
- 2014: KACH 510, LLC., purchased commercial property at 510 Bradford Street.
- 2011-2016: purchased six residential properties (4 single family homes and 2 college student residences).
- 2018, KACH 510, LLC., purchased the property at 640 & 644 Seward Street
- 2018, KACH Roberts Bldg, LLC., purchased 647 Seward Street.
- 2018: C&A Complex Management, LLC., purchased Glenhaven Mobile Home.

KACH Enterprise, LLC., mission statement is to believe in the people, products and process of the community by providing appealing commercial leasing space in the Seward's Downtown Historic District. KACH helps to grow new and existing business, support the dreams of entrepreneurs and provide a sustainable community to live in.

8. Estimated Tax Increment:

- A. A conversation via Marilyn at the Seward County Assessor's and her advisor, Bob, sat down with us and our site plans to project the rough estimate of this project to be \$943,994.00.
- B. *Property valuation before construction:*
2018 evaluation \$468,339.00, 2019 evaluation \$485,715.00

9. Proposed Source of Financing:

- a. Equity: \$250,000.00
- b. Bank Loan: Financial Institution letter attached
- c. Tax Increment Financing: \$81,830.00

10. Name and address of architect, engineer and general contractor.

- General Contractor : Hartley Construction, 402-641-1535, 508 S. Columbia, Seward

11. Construction schedule:

- A. *Construction start date:* Spring 2020
- B. *Construction completion date:* Fall 2020 for main level, Fall 2021 second story

12: Municipal reference:

KACH 510, LLC., was granted TIF in 2016 on the 510 Bradford property. The abandoned 7,000 sq.ft. property project was completed in 3 months and now hosts Twin Rivers Urgent Care, Bluestem Fiber Network and Enhanced Physical Therapy. The property has reached its projected property evaluation.

13: Amount of TIF request: \$81,830.00

14: Application Fee Paid: per approval

15: Describe eligible costs for which TIF will be used: see attachment

16. Statement of necessity for use of tax increment financing.

a Is your project economically feasible as designed without tax increment financing? If no, please explain. No. KACH needs the TIF financing package to offset this expense.

b Would you locate your project in the redevelopment area without tax increment financing?

Building is located in the redevelopment area.

17 List any other long term public benefits your project will bring to the city, or any other information relevant to this application.

The community impact is the creation of new jobs, new business and affordable housing opportunities in the downtown business district of Seward. This project will generate additional sales tax revenue for the city.

KACH INVESTMENTS, LLC

139 N 6TH STREET, SEWARD



Financing Proposal

KACH Investments, LLC., managed by Carey & Alyssa Hendrix, is seeking to TIF the property located at 139 N 6th Street, Seward, for \$81,830.00.

This property was purchased October 2006. At the time of purchase there were no tenants in the 10,000 sq.ft. main level commercial space, 10,000 second story space and 10,000 non-occupancy basement.

Currently the main level commercial space is occupied by Awe Salon, Inc, Ignite Nutrition and Hendrix PDR. Improvements of the main level have been done and gross rent income is \$6350.00/month. There is 4,000 sq.ft. of vacant lease space and 10,000 sq.ft. second level space for potential rent income.

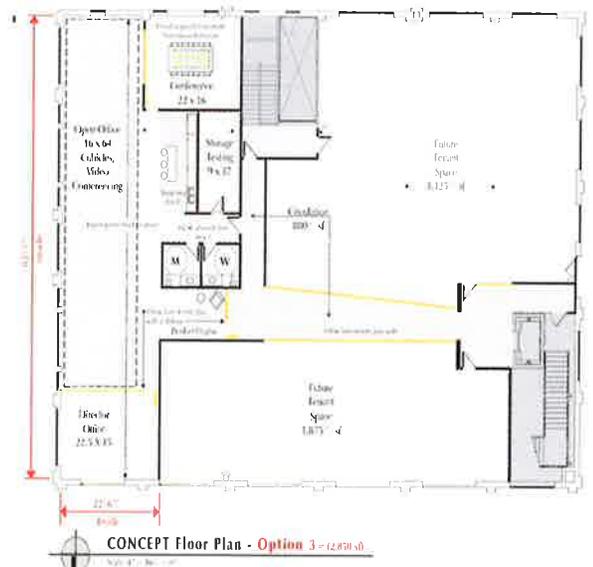
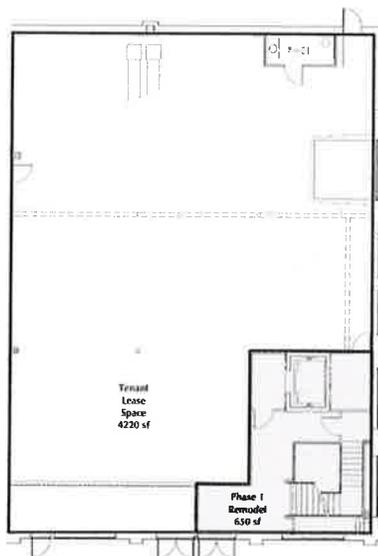
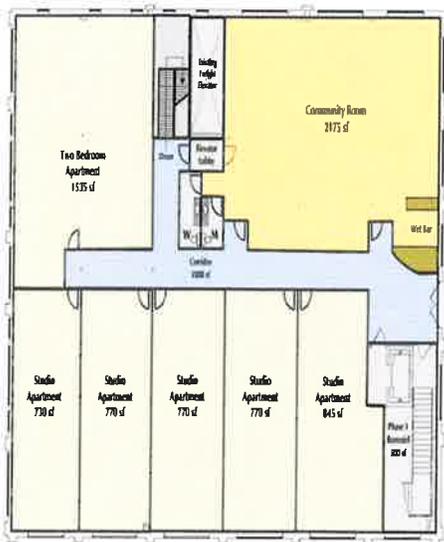
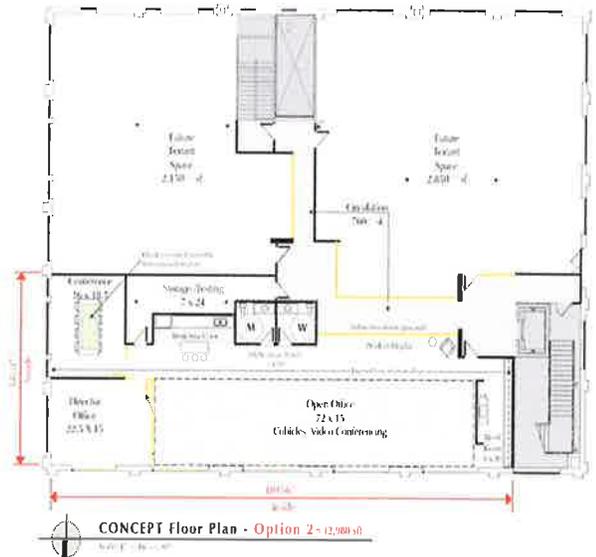
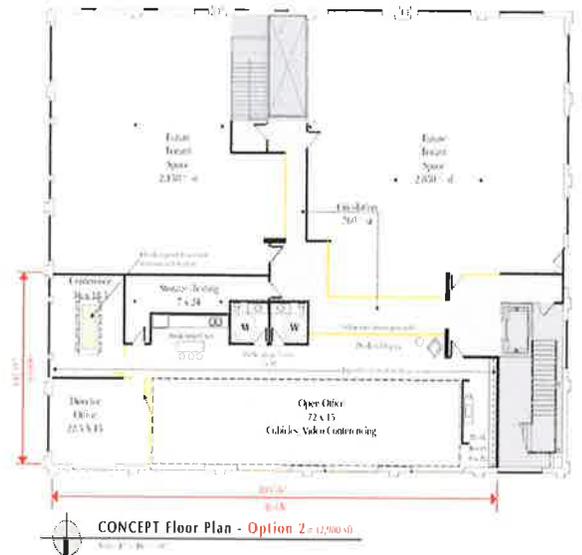
Seward's Downtown Revitalization current grant funds in the amount of \$50,000 has been granted to us for a portion of the sprinkler system installation. Seward will apply for a second round of DTR and if approved we will apply for funds to improve the tuck n mortar, stairwell, awnings and lighting.

Commercial property in the Seward market sells for a minimum of \$50.00 to \$100.00 per sq.ft

In speaking with the County Assessor about improvements to the property, the completed evaluation would come in at \$943,994. Current evaluation is \$485,715. The increased evaluation was based on the improvements of the second story, including fire marshal and code improvement requirements.

The improvements are as follows;

- Roof insulation for sprinkler system \$26,000
- Stairwell \$65,000
- Elevator \$77,570
- Sprinkler system with line \$65,000
- Structural Repairs \$25,000
- Awnings \$8,000
- Exterior lighting \$6,000
- Build-out \$195,000
 - Electrical (\$40,000)
 - Plumbing (\$20,000)
 - HVAC (\$60,000)



Tax Increment Financing Projections

1. Assumptions:

| | |
|-----------------|----------|
| Tax Levy (2019) | 1.733791 |
| Interest Rate | 5.00% |
| Number of Years | 15 |

| Property Value | |
|----------------|-----------|
| 2018 | \$468,339 |
| 2017 | \$485,715 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$485,715 | \$8,421 |
| Completed Project | \$943,994 | \$16,367 |
| Difference | \$458,279 | \$7,945.60 |

2.(a) TIF Calculations (monetized):

| | |
|----------------------|--|
| Annual TIF Amount | \$7,945.60 |
| Max TIF amount | \$119,184.00 * Does not account for partial y1 valuation |
| Max TIF Indebtedness | \$83,151.87 |
| Loan Amount | \$77,500 |
| less 3% Admin Fee | (\$2,325.00) |
| Total TIF Available | \$75,175.00 |

3. TIF Uses:

| | |
|--------------------------|----------|
| TIF Uses: | |
| Approx. Cost of Issuance | \$6,000 |
| Exterior Lighting | \$6,000 |
| Façade Enhancements | \$8,175 |
| Water line | \$25,000 |
| Engineer/Architect | \$30,000 |
| Total | \$75,175 |

TIF Loan Amortization Schedule

| | | | |
|-----------------------|-------------|-------------------------------|------------|
| Principal | \$77,500.00 | Projected TIF Payments | |
| Interest Rate | 5.00% | | |
| Payments/Year | 2 | Annual | \$7,945.60 |
| Loan Payment | \$3,702.77 | Semi-Ann | \$3,972.80 |
| Closing Date | 06/15/20 | | |
| Effective Date | 1/1/2021 | | |

| Date | Principal Balance | Payment | Interest | Principal | Ending Principal |
|------------|-------------------|------------|------------|------------|------------------|
| 12/15/2020 | \$77,500.00 | \$0.00 | \$1,969.79 | \$0.00 | \$77,500.00 |
| 6/15/2021 | \$77,500.00 | \$0.00 | \$1,937.50 | \$0.00 | \$77,500.00 |
| 12/15/2021 | \$77,500.00 | \$0.00 | \$1,937.50 | \$0.00 | \$77,500.00 |
| 6/15/2022 | \$77,500.00 | \$3,972.80 | \$1,937.50 | \$2,035.30 | \$75,464.70 |
| 12/15/2022 | \$75,464.70 | \$3,972.80 | \$1,886.62 | \$2,086.18 | \$73,378.52 |
| 6/15/2023 | \$73,378.52 | \$3,972.80 | \$1,834.46 | \$2,138.34 | \$71,240.18 |
| 12/15/2023 | \$71,240.18 | \$3,972.80 | \$1,781.00 | \$2,191.80 | \$69,048.38 |
| 6/15/2024 | \$69,048.38 | \$3,972.80 | \$1,726.21 | \$2,246.59 | \$66,801.79 |
| 12/15/2024 | \$66,801.79 | \$3,972.80 | \$1,670.04 | \$2,302.76 | \$64,499.04 |
| 6/15/2025 | \$64,499.04 | \$3,972.80 | \$1,612.48 | \$2,360.32 | \$62,138.72 |
| 12/15/2025 | \$62,138.72 | \$3,972.80 | \$1,553.47 | \$2,419.33 | \$59,719.38 |
| 6/15/2026 | \$59,719.38 | \$3,972.80 | \$1,492.98 | \$2,479.82 | \$57,239.57 |
| 12/15/2026 | \$57,239.57 | \$3,972.80 | \$1,430.99 | \$2,541.81 | \$54,697.76 |
| 6/15/2027 | \$54,697.76 | \$3,972.80 | \$1,367.44 | \$2,605.36 | \$52,092.40 |
| 12/15/2027 | \$52,092.40 | \$3,972.80 | \$1,302.31 | \$2,670.49 | \$49,421.91 |
| 6/15/2028 | \$49,421.91 | \$3,972.80 | \$1,235.55 | \$2,737.25 | \$46,684.66 |
| 12/15/2028 | \$46,684.66 | \$3,972.80 | \$1,167.12 | \$2,805.68 | \$43,878.97 |
| 6/15/2029 | \$43,878.97 | \$3,972.80 | \$1,096.97 | \$2,875.83 | \$41,003.15 |
| 12/15/2029 | \$41,003.15 | \$3,972.80 | \$1,025.08 | \$2,947.72 | \$38,055.43 |
| 6/15/2030 | \$38,055.43 | \$3,972.80 | \$951.39 | \$3,021.41 | \$35,034.01 |
| 12/15/2030 | \$35,034.01 | \$3,972.80 | \$875.85 | \$3,096.95 | \$31,937.06 |
| 6/15/2031 | \$31,937.06 | \$3,972.80 | \$798.43 | \$3,174.37 | \$28,762.69 |
| 12/15/2031 | \$28,762.69 | \$3,972.80 | \$719.07 | \$3,253.73 | \$25,508.96 |
| 6/15/2032 | \$25,508.96 | \$3,972.80 | \$637.72 | \$3,335.08 | \$22,173.88 |
| 12/15/2032 | \$22,173.88 | \$3,972.80 | \$554.35 | \$3,418.45 | \$18,755.43 |
| 6/15/2033 | \$18,755.43 | \$3,972.80 | \$468.89 | \$3,503.91 | \$15,251.51 |
| 12/15/2033 | \$15,251.51 | \$3,972.80 | \$381.29 | \$3,591.51 | \$11,660.00 |
| 6/15/2034 | \$11,660.00 | \$3,972.80 | \$291.50 | \$3,681.30 | \$7,978.70 |
| 12/15/2034 | \$7,978.70 | \$3,972.80 | \$199.47 | \$3,773.33 | \$4,205.37 |
| 6/15/2035 | \$4,205.37 | \$3,972.80 | \$105.13 | \$3,867.67 | \$337.70 |
| 12/15/2035 | \$337.70 | \$346.15 | \$8.44 | \$337.70 | \$0.00 |

**AMENDMENT TO THE REDEVELOPMENT PLAN
OF THE CITY OF SEWARD, NEBRASKA**

(139 N. 6th STREET REDEVELOPMENT PROJECT)

Introduction

The City of Seward, Nebraska (“City”) has undertaken a plan of redevelopment within the community pursuant to the adoption of the Redevelopment Plan for a certain redevelopment area in the City of Seward, as amended (the “Redevelopment Plan”). The Redevelopment Plan was approved by the City Council of the City as of November 15, 2011. The Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City, as set forth in the Redevelopment Plan.

Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), the City created the Community Redevelopment Authority of the City of Seward (“CRA”), which has administered the Redevelopment Plan for the City.

The purpose of this Plan Amendment is to identify specific property within the redevelopment area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site located in the in the City of Seward, Nebraska, and legally described on the attached and incorporated Exhibit “A” (the “Project Site”). The project under consideration will consist of the renovation, rehabilitation, and exterior enhancements of the historical commercial building on the Project Site and associated improvements on the Project Site (the “Project”).

Project Site

The Project Site is in need of redevelopment. The CRA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CRA finds that such a redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract businesses and/or development. In order to support additional private development, the Project Site and the Redevelopment Area are in need of renovation and development.

The existing building on the Project Site was built in 1914 and is in need of upgrades and improvements. The main level of the building is approximately 40%

vacant and is in need of upgrades to attract tenants. The second story of the building is currently 100% vacant and is in need of improvements to attract tenants. Redeveloper intends to make substantial investments to make the vacant first floor space and the upper story habitable. The property doesn't currently have a fire sprinkler system. Based on its size, the building is required to have a fire sprinkler system. The property also requires extensive HVAC, plumbing, and electrical upgrades before the vacant space can be occupied. Additionally, in order to support second floor occupancy, a new stairwell and elevator system will be installed. The Project will also include aesthetic façade enhancements to the building and exterior lighting for public safety that will improve the quality of the Project Site and decrease blighted and substandard conditions in the Redevelopment Area, and such improvements would not be made without the assistance of tax increment financing. The Project is intended to avoid further deterioration of the Project Site and the Redevelopment Area.

The general location of the Project Site is depicted below:



Recent photographs of the Project Site are set forth below:



The current land use map set forth in the 2018 City of Seward Comprehensive Plan (“Comprehensive Plan”) identifies the current land use as downtown mixed use. The future land use map set forth in the Comprehensive Plan designates the future land use of the Project Site as Downtown Urban Mixed Use. The current and future land use maps set forth in the Comprehensive Plan are incorporated into the Redevelopment Plan by this reference. Key features of the Urban Mixed Use designation include, but are not limited to, a mix of complementary uses, including residential and commercial uses, and land uses that are sometimes mixed vertically, resulting in complementary and alternating times of use and the ability to share parking areas.

Project

Kach Investments, LLC (“Redeveloper”) has submitted a proposal for the redevelopment of the Project Site. The Project will include the renovation, rehabilitation, and exterior enhancements of the building on the Project Site. The Project shall include façade enhancements, energy efficiency enhancements, and other improvements that are eligible public improvements under the Act. The Project is anticipated to eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan.

The building on the Project Site has approximately 10,000 square feet of first floor area and 10,000 square feet of second story area. The first floor is approximately 60% leased, with approximately 4,000 square feet vacant. The second story is vacant and currently unusable without significant upgrades. The Project would include the renovation of the approximately 4,000 square feet of vacant space on the main floor and the entire 10,000 square foot second story. The Project would include facade enhancements and exterior upgrades including, but not limited to new awnings and new exterior lighting. The Project also required fire sprinklers, but in order to support the fire sprinklers that will be installed, a new water line must be run to the building. All of these

modernizations and enhancements will allow the Redeveloper to lease out the remaining space in the building.

While the actual uses will be determined by the tenants that Redeveloper can attract, the 4,000 square feet of first floor space will be used for a commercial use. Redeveloper anticipates that this space will provide an opportunity for a restaurant, service or retail business. Redeveloper desires to renovate the second story for residential space. The upper story could be designed for 9 studio apartments or some other configuration based on market demands. Additionally, the second story could be used for additional commercial space. Either way, the Project will create an additional 10,000 square feet of usable second story space in Downtown Seward. Redeveloper has not determined the final use because Redeveloper requires approval of TIF before proceeding with the Project.

As part of the Project, the CRA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: façade enhancements, energy efficiency enhancements, architectural and engineering fees, and other eligible uses. The use of TIF to assist with the costs of the eligible public improvements will make the Project as designed feasible. The Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Preliminary site plans are attached as Exhibit "B" and incorporated herein by this reference. The CRA acknowledges that these plans are preliminary in nature and subject to change, but has included the current information submitted by the Redeveloper. Redeveloper intends to commence construction in spring 2020 and complete construction of the first floor improvements in 2020. The second floor improvements are anticipated to be completed in 2021. The base year for the Project is anticipated to be 2020 and the effective date for the division of taxes shall be January 1, 2021. Based on the construction schedule all parties acknowledge and understand that there may be a partial valuation increase in the first year of the tax increment financing period (2021) depending on the construction schedule of the upper story renovation and improvements. If the 2021 valuation does not include all the improvements based upon Redeveloper's construction schedule, then the tax increment in the first year will be less than projected and Redeveloper will be responsible for any shortfall or payment in lieu of taxes, which will be set forth in more detail in the redevelopment agreement for this Project.

The base value of the Project Site is anticipated to be \$485,715 which is the current assessed valuation of the Project Site. Pursuant to the Seward County Assessor's preliminary appraisal of the Project, the projected completed valuation of the Project is \$943,994. The preliminary appraisal is not binding and is based upon the information and assumptions provided from the Redeveloper to the Assessor. The CRA does not make any representations to the final value of this Project or any redevelopment project. The projected completed valuation has been determined based upon the representations of the Redeveloper to the County Assessor. Any changes in market conditions, building plans, construction materials, etc., will have an effect on the final valuation.

Based upon the anticipated completed valuation of \$943,994, Redeveloper has requested \$81,830 in TIF Indebtedness. The Redeveloper estimates that the total Project costs shall be approximately \$497,570. This will include the following estimated expenses, among other project expenses: \$68,000 for fire sprinklers, \$25,000 for the new water line, \$26,000 in roof insulation related to the sprinklers, \$65,000 for stairwell improvements, \$77,500 for a new elevator, \$40,000 in electrical upgrades to meet code, \$20,000 in plumbing upgrades to meet code, and \$60,000 in HVAC upgrades to meet code, as well as the additional eligible public improvement costs described below. The renovation project includes significant expenses that are being incurred as infill redevelopment of a historic building, which make the Project substantially more expensive. Redeveloper shall also be responsible for the CRA's administrative fee and the City's attorney fees and cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$77,500 in TIF-eligible expenditures. The current estimated TIF uses is set forth below:

| | |
|-------------------------------------|-----------------|
| CRA Administrative Fee | \$2,325 |
| Cost of Issuance | \$6,000 |
| Exterior Lighting | \$6,000 |
| Façade Enhancements (awnings) | \$8,175 |
| Water line extension | \$25,000 |
| <u>Architect/Engineering</u> | <u>\$30,000</u> |
| Total estimated TIF eligible costs: | \$77,500 |

The final, actual cost of all TIF-eligible expenses shall be certified by Redeveloper upon completion of construction. In addition to the TIF-eligible expenses described above, Redeveloper is undertaking approximately \$195,000 on HVAC, plumbing, and electrical upgrades, but has not undertaken the analysis at this point to determine how much, if any, of that amount is eligible as energy efficiency upgrades.

In addition to the TIF Indebtedness, Redeveloper has stated that the Project would be financed in part using approximately \$250,000 in investor equity and the remainder financed through a bank loan.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. This section includes a consideration of the specific statutory elements identified under the Nebraska Community Development Law.

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper is the owner of the Project Site.

B. Population Density

The proposed development at the Project Site is the renovation and rehabilitation of the historical commercial building, which will not significantly affect population density in the project area. While the second story may be converted into apartments, the preliminary designs would include approximately 9 studio apartments included with this Project. Not only will the addition of 9 apartments not have a materially adverse impact on the City, this would further the development plans of the City. For example, the Comprehensive Plan includes a recommendation to “[u]se incentives to further the image of the downtown as a neighborhood with housing in and around the downtown.”

C. Land Coverage

The Project will consist of the renovation and upgrades to the currently existing historical building on the Project Site. The footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of Seward.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The Project Site was designed for the additional uses that this Project would bring and more vibrancy and additional businesses are desired in downtown Seward. Additional traffic in downtown Seward is a goal of the City. The downtown infrastructure is anticipated to be sufficient for the intended uses.

E. Parking

The 2017 Downtown Revitalization Plan determined that, as a whole, there is a surplus of available parking spaces downtown compared to demand. While there are places where demand exceeds supply, there are virtually always available spaces within a block; therefore, no additional parking is needed at this time.

Except for generally noting that it is anticipated that the Project will be able to meet the parking needs in the existing zoning district, this plan does not address the parking requirement, which the Redeveloper will need to address when the actual additional uses for the building are determined. The Project will need to meet or exceed the parking requirements set forth in the applicable zoning district. Depending on the uses of the building, Redeveloper will need to work with the City through the permitting process to satisfy all parking requirements of the City. It is Redeveloper’s obligation to satisfy the City’s parking requirements depending on the uses of the building.

F. Zoning, Building Code, and Ordinances

The Project Site is located in a CBD - Commercial Business District zone and the Project is a permitted use in said zoning district. No additional zoning, building code, or ordinance changes will be necessary for the Project.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit "C" and incorporated by this reference.

Comprehensive Plan

Several goals of the Comprehensive Plan will be furthered by this Project. This section is not a comprehensive analysis of the Project's implementation and conformance with the Comprehensive Plan, but is meant to highlight and summarize the key points on this topic. Some selections from the Comprehensive Plan are set forth below:

VIBRANT BUSINESSES: GOALS

- Invest in Downtown Seward as a destination, an economic engine, and the heart of the community
- Promote a strong retail, restaurant, and service economy
- Focus business recruitment and incubation on sectors that complement the overall character of the city in terms of its strengths, its people, and its vision for the future
- Support and promote the creation of community amenities that will attract and retain a young and talented workforce

GOAL 1: INVEST IN DOWNTOWN SEWARD AS A DESTINATION, AN ECONOMIC ENGINE, AND THE HEART OF THE COMMUNITY

Actions and Recommendations:

... the community should invest to make downtown a vibrant place with people, businesses, and things to do.

Understand the role of downtown. Downtown should not be reviewed by the same metrics as a traditional stand-alone business but should instead be judged by its contribution to the community as a whole. Downtown contributes to the city by offering it an identity (what is Seward if not for its iconic downtown), by providing a place for people to gather (how much do people enjoy downtown), and by leaving a lasting impression with visitors, including Concordia parents, business prospects, residents, and prospective residents. While subjective, downtown contributes to Seward in a remarkable way and deserves community support.

Increase financial capacity. At the time of the downtown plan, much of the total square footage in downtown remained vacant or underutilized. While main

floor occupancy was strong in certain blocks, the share of total usable square footage (including the upper floors) was relatively low. Increasing the use of these floors will increase the valuation of the district as a whole and increase the revenue stream for individual property owners.

Increase patron visits. Ultimately, the goal of the plan is to make downtown into an area where people live, work, and play because each of these actions support a prosperous business community, reinforce downtown as the center of the community, and will increase reinvestment in downtown buildings.

Actions highlighted in the Downtown Revitalization Plan include:

- **Reinforce downtown the economic, social, and civic center of the community.** Investment in downtown represents an investment in the community as a whole, not an investment to favor an individual or business venture.
- **Promote full occupancy of downtown buildings through incentives, demonstration projects, and promotional events.** Downtown buildings should be viewed as infrastructure; when fully occupied, these resources serve the community to the maximum benefit through unique housing, destination businesses, and by reinforcing the overall quality of the district.

Additional Project Information from the Redeveloper

Redeveloper has represented that without the use of TIF, this Project would not be feasible and the Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

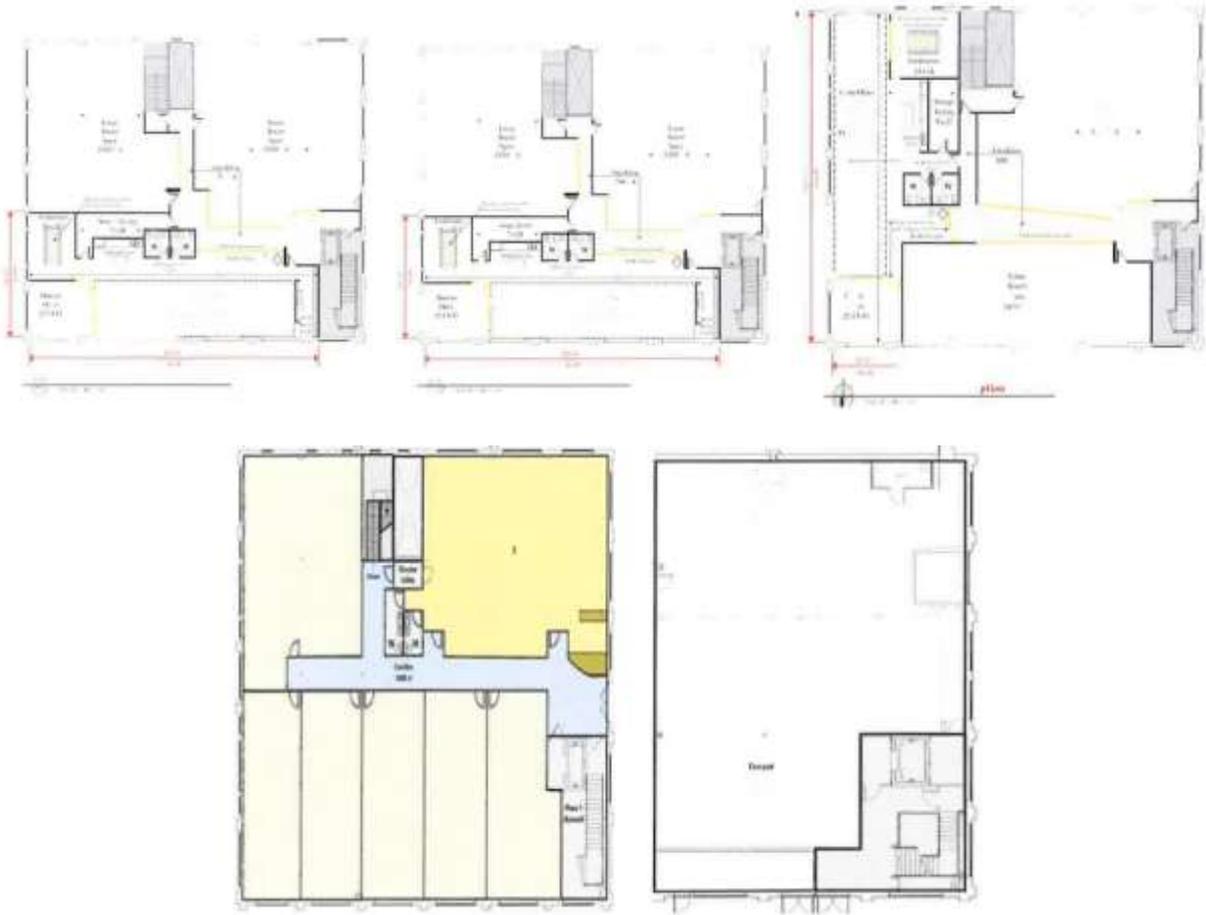
EXHIBIT "A"
Legal Description of the Project Site

The property is located on the corner of 6th and Jackson Streets. The address is 139 N. 6th Street and the property is legally described as follows:

Lots One (1) and Four (4), Block Seven (7), Original Town of Seward, Seward County, Nebraska.

EXHIBIT "B"
Preliminary Site Plan

The site plans are conceptual and preliminary in nature and subject to change. The use of the second floor, in particular, is subject to change based on the market and the interest in the space.



**EXHIBIT “C”
Cost Benefit Analysis**

(Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the 139 N. 6th Street Redevelopment Project, as described in the Amendment to the Redevelopment Plan to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing funds authorized by Neb. Rev. Stat. §18-2147.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

| | | |
|----|---|-----------|
| a. | Redevelopment Project Valuation: | \$485,715 |
| b. | Projected Completed Project Assessed Valuation: | \$943,994 |
| c. | Projected Tax Increment Base: | \$441,252 |
| d. | Estimated Tax Levy: | 1.733791 |
| e. | Annual Projected Tax Shift: | \$7,946 |

Note: The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2019 levy rate. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

No substantial adverse effects are anticipated on the public infrastructure and community public service needs. All public infrastructure and community public services required to serve the Project exists. The City desires additional density downtown and this Project shall further the overall development goals of the City.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate sales tax growth for the City through the expanded use of the building. Redeveloper and the Project tenants will also pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The eligible improvements for this Project shall enhance the functionality of the Project Site and the aesthetics of the Redevelopment Area. This will revitalize the Project Site, increase consumer traffic to the downtown area, and decrease the blighted and substandard conditions of the Redevelopment Area, all of which will benefit all employers in the downtown area. Additionally, the Project may include additional housing in downtown Seward. The additional housing options is beneficial to supporting the needed workforce for all employers and downtown housing is an attractive housing option for some individuals.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

Similar to the answer provided in Section 3, above, the Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project will provide additional space for commercial tenants in Seward, which will allow for further growth of the community. The increased consumer traffic to the downtown area from new businesses is a benefit to all downtown businesses and helps to achieve the City's planning goal of creating as more vibrant downtown. There should be no material and unreasonable impact on other businesses.

5. Impacts on the student populations of school districts within the City:

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City. The Project may include a residential component, but the apartments would likely be studio apartments marketed towards and occupied by young professionals. The size and location of the apartments will not likely attract many families with children. The school district should have the capacity to handle any minimal population increase from the Project.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

Redeveloper filed a TIF application for this Project in 2018. Redeveloper could not obtain the necessary financing for the Project at that time and requested that the application be rescinded prior to review and approval. Since that time the Project has not been completed and Redeveloper has resubmitted the application for this Project. This timeline further supports the determination that this Project will not occur without tax increment financing. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

7. Summary of Findings:

The Project will facilitate the development of a blighted and substandard area of the City without the incurrence of significant public cost. Additionally, the Project will increase property tax revenue in the long-term. The benefits outweigh the costs of the proposed Project.

REDEVELOPMENT AGREEMENT

(139 N. 6th STREET REDEVELOPMENT PROJECT)

This Redevelopment Agreement is made and entered into as of the ____ day of March, 2020, by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and Kach Investments, LLC, a Nebraska limited liability company (“Redeveloper”).

RECITALS

A. The CRA is a duly organized and existing community redevelopment authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Agreement.

B. The City of Seward, in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 to 18-2154, as amended (collectively the “Act”), has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

C. Redeveloper owns the Project Site which is located in the Redevelopment Area.

D. Redeveloper submitted a redevelopment project proposal to redevelop the Project Site.

E. Redeveloper’s proposed redevelopment project will consist of the renovation, redevelopment, and improvement of the existing structure on the Project Site, as more particularly described on the attached Exhibit “A”.

F. The CRA has approved the Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing to provide for the construction of the eligible public improvements defined in this Redevelopment Agreement.

G. CRA and Redeveloper desire to enter into this Redevelopment Agreement for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, CRA and Redeveloper do hereby covenant, agree and bind themselves as follows:

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.01 Terms Defined in this Redevelopment Agreement.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Agreement, such definitions

to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

A. “Act” means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended, and acts amendatory thereof and supplemental thereto.

B. “Anticipated Tax Increment” means the Anticipated Tax Increment for this Project as set forth on the attached Exhibit “B”.

C. “City” means the City of Seward, Nebraska.

D. “CRA” means Community Redevelopment Authority of the City of Seward, Nebraska.

E. “Effective Date” means January 1, 2021.

F. “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements and other items eligible for reimbursement under the Act.

G. “Minimum Project Valuation” means the amount of Nine Hundred Forty-Three Thousand Nine Hundred Ninety Four and No/100 Dollars (\$943,994.00).

H. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.

I. “Project” means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit “A” attached and incorporated by this reference.

J. “Project Completion Date” means December 31, 2021.

K. “Project Site” means all that certain real property situated in the City of Seward, Seward County, Nebraska, more particularly described on Exhibit “A”.

L. “Public Improvements” shall include all the public improvements more particularly described on Exhibit “A” which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments of the TIF Indebtedness.

M. “Redevelopment Agreement” means this Redevelopment Agreement between the CRA and Redeveloper with respect to the Project.

N. “Redeveloper” means Kach Investments, LLC, a Nebraska limited liability company.

O. “Redevelopment Area” means Redevelopment Area #1 that is set forth in the Redevelopment Plan.

P. “Redevelopment Plan” means the Redevelopment Plan for the Redevelopment Area by the CRA and approved by the City pursuant to the Act, as amended from time to time.

Q. “Tax Increment” means in accordance with Neb. Rev. Stat. § 18-2147 of the Nebraska Community Development Law, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the Seward County Board of Equalization) for the Project Site before the completion of the construction of the Private Improvements and the ad valorem tax which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project.

R. “TIF Indebtedness” means the sums payable under any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CRA or the City secured in whole or in part by Tax Increment.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Agreement shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Agreement shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Agreement it is provided that any person may do or perform any act or thing the word “may” shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The phrase “at any time” shall be construed as meaning “at any time or from time to time.”

(d) The word “including” shall be construed as meaning “including, but not limited to.”

(e) The words “will” and “shall” shall each be construed as mandatory.

(f) The words “herein,” “hereof,” “hereunder,” “hereinafter” and words of similar import shall refer to the Redevelopment Agreement as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(g) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Agreement are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

**ARTICLE II
REPRESENTATIONS**

Section 2.01 Representations by the CRA.

The CRA makes the following representations and findings:

(a) The CRA is a duly organized and validly existing community redevelopment authority under the Act.

(b) The CRA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing employment, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Area.

(d) 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 CRA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company in good standing and has the power to enter into this Redevelopment Agreement and perform all obligations contained herein.

(b) The execution and delivery of the Redevelopment Agreement and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Agreement or, except as disclosed in writing to the CRA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns the Project Site in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Agreement by Redeveloper.

(e) Pursuant to Neb. Rev. Stat. § 18-2119, the Redeveloper certifies to the CRA that Redeveloper does not intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

(f) The Project would not be economically feasible without the use of tax increment financing.

(g) The Project would not occur in the Redevelopment Area without the use of tax increment financing.

ARTICLE III OBLIGATIONS OF THE CRA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

Subject to the contingencies described below and to all of the terms and conditions of this Redevelopment Agreement, commencing for the tax year of the Effective Date and continuing thereafter, the CRA shall capture the Tax Increment from the Private Improvements pursuant to the Nebraska Community Development Law. The CRA shall capture the Tax Increment generated by the Project Site for a total period of not to exceed fifteen (15) years after the Private Improvements have been included in the assessed valuation of the Project Site and is generating the Tax Increment subject to capture by the CRA. The effective date of this provision shall be the Effective Date. The CRA shall file with the Seward County Assessor the “Notice to Divide Taxes” on or prior to August 1 in the year of the Effective Date.

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CRA shall incur or issue TIF Indebtedness in an amount not to exceed Seventy Seven Thousand Five Hundred and No/100 Dollars (\$77,500.00), as calculated on the attached and incorporated Exhibit “B”. The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit “E” (“Note”). The TIF Indebtedness shall be purchased by the Redeveloper or a lender of the Redeveloper. The TIF Indebtedness shall not be a general obligation of the CRA or City which shall issue such Note solely as a conduit. If the Redeveloper does not acquire and fund the TIF Indebtedness itself, the Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by the Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CRA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF Indebtedness that the CRA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, the CRA shall retain an amount sufficient to pay its reasonable and necessary cost of issuance, including attorney fees, and a CRA

administration fee in the amount of three percent (3%) of the TIF Indebtedness. The Redeveloper shall pay to the CRA the cost of issuance and CRA administration fee at or prior to the issuance of the TIF Note. The Tax Increment, shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

The parties acknowledge that there are additional eligible public improvements within the Redevelopment Area that would benefit the Project and the City including, but not limited to, additional street and infrastructure improvements, utility improvements, public space enhancements, public facility improvements, landscaping, and the removal of blighted and substandard conditions, that are being included in the Project as CRA Improvements. If the TIF Indebtedness is fully repaid prior to the end of the fifteen (15) year tax increment capture period, the CRA shall have the right to incur or issue CRA TIF Indebtedness in an amount reasonably determined by the CRA to be used for the construction and completion of the CRA Improvements. The CRA TIF Indebtedness may be issued in the form of a CRA TIF promissory note, loan, advance of money, or any form of indebtedness incurred by the CRA, and the CRA shall capture any remaining Tax Increment to pay for CRA Improvements in the Redevelopment Area. The exact CRA Improvements and the priority list of completion shall be determined by the CRA depending on how much additional Tax Increment will be available for CRA Improvements upon the repayment of the Redeveloper TIF Indebtedness. The CRA TIF Indebtedness shall in no case be a general obligation of the CRA or City.

Section 3.04 Creation of Fund.

CRA will create a special fund to collect and hold the receipts of the Tax Increment. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.02 above.

Section 3.05 Projected TIF Sources and Uses.

In addition to the TIF Indebtedness calculation formula set forth on Exhibit “B”, Redeveloper’s anticipated TIF sources and eligible uses are attached and incorporated for the parties’ reference as Exhibit “C.”

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

The Redeveloper shall, no later than ninety (90) days following the execution of this Redevelopment Agreement, provide to the CRA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of the Redeveloper in connection with acquisition of the Project Site and construction of the Public Improvements and the Private Improvements. To the extent allowed by law, the CRA agrees to keep said information confidential. Such information shall state the amount and source of liquid assets on hand or immediately available to the Redeveloper for use in constructing the Private Improvements; and shall state the

amount and source of debt financing which is available, or irrevocably committed, to the Redeveloper for use in completing the Private Improvements. Such information shall be provided in a form satisfactory to the CRA, and evidence of loan commitments shall include all of the documents evidencing the loan commitment, acceptance by the Redeveloper, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance, and the loan. Submittal of such financial information in a form satisfactory to the CRA shall be a condition precedent to the requirement of the CRA to proceed with its obligations under this Redevelopment Agreement.

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CRA as to the actual progress of Redeveloper with respect to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CRA a Certificate of Completion in the form attached hereto as Exhibit "F" from Redeveloper's engineer or architect, or owner's representative. When accepted in writing by the CRA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance) and a penal bond as required by the Act. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance). This insurance shall insure against the perils of fire and extended coverage and shall include "special causes of loss" insurance for physical loss or damage.

Section 4.03 Cost Certification.

Redeveloper shall submit to CRA a certification of Eligible Project Costs in the form of the certification attached hereto as Exhibit "G" ("Eligible Project Costs Certification"), after expenditure of such project costs. Redeveloper may, at its option, submit one or more partial Eligible Project Costs Certifications prior to expenditure of all Eligible Project Costs providing certification of receipt of billings for work in progress. All Eligible Project Costs Certifications shall be subject to review and approval by the CRA. Determinations by the CRA whether costs

included in the Eligible Project Costs Certification are properly included in Eligible Project Costs as defined in this Redevelopment Agreement shall be made in its sole discretion and shall be conclusive and binding on Redeveloper.

The TIF Indebtedness shall not exceed the actual and certified Eligible Project Costs for the Project. In the event that the certified Eligible Project Costs for the Project are less than the TIF Indebtedness, the CRA shall reduce the TIF Indebtedness amount and Redeveloper shall repay to the CRA within ten (10) days of said cost certification any amount in excess of the Eligible Project Costs issued prior to the Eligible Project Costs Certification.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, 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 Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, 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 Project.

Section 4.05 Pay Real Estate Taxes.

(a) Redeveloper has agreed to create a taxable real property valuation of the Project and Project Site of not less than the Minimum Project Valuation no later than the Effective Date. During the period of this Redevelopment Agreement, Redeveloper, and any successors and assigns, will: (1) not protest a real estate property valuation of the Project Site to a sum less than the Minimum Project Valuation; and (2) not convey the Project Site or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

(b) If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes ("Deficiency Payments") to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CRA.

Section 4.06 No Assignment or Conveyance.

Redeveloper shall not convey, assign or transfer the Project Site or any interest therein prior to the termination of the fifteen (15) year period commencing on the Effective Date without the prior written consent of the CRA, which shall not be unreasonably withheld and which the CRA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyance, which shall be permitted without consent of the CRA: (i) any conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical

improvements to the premises (whether incurred prior to or after the effective date of this Redevelopment Agreement) with the outstanding principal amount of all such indebtedness secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Agreement; or (ii) any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises provided that any such conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Agreement.

Section 4.07 Grant of Easements.

Redeveloper shall grant to the City a Façade Easement in the form attached hereto as Exhibit “H”. Redeveloper shall grant to the City any other easements that are reasonably necessary, in the City’s discretion, in order to ensure the City can reasonably access and use the Public Improvements.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except, (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such lien is discharged or bonded within ninety (90) days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within ninety (90) days of Redeveloper receiving notice thereof.

Section 5.03 Mortgage Financing.

(a) Mortgage Holder Obligations. Each mortgage holder who obtains title to the Project Site or any part thereof as a result of foreclosure or other judicial proceedings or action in lieu thereof (referred to in this section as the “Mortgage Holder”) shall be obligated to require construction and completion of the Private Improvements and the Public Improvements by any person who subsequently obtains title to the Project Site or any part thereof from the Mortgage Holder; provided, however, the Mortgage Holder shall not be obligated by and shall be exempted from those provisions of this Redevelopment Agreement which require construction and completion of the Private Improvements and the Public Improvements. Additionally,

no person, including the Mortgage Holder, may devote the Private Improvements and the Public Improvements thereon or any part thereof to any use or construct any improvements thereon other than those uses and improvements provided and permitted in accordance with this Redevelopment Agreement for the term of this Redevelopment Agreement.

(b) Copy of Notice of Default to Mortgagee. Whenever the CRA shall deliver any notice or demand to Redeveloper with respect to any breach or default by Redeveloper of its obligations or covenants in this Redevelopment Agreement, the CRA shall, at the same time, forward a copy of such notice or demand to each holder of any mortgage authorized by this Redevelopment Agreement at the last address of such holder as shown in the records of the CRA or as provided by such mortgagee.

(c) Mortgagee's Option to Cure Defaults. If thirty (30) days after notice or demand with respect to any breach or default, such breach or default remains uncured, each holder shall (and every mortgage instrument made prior to acceptance by the CRA of the Certificate of Completion with respect to any of the Private Improvements or the Public Improvements by Redeveloper or its successors in interest shall so provide) have the right, at its option, to cure or remedy such breach or default within sixty (60) days after notice or demand, and to add the cost thereof to the mortgage debt and the lien of its mortgage. If the mortgage holder commences efforts to cure the default within such period and the default cannot, in the exercise of due diligence, be cured within such period, the holder shall have the right to diligently continue to cure the default.

(d) Mortgage Rights Applicable to Other Forms of Encumbrance. The rights and obligations of this Redevelopment Agreement relating to mortgages of the Project Site shall apply to any other type of encumbrance on the Project Site, and any of the stated rights, obligations and remedies of any party relating to mortgage foreclosures shall be applicable to procedures under any deed of trust or similar method of encumbrance.

(e) Termination of Provisions. The provisions of this Section 5.03 shall terminate upon acceptance by the CRA or the Redeveloper's Certificate of Completion.

ARTICLE VI DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of the CRA and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Agreement or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Agreement shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under

this Redevelopment Agreement, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CRA set out in Section 6.02, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

Section 6.02 Additional Remedies of the CRA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CRA made for such payment within thirty (30) days following written notice from the CRA;
- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CRA,

then Redeveloper shall be in default of this Redevelopment Agreement; and if such failure to perform, breach or default is not cured in the period herein provided, the parties agree that the damages caused to the CRA would be difficult to determine with certainty. To the extent that such failure results in the fact that the CRA is not able to capture the full amount of Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the Anticipated Tax Increment exceeds the actual Tax Increment. Additionally, the CRA may, but is not required to, declare the entire amount due hereunder for the remainder of the TIF period immediately due and payable by Redeveloper, such amount or any portion thereof which may from time to time remain unpaid shall bear interest at a rate of twelve percent (12%) per annum or, if less, the maximum legal rate permitted by law, until all amounts due hereunder are paid in full.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event Redeveloper fails to perform any other provisions of this Redevelopment Agreement (other than those specific provisions contained in Section 6.02), and such failure has not been cured within thirty (30) days following written notice from the CRA, then Redeveloper shall be in default. In such an instance, the

CRA may seek to enforce the terms of this Redevelopment Agreement or exercise any other remedies that may be provided in this Redevelopment Agreement or by applicable law.

Section 6.04 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VI or this Redevelopment Agreement to the contrary, neither the CRA, City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the CRA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither City nor the CRA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CRA and the City from and agrees that the CRA and the City shall not be liable for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Private Improvements.

(b) Redeveloper shall indemnify, defend (at the CRA's and/or the City's option) and hold harmless the CRA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CRA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

**ARTICLE VII
MISCELLANEOUS**

Section 7.01 Memorandum.

A Memorandum of this Redevelopment Agreement shall be recorded with the Seward County Register of Deeds. The form of the Memorandum is attached as Exhibit "D" and incorporated by this reference.

Section 7.02 Governing Law.

This Redevelopment Agreement shall be governed by the laws of the State of Nebraska, including the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Agreement shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Agreement shall run with the Project Site. The Redevelopment Agreement shall not be amended except by a writing signed by the party to be bound.

Section 7.04 No Agency or Partnership.

This Redevelopment Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between: (i) the CRA and/or the City; and (ii) the Redeveloper, or any officer, employee, contractor or representative of Redeveloper. No joint employment is intended or created by this Redevelopment Agreement for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Redevelopment Agreement.

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by the Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by the Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be: Kach Investments, LLC, 139 N. 6th Street, Seward, NE 68434. Email: kachinvestments@gmail.com.

[Signature Page Follows]

IN WITNESS WHEREOF, the CRA and Redeveloper have signed this Redevelopment Agreement as of the date and year first above written.

“CRA”
COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
Kach Investments, LLC, a Nebraska
limited liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach Investments, LLC, on behalf of the company.

Notary Public

EXHIBIT "A"
DESCRIPTION OF PROJECT

The Project undertaken by Redeveloper on the Project Site, defined as the real estate legally described as:

Lots One (1) and Four (4), Block Seven (7), Original Town of Seward, Seward County, Nebraska.

The Project includes the following Public Improvements and Private Improvements, which shall be undertaken and completed by the Redeveloper.

- (a) **Private Improvements.** The renovation, rehabilitation, and exterior enhancements of the building on the Project Site, and other associated improvements on the Project Site. The Project shall add 4,000 square feet of commercial space on the first floor and 10,000 square feet of residential or commercial space on the second floor of the building.

- (b) **Public Improvements.** Exterior lighting, façade enhancements, utility improvements including water line extension, architectural and engineering fees, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

**EXHIBIT “B”
TIF INDEBTEDNESS**

1. Projected Base Value: \$485,715
2. Projected Minimum Final Value: \$943,994
3. Projected Incremental Valuation: \$458,279
4. Assumed Tax Levy: 1.733791
5. Anticipated Tax Increment: \$7,946 annually
6. Assumed Interest Rate: 5%
7. TIF Indebtedness:
 - a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$77,500, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2036, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
 - b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2021. The CRA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CRA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CRA has no obligation to make any payments other than the actual Tax Increment received from the Project.
 - c. **Maturity Date.** On or before December 31, 2036.
 - d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, commencing on the Effective Date of January 1, 2021 (2021 taxes paid in 2022) and terminating on December 31, 2035 (2035 taxes due on December 31, 2035 but paid in 2036). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

Note: All calculations are based on assumptions and estimates of future values that may be different than the values used herein or may vary from year to year.

Note: If the Effective Date is changed pursuant to the Redevelopment Agreement, the Maturity Date will change to reflect that change.

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

| | |
|-----------------|----------|
| Tax Levy | 1.733791 |
| Interest Rate | 5% |
| Number of Years | 15 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$485,715 | \$8,421 |
| Completed Project | \$943,994 | \$16,367 |
| Difference | \$458,279 | \$7,946 |

TIF Calculations:

| | |
|------------------------------|-----------|
| Annual TIF Amount | \$7,946 |
| TIF Indebtedness | \$77,500 |
| less 3% Admin Fee | (\$2,325) |
| TIF Available to Redeveloper | \$75,175 |

2. ESTIMATED TIF USES:

| | |
|--|-----------------|
| Cost of Issuance (Est.) | \$6,000 |
| Façade and Safety Enhancements (Exterior Lighting) | \$6,000 |
| Façade Enhancements (Awnings) | \$8,175 |
| Water line extension | \$25,000 |
| Architect/Engineering | \$30,000 |
| Total estimated TIF eligible costs: | \$77,500 |

EXHIBIT “D”

After recording please return to:

Bonnie Otte
City of Seward
City Hall, 537 Main Street
Seward, NE 68434

**MEMORANDUM OF REDEVELOPMENT AGREEMENT
(Dairy Queen Redevelopment Project)**

This Memorandum of Redevelopment Agreement (“Memorandum”) is made this ___ day of March, 2020 by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and Kach Investments, LLC, a Nebraska limited liability company (“Redeveloper”).

1. **Redevelopment Agreement.** CRA and Redeveloper have entered into that certain Redevelopment Agreement dated as of this even date, describing the public improvements and the private improvements being made to real property owned by Redeveloper and legally described as:

Lots One (1) and Four (4), Block Seven (7), Original Town of Seward, Seward County, Nebraska (the “Project Site”).

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CRA of the private improvements to be made by the Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment Agreement. The Tax Increment so captured by the CRA shall be used to make the public improvements as described in the Redevelopment Agreement.

3. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in full. A full and correct copy of the Redevelopment Agreement may be inspected at the CRA offices in Seward, Nebraska.

[Signature Page Follows]

“CRA”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
Kach Investments, LLC, a Nebraska
limited liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach Investments, LLC, on behalf of the company.

Notary Public

**EXHIBIT “E”
FORM OF TIF PROMISSORY NOTE**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (“THE 1933 ACT”) AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF SEWARD, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(139 N. 6th STREET REDEVELOPMENT PROJECT)
SERIES 2020A

| | | |
|-------------------|---------------|------------------------|
| Maturity Date | Interest Rate | Original Issuance Date |
| December 15, 2036 | 5% | |

| | |
|-----------------------|------------------|
| Registered Holder | Principal Amount |
| Kach Investments, LLC | \$77,500.00 |

THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA (the “Issuer”), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the City Treasurer, as Paying Agent and Registrar, and in like manner to pay solely from said source interest on said principal sum at the Interest Rate identified above from the Original Issuance Date identified above or from the most recent date to which interest has not been paid. Principal and accrued interest shall be payable in thirty (30) semi-annual installments due June 15, 2022, December 15, 2022, and each June 15 and December 15 thereafter through December 15, 2036, when all principal and accrued interest shall be due and payable. Except with respect to interest not punctually paid, the principal and interest on this Note will be paid by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the fifteenth calendar day next preceding the applicable maturity date at his address as it appears on such note registration books. The principal and interest of this Note is payable in any coin or currency of the United States of America which on the respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated the Community Redevelopment Authority of the City of Seward, Nebraska Redevelopment Revenue Note (139 N. 6th Street Redevelopment Project), Series 2020A, aggregating Seventy Seven Thousand Five Hundred and No/100 Dollars (\$77,500.00) (“Note”) in principal amount which have been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the “Act”) and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and Kach Investments, LLC, a Nebraska limited liability company, for the 139 N. 6th Redevelopment Project (the “Redevelopment Agreement”), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the “Project”). All such revenue has been duly pledged for the purpose of paying this Note.

THIS NOTE AND THE INTEREST HEREON DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE AND THE INTEREST HEREON EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Agreement against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible “redevelopment project” as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of Seward, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not

constitute a debt of the Issuer within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by his duly authorized attorney, upon written documentation of transfer satisfactory to the Issuer and the Registrar duly executed by the Registered Holder and the assignee/transferee, together with a purchase letter in a form provided by Issuer and any other documentation required by the Issuer. Prior to the approval of any transfer of this Note, the Registered Holder shall pay all of the Issuer's costs, including attorney's fees, relating to the transfer of the Note. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is prepayable at any time in whole or in part, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service. Prepayments shall reduce the number, but not the amount, of scheduled debt service payments on the Note, in inverse order of maturity.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

This Note shall not be entitled to any benefit or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of Seward as
Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT "F"
FORM OF CERTIFICATE OF COMPLETION
(139 N. 6th Street Redevelopment Project)

The undersigned certifies, represents and warrants to the City of Seward, Nebraska, and the Community Redevelopment Authority of the City of Seward, Nebraska ("CRA") with regard to the following real property situated in the City of Seward, Seward County, Nebraska, to wit:

Lots One (1) and Four (4), Block Seven (7), Original Town of Seward,
Seward County, Nebraska,

that the Private Improvements and Public Improvements required to be constructed by the Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated March __, 2020, as referenced in the Memorandum of Redevelopment Agreement recorded as Instrument No. _____ in the office of the Register of Deeds for Seward County, Nebraska.

"REDEVELOPER"

Kach Investments, LLC, a Nebraska
limited liability company

By: _____
Alyssa Hendrix, Manager

"CRA"

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

EXHIBIT "G"
FORM OF A CERTIFICATION OF ELIGIBLE PROJECT COSTS

Date: _____

Kach Investments, LLC, a Nebraska limited liability company ("Redeveloper"), hereby certify that they have incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between the Redeveloper and the Community Redevelopment Authority of the City of Seward. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

| | |
|------------------------------------|------------|
| Exterior Lighting | \$ _____ |
| Façade Enhancements (awnings): | \$ _____ |
| Water line extension | \$ _____ |
| Architectural and Engineering Fees | \$ _____ |
| Other TIF-Eligible Costs | \$ _____ |
| <hr/> | |
| Total: | \$ _____ * |

***Principal Amount of TIF Indebtedness shall not exceed \$77,500.**

Kach Investments, LLC, a Nebraska
limited liability company

By: _____
Alyssa Hendrix, Manager

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CRA:

Michael Hecker, Chairman

**EXHIBIT “H”
Façade Easement
(starts on next page)**

After recording please return to:
Community Redevelopment Authority
Of the City of Seward
c/o Bonnie Otte
537 Main Street
Seward, NE 68434

**FAÇADE LICENSE AGREEMENT
(139 N. 6th Street Redevelopment Project)**

THIS FAÇADE LICENSE AGREEMENT (the “Agreement”) is made this ____ day of March, 2020 by and between Kach Investments, LLC, a Nebraska limited liability company (“Licensor”), and the Community Redevelopment Authority of the City of Seward, Nebraska (“Licensee”).

RECITALS

- A. Licensor owns certain real estate located at 139 N. 6th Street in the City of Seward, Nebraska, legally described as follows:

Lots One (1) and Four (4), Block Seven (7), Original Town of Seward, Seward County, Nebraska (the “Property”).
- B. Licensor entered into a Redevelopment Agreement (the “Redevelopment Agreement”) with Licensee for the rehabilitation and renovation of the building located on the Property (the “Building”).
- C. Pursuant to the Redevelopment Agreement, and to ameliorate the blighted and substandard conditions of the Property, Licensor agrees to make certain enhancements to the façade of the Building (the “Façade”) which exceed the minimum requirements of the applicable building code for the aesthetic benefit to the Redevelopment Area and the public.
- D. Under the Redevelopment Agreement Licensor is receiving financial assistance from Licensee to make the Façade enhancements.
- E. This Agreement sets forth the parties’ rights and obligations with respect to the Façade.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, Licensor and Licensee do now hereby agree as follows:

1. Façade. In consideration of the benefits received by Licensor under the Redevelopment Agreement, Licensor hereby agrees to construct and install the Façade

to the specifications set forth in the plans, drawings and specifications which shall be approved by the Licensee prior to construction.

2. Façade Restrictions. Licensor agrees to observe and comply with the following restrictions:

a. Licensor shall not demolish, remove or raze the Façade during the term of this Agreement.

b. Licensor shall not undertake, or allow to be undertaken, any changes to the Façade without the express written consent of Licensee. Changes to the Façade include, but are not limited to:

(i) Any change in the Façade, including the alteration, partial removal, construction, remodeling or physical or structural change or change in color or surfacing with respect to the appearance or construction of the Façade;

(ii) The addition of any signs, canopies, plaques or other attachments to the Façade; or

(iii) Any significant reconstruction, repair, repainting or refinishing of any Façade feature that alters its state from the existing condition.

c. This section shall not preclude Licensor from implementing any ordinary or necessary maintenance as set forth in Section 3 below.

3. Façade Maintenance. Licensor shall perform all ordinary and/or necessary maintenance and repairs on the Façade to maintain its appearance and structural soundness and to prevent any deterioration of the Façade.

4. Specification of Work. In the event Licensor desires to make any changes to the Façade, Licensor shall give Licensee copies of the plans, designs, elevations, specifications and documents relating to the change or work, including specification of all materials, colors and construction techniques to be used in any such work and photographs of the subject area as it appears at the time of the request.

5. Insurance. Licensor, at its expense, shall (i) keep the Building insured under a standard form of insurance policy against loss or damage resulting from fire or other perils normally insured under uniform standard extended coverage endorsement; and (ii) carry and maintain comprehensive public liability insurance. The public liability policy shall name Licensee as an additional insured as to the Façade and shall provide for not less than thirty (30) days prior written notice to the Licensee by the insurer of any proposed cancellation of any such insurance. Licensor shall deliver to Licensee a certificate of insurance prior to the recording of this Agreement.

6. Casualty Damage. In the event that the Building or any part thereof shall be damaged by fire or other casualty, then the proceeds of the insurance

required to be carried pursuant to Section 5 above and Licensor's funds shall be applied to reconstructing the Façade to the condition required under this Agreement. If the Building is damaged to such an extent that Licensor determines that reconstruction is not feasible and provides Licensee with a statement from an independent engineer to the same effect, then this Agreement shall be void and of no further force or effect.

7. Inspection. Licensee shall be permitted to have access to the Property at reasonable times to inspect the Façade for the purpose of determining conformance with this Agreement.

8. Term. The term of this Agreement shall be fifteen (15) years from the date of completion of the improvements to the Façade. Provided, however, this Agreement shall terminate at any earlier date that the Redevelopment Agreement is terminated and is no longer in effect.

9. Public Access. Licensor acknowledges and agrees that the general public shall have the regular and substantial opportunity to view the Façade from the sidewalks and other property near the Building. Licensor shall have no obligation under this Agreement to allow the general public to view the interior of the Building.

10. Indemnification. Licensor shall defend, indemnify and hold Licensee harmless from and against any liability, claims, suits, demands, judgments (including costs, expenses and attorneys fees), resulting from actions or claims by third parties or defaults under this Agreement by Licensor arising out of the conveyance of or possession of the Façade Easement.

11. Binding Effect. This Agreement shall be appurtenant to and run with the property. The grant of this easement shall be binding upon the heir, executors, administrators, successors and assigns of Licensor.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have signed this Façade License Agreement as of the date and year first above written.

“LICENSOR”

Kach Investments, LLC,
a Nebraska limited liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach Investments, LLC, a Nebraska limited liability company, on behalf of the company.

Notary Public

“LICENSEE”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Plan Amendment – 139 N 6th Street Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING AN AMENDMENT OF THE REDEVELOPMENT PLAN FOR THE CITY OF SEWARD, NEBRASKA, INCLUDING A SPECIFIC REDEVELOPMENT PROJECT.

RECITALS

A. The Community Redevelopment Authority of the City of Seward (“CRA”) has recommended that the Redevelopment Plan for the City of Seward (the “Redevelopment Plan”), a copy of which is on file and available for public inspection with the City Clerk, should be amended to include a project for the redevelopment of certain real property within the Redevelopment Area identified and legally defined in said amendment (the “Project Site”).

B. The proposed amendment to the Redevelopment Plan (“Redevelopment Plan Amendment”) is on file and available for public inspection with the Seward City Clerk.

C. The Redevelopment Plan Amendment includes a redevelopment project identified as the 139 N 6th Street Redevelopment Project (the “Project”) that will utilize Tax Increment Financing pursuant to Neb. Rev. Stat. § 18-2147.

D. The CRA submitted the question of whether the Redevelopment Plan Amendment should be recommended to the City Council to the Planning Commission of the City of Seward.

E. The Planning Commission recommended the approval of the Redevelopment Plan Amendment.

F. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan Amendment by the City Council was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. §§ 18-2115 and 18-2115.01, and Nebraska law.

G. On March 17, 2020, the City Council held a public hearing relating to the question of whether the Redevelopment Plan Amendment should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

H. The City Council has reviewed the Redevelopment Plan Amendment, the cost benefit analysis prepared by the CRA and attached to the Redevelopment Plan Amendment, the recommendations of the Planning Commission, and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, it is found by the City Council of the City of Seward, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.
2. The Redevelopment Plan Amendment will, in accordance with the present and future needs of the City of Seward, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.
3. The Redevelopment Plan Amendment is in conformance with the general plan for development of the City of Seward as a whole, as set forth in the City of Seward Comprehensive Plan, as amended.
4. The cost and benefits set forth in the Project cost benefit analysis are found to be in the long-term best interest of the City of Seward.
5. The Project would not be economically feasible without the use of Tax Increment Financing.
6. The Project would not occur on the Redevelopment Area without the use of Tax Increment Financing.

BE IT FURTHER RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Redevelopment Plan Amendment is hereby approved and adopted by the City Council as the governing body for the City of Seward.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Agreement – 139 N 6th Street Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE COMMUNITY REDEVELOPMENT AUTHORITY TO ENTER INTO SAID AGREEMENT.

RECITALS

A. Pursuant to the Nebraska Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended (the “Act”), the City of Seward, Nebraska (“City”), has adopted a redevelopment plan (“Redevelopment Plan”) for certain portions of the City. A copy of the Redevelopment Plan is on file with the City Clerk for inspection.

B. The Redevelopment Plan, as amended, includes a specific redevelopment project identified as the 139 N 6th Street Redevelopment Project that will include the use of Tax Increment Financing (the “Project”).

C. On March 11, 2020, the CRA approved the Redevelopment Agreement for the Project.

D. The City Council has reviewed the Redevelopment Agreement and has found it to be in conformity with the Act and the General Comprehensive Development Plan of the City, and in the best interests of the City.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Seward, Nebraska, that the Redevelopment Agreement between the Community Redevelopment Authority of the City of Seward, Nebraska and The 139 N 6th Street, LLC, which is on file with the City Clerk and available for public inspection, is hereby approved.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to execute and deliver the Redevelopment Agreement, with such changes, modifications, additions, and deletions therein and shall they seem necessary, desirable or appropriate, for and on behalf of the CRA.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of such TIF Indebtedness as set forth in the Redevelopment Agreement. Such TIF Indebtedness shall be repaid solely from the Tax Increment created by the Project and does not represent the general obligation of the CRA of the City.

BE IT FURTHER RESOLVED that all Resolutions or parts thereof in conflict with the provisions of this Resolution or to the extent of such conflicts, are hereby repealed.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

NOTICE OF PUBLIC HEARINGS

Public notice is hereby given by the Planning Commission of the City of Seward, Nebraska, that a public hearing will be held at 7:30 p.m. on March 9, 2020 at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

Public notice is hereby also given by the Mayor and City Council of the City of Seward, Nebraska, that a public hearing will be held at 7:00 p.m. on March 17, 2020, at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

The purpose of both hearings is to obtain public comment prior to the review and consideration of a proposed amendment to the redevelopment plan for the City of Seward, including a specific redevelopment project.

The properties which are the subject of this notice and of the public hearing are generally located at 640 and 644 Seward Street in Seward, Nebraska and are legally described as follows:

Parcel 1: Tax Lot Fourteen (14), being the East One-Half of the West One-Third of Lots Seven (7), Ten (10), and Eleven (11) in Block Seven (7), Original Town of the City of Seward, Seward County, Nebraska (PID# 800072995)

and

Parcel 2: Tax Lot Fifteen (15), being the East One-Third of the West One-Half of Lots Seven (7), Ten (10), and Eleven (11) in Block Seven (7), Original Town of the City of Seward, Seward County, Nebraska (PID# 800073002)

All interested parties shall be afforded at each public hearing a reasonable opportunity to express their views regarding the proposed redevelopment plan amendment. A map of the redevelopment area and a copy of the redevelopment plan and cost-benefit analysis shall be maintained in the office of the City Clerk.

Bonnie Otte, City Clerk

Publish February 19, 26, 2020
One Proof of Publication

640 S 644 Seward St

Tax-Increment Financing Application

CITY OF SEWARD, NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY (CRA)
537 MAIN STREET - P.O. BOX 38 - SEWARD, NE 68434-0038
(Return to City Administrator's Office)

PROJECT SCOPE: (PLEASE PRINT OR TYPE ALL INFORMATION)

1. Applicant Information

KACH 570, LLC
Business Name

ALYSSA HENDRIX
Contact Person for Applicant

139 N 10th STREET, SEWARD
Street Address

640 PROJECT
Mailing Address

402.1041.3793
Telephone

ALTERNATE TELEPHONE
Alternate Telephone

Fax
Fax

KACH INVESTMENTS @GMAIL.COM
Email

KACH 570, LLC.
Business Structure: (e.g. corporation, limited liability company, etc.); also identify the state of organization):

ALYSSA & CAREY HENDRIX
Owners

2. Project Description

- What type of business does this project involve (i.e. industrial, commercial, residential, etc.)
- If the project involves housing, please give a description of intended tenants, type of household (families/elderly/etc.), income levels, impact on the schools and/or community, etc.:
- If the project involves retail business, please give a description of the retail business, how the community would benefit from this retail business, the impact on similar existing retail businesses, etc.:
- If the project involves industry, please give a description of the type of industry, impact on the environment, impact on the community, similar existing industries in town, etc.:
- What is the estimated number of new jobs this project will create?
- What is the pay scale and benefits package for these positions?

3. Proposed Project Site:

Please provide the address, legal description, current owner. If the current owner is not the applicant, identify whether the project site is under contract, option, etc.:

4. Physical Description of the Proposed Project:

Building square footage, size of property, description of building materials, etc. (Attach site plan, if available)

5. Land Use:

- If property is to be subdivided, show division planned (attach copy of the plat):
- Current Zoning of the property:
- Is the proposed project a permitted use on the property? What permits would be required?
- Please describe any other relevant information relating to zoning, permitting, or similar land use issues:

6. Estimated Project Costs:

- a. Land Acquisition, if applicable: \$ _____
- b. Site Development (itemize):
 - i. Demolition: \$ _____
 - ii. Grading: \$ _____
 - iii. Site Preparation \$ _____
 - iv. Other (explain): \$ _____
- c. Building Construction Cost: \$ _____
- d. Other Site Improvements (explain) \$ 472,000
- e. Equipment: \$ _____
- f. Architectural and Engineering Fees: \$ 30,000
- g. Legal Fees: \$ _____
- h. Financing Costs: \$ _____
- i. Broker Costs, if any: \$ _____
- j. Contingencies: \$ _____
- k. Other (explain): \$ _____
- Total:** \$ 502,000

7. Please attach the following documentation:

- a. Construction Pro Forma.
- b. Annual Income and Expense Pro Forma (with appropriate schedules).
- c. Applicant's Corporate/Business Annual Financial Statements for the last three years.
- d. Business Plan for the proposed project.

8. Estimated Tax Increment:

- a. Total estimated assessed valuation of Real Property at completion (please also describe how you arrived at this value; e.g., discussions with County Assessor, based on previous construction projects, etc.):
- b. Latest property valuation before construction (from Property Tax Statement):
- c. Estimated increase in real estate valuation:
- d. Estimated new real estate tax generated annually:

9. Proposed Source of Financing:

- a. Equity
- b. Bank loan (please provide conditional approval or commitment letters, if applicable):
- c. Tax Increment Financing:
- d. Other (please describe):

10. Name and address of architect, engineer, and general contractor:

11. Project construction schedule:

- a. Construction start date: _____
- b. Construction completion date: _____
- c. If project is phased:
Year _____ / _____ % Complete
Year _____ / _____ % Complete

12. Municipal reference (if applicable). Please name any other municipality wherein the applicant, or other corporations the applicant has been involved with, has completed development within the last five years:

13. Amount of TIF request: \$ 102,600

14. Application Fee Paid: \$ _____

(Note: If the Application is approved, the applicant is not entitled to receive the requested TIF amount. The actual amount of the TIF Indebtedness will vary depending on multiple factors including without limitation lender interest rates, identification of eligible expenditures, and additional information identified in the redevelopment project approval process. However, as a general estimate for this application, request no more than ten (10) times the amount identified in section 8(d) of this application.

15. Describe eligible costs for which tax increment financing will be used.

Please provide a detailed breakdown of proposed eligible uses and costs of each use, including any available bids or cost estimates for such work (include attachment if necessary):

16. Statement of necessity for use of tax increment financing (include attachment if necessary):

- a. Is your project economically feasible as designed without tax increment financing? If no, please indicate how tax increment financing is necessary for the economic feasibility of your project.
- b. Would you locate your project in the redevelopment area without Tax Increment Financing? Explain.

17. List any other long term public benefits your project will bring to the City, or any other information relevant to this application.

"Applicant"

By: 
Name: ALYSSA HENDRIX
Title: MANAGING MEMBER

1. Applicant Information:

Business Name: KACH 510,LLC structured by KACH Enterprise, LLC.

Project Address: 640 Seward St, Seward

Contact: Alyssa Hendrix

Address: 139 N 6th Street, Seward Telephone: 402-641-3798

Email: kachinvestments@gmail.com

Business Structure: Nebraska Limited Liability Company Owners: Carey & Alyssa Hendrix

2. Project description:

The project renovates the approximately 1,600 sq. ft. main floor with second story apartment renovations of 640 Seward Street, Seward, Nebraska so that it is a suitable space for commercial tenants as well as residential tenants by meeting current fire marshal code and building inspection upgrades. KACH 510,LLC., owns the building.

A. ***What type of business does this project involve?*** Commercial and residential

I. ***If the project involves housing, give a description of the intended tenants, type of household, income levels, impact on schools and/or community.***

The vision for this project improvement is to take an old building and make it functional with an esthetically inviting facelift for the downtown community to provide jobs and downtown living.

Commercial: The main level, 1,600 sq.ft. space can provide an opportunity for a restaurant, service or retail business. Rent for the space is projected to be \$1,200.00 per month. The number of jobs, pay scale and benefits package would be determined by the individual business and their structured business plan.

Residential: The second level, three studio apartments, can provide an opportunity for a bachelor/bachelorette, young professional or traveling individual. The projected rent per apartment is \$650 per month.

3. Proposed project site:

Provide the address, legal description, current owner.

The address is 640 Seward Street, Seward, Nebraska. Owner is KACH 510,LLC..

Legal description is Seward original town block 7, lots 1 and 4.

4. Physical description of the proposed project:

Building square footage, size of property, description of building materials. Site plan is attached.

The building and size of the property are approximately 1,600 sq. ft. main level and 1,600 sq.ft. second story. The materials are brick, mortar and concrete.

5. Land use:

b. *Current zoning of the property:* Commercial.

c. *Is the proposed project a permitted use on the property?* Yes.

What permits would be required? Building, electrical, HVAC, plumbing and sprinkler permits.

6. Estimated Project Costs: See attachment

7. Business Plan:

KACH Enterprise, LLC., is a multiple commercial and residential property investment limited liability company in Nebraska. KACH has a vision to complete their properties by means of multiple options directed by the City of Seward's Comprehensive Plan.

- 2006: KACH Investments, LLC., purchased its first property, 139 N. 6th Street, Seward.
- 2013: KACH 133, LLC., purchased commercial property at 133 N. 6th Street, Seward, whose current tenant is Jazzercise, Inc..
- 2014: KACH 510, LLC., purchased commercial property at 510 Bradford Street.
- 2011-2016: purchased six residential properties (4 single family homes and 2 college student residences).
- 2018, KACH 510, LLC., purchased the property at 640 & 644 Seward Street
- 2018, KACH Roberts Bldg, LLC., purchased 647 Seward Street.
- 2018: C&A Complex Management, LLC., purchased Glenhaven Mobile Home.

KACH Enterprise, LLC., mission statement is to believe in the people, products and process of the community by providing appealing commercial leasing space in the Seward's Downtown Historic District. KACH helps to grow new and existing business, support the dreams of entrepreneurs and provide a sustainable community to live in.

8. Estimated Tax Increment:

- A. A conversation via Marilyn at the Seward County Assessor's and her advisor, Bob, sat down with us and our site plans to project the rough estimate of this project to be \$190,040.00.
- B. *Property valuation before construction:*
2018 evaluation \$74,866.00, 2019 evaluation \$76,482.00

9. Proposed Source of Financing:

- a. Equity: \$250,000.00
- b. Bank Loan: Financial Institution letter attached
- c. Tax Increment Financing: \$51,300.00

10. Name and address of architect, engineer and general contractor.

- General Contractor : Hartley Construction, 402-641-1535, 508 S. Columbia, Seward

11. Construction schedule:

- A. *Construction start date:* Spring 2020
- B. *Construction completion date:* Fall 2020 for main level, Fall 2021 apartments

12: Municipal reference:

KACH 510, LLC., was granted TIF in 2016 on the 510 Bradford property. The abandoned 7,000 sq.ft. property project was completed in 3 months and now hosts Twin Rivers Urgent Care, Bluestem Fiber Network and Enhanced Physical Therapy. The property has reached its projected property evaluation.

13: Amount of TIF request: \$51,300.00

14: Application Fee Paid: per approval

15: Describe eligible costs for which TIF will be used: see attachment

16. Statement of necessity for use of tax increment financing.

a Is your project economically feasible as designed without tax increment financing? If no, please explain. No. KACH needs the TIF financing package to offset this expense.

b Would you locate your project in the redevelopment area without tax increment financing?

Building is located in the redevelopment area.

17 List any other long term public benefits your project will bring to the city, or any other information relevant to this application.

The community impact is the creation of new jobs, new business and affordable housing opportunities in the downtown business district of Seward. This project will generate additional sales tax revenue for the city.

KACH 510, LLC

640 SEWARD STREET, SEWARD



Financing Proposal

KACH 510, LLC., managed by Carey & Alyssa Hendrix, is seeking to TIF a property located at 640 Seward Street, Seward for \$51,300.00

This property was purchased April 2018. At the time of purchase there was a tenant on the main level, 1,600 sq.ft. commercial space with three vacant single bedroom apartment on the second story.

Currently the main level commercial space is vacant. The original second level apartments are currently vacant and outdated.

With the demand of downtown housing rentals, our vision is to remodel the three second story apartments, update the store front windows and improve the front and rear esthetics.

We have utilized a Seward Downtown Revitalization grant of \$8,750 which we have matched. The second round of DTR, we will be requesting funds to help with rear fire escape and electrical relocation.

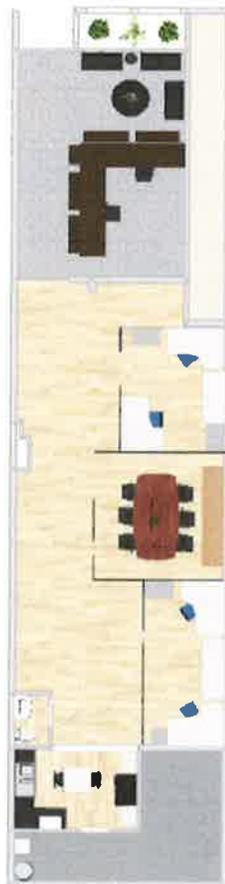
Commercial property in the Seward market sells for a minimum of \$50.00 to \$100.00 per sq.ft

In speaking with the County Assessor about improvements to the property, the completed evaluation would come in at \$190,400.00. Current evaluation is \$76,482. The increased evaluation was based on the improvements of the main and second story apartments, including fire marshal and code improvement requirements. The improvements are as follows;

- Apartment entrance and second level windows \$14,000
- Roof and gutters \$20,000
- Rear fire escape with deck \$35,000
- Sprinklers and line \$35,000
- Demolition \$15,000
- Build-out \$95,000
 - Electrical (\$18,000)
 - Plumbing (\$17,000)
 - HVAC (\$30,000)
 - Finishing (\$15,000)
 - Appliances (\$15,000)



(Second Story Apartment concept)



- To upgrade and improve the main level commercial space;
- Store front windows and door (\$8,900)
- Demo (\$15,000)
- Build-out (\$44,000)
 - HVAC \$17,000
 - Electrical \$18,000
 - Plumbing \$9000
- Awnings \$7,000
- Paint \$10,000

1. Applicant Information:

Business Name: KACH 510,LLC structured by KACH Enterprise, LLC.

Project Address: 644 Seward St, Seward

Contact: Alyssa Hendrix

Address: 139 N 6th Street, Seward Telephone: 402-641-3798

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2. Project description:

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A. **What type of business does this project involve?** Commercial and residential

I. **If the project involves housing, give a description of the intended tenants, type of household, income levels, impact on schools and/or community.**

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Residential: The second level, three studio apartments, can provide an opportunity for a bachelor/bachelorette, young professional or traveling individual. The projected rent per apartment is \$650 per month.

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Provide the address, legal description, current owner.

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Building square footage, size of property, description of building materials. Site plan is attached.

The building and size of the property are approximately 1,600 sq. ft. main level and 1,600 sq.ft. second story. The materials are brick, mortar and concrete.

5. Land use:

b. *Current zoning of the property:* Commercial.

c. *Is the proposed project a permitted use on the property?* Yes.

What permits would be required? Building, electrical, HVAC, plumbing and sprinkler permits.

6. Estimated Project Costs: See attachment

7. Business Plan:

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8. Estimated Tax Increment:

- A. A conversation via Marilyn at the Seward County Assessor's and her advisor, Bob, sat down with us and our site plans to project the rough estimate of this project to be \$190,040.00.
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2018 evaluation \$74,866.00, 2019 evaluation \$76,482.00

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15: Describe eligible costs for which TIF will be used: see attachment

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a Is your project economically feasible as designed without tax increment financing? If no, please explain. No. KACH needs the TIF financing package to offset this expense.

b Would you locate your project in the redevelopment area without tax increment financing?

Building is located in the redevelopment area.

17 List any other long term public benefits your project will bring to the city, or any other information relevant to this application.

The community impact is the creation of new jobs, new business and affordable housing opportunities in the downtown business district of Seward. This project will generate additional sales tax revenue for the city.

KACH 510, LLC

644 SEWARD STREET, SEWARD



Financing Proposal

KACH 510, LLC., managed by Carey & Alyssa Hendrix, is seeking to TIF a property located at 644 Seward Street, Seward for \$51,300.00.

This property was purchased April 2018. At the time of purchase there was a tenant on the main level, 1,600 sq.ft. commercial space with three vacant single bedroom apartment on the second story.

Currently the main level commercial space is occupied by Liz's Sweet Stuff Bakery. Liz did electrical, plumbing and cosmetic interior updates. Her rent is \$850/month. The original second level apartments are currently vacant and outdated.

With the demand of downtown housing rentals, our vision is to remodel the three second story apartments, update the store front windows and improve the front and rear esthetics.

We have a Downtown Revitalization obligation of \$8,750 which we have matched.

Commercial property in the Seward market sells for a minimum of \$50.00 to \$100.00 per sq.ft

In speaking with the County Assessor about improvements to the property, the completed evaluation would come in at \$190,400.00. Current evaluation is \$76,482. The increased evaluation was based on the improvements of the main and second story apartments, including fire marshal and code improvement requirements. The improvements are as follows;

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 - Plumbing (\$17,000)
 - HVAC (\$30,000)
 - Finishing (\$15,000)
 - Appliances (\$15,000)



(Second Story Apartment concept)

Tax Increment Financing Projections

1. Assumptions:

| | |
|-----------------|--------------------------------------|
| Tax Levy (2019) | 1.733791 |
| Interest Rate | 5.00% |
| Number of Years | 15 *assumes no partial value in 2021 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$152,964 | \$2,652 |
| Completed Project | \$380,800 | \$6,602 |
| Difference | \$227,836 | \$3,950 |

*combined base and completed project valuations for 640 and 644

2.(a) TIF Calculations (monetized):

| | |
|----------------|------|
| Base Year | 2020 |
| Effective Date | 2021 |

| | |
|-------------------------|-----------|
| Annual TIF Amount | \$3,950 |
| Total TIF | \$59,253 |
| TIF Indebtedness Amount | \$41,339 |
| less 3% Admin Fee | (\$1,240) |
| Total TIF Available | \$40,099 |

3. TIF USES

| | |
|---------------------------|-----------|
| Demolition | \$45,000 |
| Façade Enhancements | \$35,000 |
| Architect and Engineering | \$30,000 |
| Total | \$110,000 |

* Plus Cost of Issuance and Attorney Fees

TIF Loan Amortization Schedule

| | | | | | | |
|--------------------------|-------------|--------------------------|----------------|-----------------|-------------------------------|-------------------------|
| Principal | | \$41,339.42 | | | | |
| Interest Rate | | 5.00% | | | Projected TIF Payments | |
| Payments/Year | | 2 | | | Annual | \$3,950.20 |
| Loan Payment | | \$1,975.10 | | | Semi-Ann | \$1,975.10 |
| Est. Closing Date | | 06/01/20 | | | | |
| year | Date | Principal Balance | Payment | Interest | Principal | Ending Principal |
| | 6/15/2021 | \$41,339.42 | \$2,176.06 | \$2,176.06 | \$0.00 | \$41,339.42 |
| | 12/15/2021 | \$41,339.42 | \$1,033.49 | \$1,033.49 | \$0.00 | \$41,339.42 |
| 1 | 6/15/2022 | \$41,339.42 | \$1,975.10 | \$1,033.49 | \$941.61 | \$40,397.81 |
| | 12/15/2022 | \$40,397.81 | \$1,975.10 | \$1,009.95 | \$965.15 | \$39,432.65 |
| 2 | 6/15/2023 | \$39,432.65 | \$1,975.10 | \$985.82 | \$989.28 | \$38,443.37 |
| | 12/15/2023 | \$38,443.37 | \$1,975.10 | \$961.08 | \$1,014.02 | \$37,429.35 |
| 3 | 6/15/2024 | \$37,429.35 | \$1,975.10 | \$935.73 | \$1,039.37 | \$36,389.99 |
| | 12/15/2024 | \$36,389.99 | \$1,975.10 | \$909.75 | \$1,065.35 | \$35,324.64 |
| 4 | 6/15/2025 | \$35,324.64 | \$1,975.10 | \$883.12 | \$1,091.98 | \$34,232.65 |
| | 12/15/2025 | \$34,232.65 | \$1,975.10 | \$855.82 | \$1,119.28 | \$33,113.37 |
| 5 | 6/15/2026 | \$33,113.37 | \$1,975.10 | \$827.83 | \$1,147.27 | \$31,966.10 |
| | 12/15/2026 | \$31,966.10 | \$1,975.10 | \$799.15 | \$1,175.95 | \$30,790.15 |
| 6 | 6/15/2027 | \$30,790.15 | \$1,975.10 | \$769.75 | \$1,205.35 | \$29,584.81 |
| | 12/15/2027 | \$29,584.81 | \$1,975.10 | \$739.62 | \$1,235.48 | \$28,349.33 |
| 7 | 6/15/2028 | \$28,349.33 | \$1,975.10 | \$708.73 | \$1,266.37 | \$27,082.96 |
| | 12/15/2028 | \$27,082.96 | \$1,975.10 | \$677.07 | \$1,298.03 | \$25,784.94 |
| 8 | 6/15/2029 | \$25,784.94 | \$1,975.10 | \$644.62 | \$1,330.48 | \$24,454.46 |
| | 12/15/2029 | \$24,454.46 | \$1,975.10 | \$611.36 | \$1,363.74 | \$23,090.72 |
| 9 | 6/15/2030 | \$23,090.72 | \$1,975.10 | \$577.27 | \$1,397.83 | \$21,692.89 |
| | 12/15/2030 | \$21,692.89 | \$1,975.10 | \$542.32 | \$1,432.78 | \$20,260.11 |
| 10 | 6/15/2031 | \$20,260.11 | \$1,975.10 | \$506.50 | \$1,468.60 | \$18,791.51 |
| | 12/15/2031 | \$18,791.51 | \$1,975.10 | \$469.79 | \$1,505.31 | \$17,286.20 |
| 11 | 6/15/2032 | \$17,286.20 | \$1,975.10 | \$432.16 | \$1,542.94 | \$15,743.26 |
| | 12/15/2032 | \$15,743.26 | \$1,975.10 | \$393.58 | \$1,581.52 | \$14,161.74 |
| 12 | 6/15/2033 | \$14,161.74 | \$1,975.10 | \$354.04 | \$1,621.06 | \$12,540.68 |
| | 12/15/2033 | \$12,540.68 | \$1,975.10 | \$313.52 | \$1,661.58 | \$10,879.10 |
| 13 | 6/15/2034 | \$10,879.10 | \$1,975.10 | \$271.98 | \$1,703.12 | \$9,175.98 |
| | 12/15/2034 | \$9,175.98 | \$1,975.10 | \$229.40 | \$1,745.70 | \$7,430.28 |
| 14 | 6/15/2035 | \$7,430.28 | \$1,975.10 | \$185.76 | \$1,789.34 | \$5,640.93 |
| | 12/15/2035 | \$5,640.93 | \$1,975.10 | \$141.02 | \$1,834.08 | \$3,806.86 |
| 15 | 6/15/2036 | \$3,806.86 | \$1,975.10 | \$95.17 | \$1,879.93 | \$1,926.93 |
| | 12/15/2036 | \$1,926.93 | \$1,975.10 | \$48.17 | \$1,926.93 | \$0.00 |

**AMENDMENT TO THE REDEVELOPMENT PLAN
OF THE CITY OF SEWARD, NEBRASKA**

(640/644 SEWARD STREET REDEVELOPMENT PROJECT)

Introduction

The City of Seward, Nebraska (“City”) has undertaken a plan of redevelopment within the community pursuant to the adoption of the Redevelopment Plan for a certain redevelopment area in the City of Seward, as amended (the “Redevelopment Plan”). The Redevelopment Plan was approved by the City Council of the City as of November 15, 2011. The Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City, as set forth in the Redevelopment Plan.

Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), the City created the Community Redevelopment Authority of the City of Seward (“CRA”), which has administered the Redevelopment Plan for the City.

The purpose of this Plan Amendment is to identify specific property within the redevelopment area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the sites commonly known as 640 Seward Street and 644 Seward Street, and legally described on the attached and incorporated Exhibit “A” (the “Project Site”). The project under consideration will consist of the renovation, rehabilitation, and exterior enhancement of the two adjacent historic commercial buildings on the Project Site and associated improvements (the “Project”).

Project Site

The Project Site is in need of redevelopment. The CRA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CRA finds that such a redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract businesses and/or development. In order to support additional private development, the Project Site and the Redevelopment Area are in need of renovation and development.

The Project Site is comprised of two existing historic commercial buildings, which share a vestibule and party wall. The buildings were built in 1890 and

are in need of renovation and rehabilitation. The first floor of the building located at 640 Seward Street (the “640 Building”), which is comprised of approximately 1,600 square feet of commercial space, is currently vacant. The second story of the 640 Building consists of three one-bedroom residential apartments, all of which are vacant and in need of improvement to attract tenants. The building located at 644 Seward Street (the “644 Building”) sits immediately west of the 640 Building and, like the 640 Building, contains approximately 1,600 square feet of first floor commercial space. The first floor is currently occupied by a tenant, Liz’s Sweet Stuff Bakery. The second story of the 644 Building consists of three one-bedroom residential apartments, all of which are vacant and in need of improvement to attract tenants.

Redeveloper intends to make a substantial investment to make the upper story apartments in both of the buildings habitable. In addition, the Redeveloper will make improvements to the first floor commercial space of the 640 Building for commercial, restaurant or retail use. A substantial portion of the Project will consist of façade enhancements to the buildings that will improve the aesthetic quality of the Project Site, and decrease blighted and substandard conditions in the Redevelopment Area. The Project is intended to prevent further deterioration of the Project Site and the Redevelopment Area, and is not feasible without the assistance of tax increment financing.

The general location of the Project Site is depicted below:



Recent photographs of the 640 Building are set forth below:



Recent photographs of the 644 Building are set forth below:



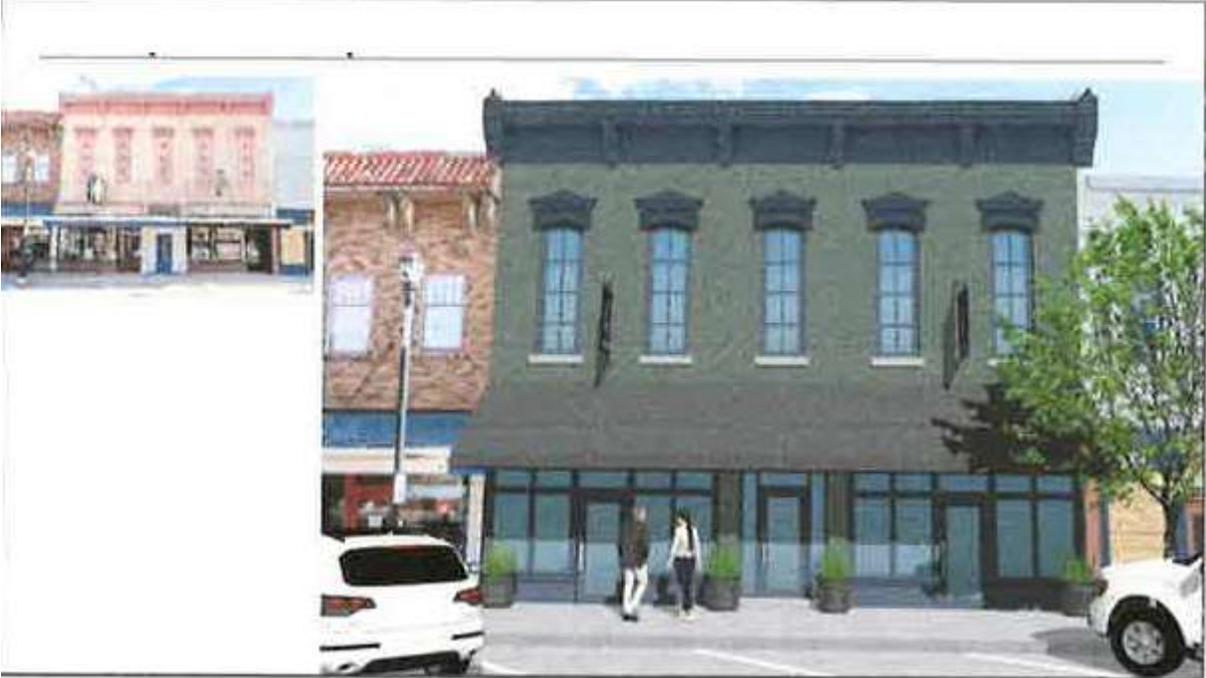
The current land use map set forth in the 2018 City of Seward Comprehensive Plan (“Comprehensive Plan”) identifies the current land use as commercial. The future land use map set forth in the Comprehensive Plan designates the future land use of the Project Site as Downtown Urban Mixed Use. The current and future land use maps set forth in the Comprehensive Plan are incorporated into the Redevelopment Plan by this reference. Key features of the Urban Mixed Use designation include, but are not limited to, a mix of complementary uses, including residential and commercial uses, and land uses that are sometimes mixed vertically, resulting in complementary and alternating times of use and the ability to share parking areas.

Project

Kach 510, LLC (“Redeveloper”) has submitted a proposal for the redevelopment of the Project Site. The Project will include the renovation,

rehabilitation, and exterior enhancement of the buildings on the Project Site. The Project shall include demolition, façade enhancements, and other improvements that are eligible public improvements under the Act. The Project is anticipated to eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan.

The buildings on the Project Site each have approximately 1,600 square feet of first floor area and 1,600 square feet of second floor area. The first floor of the 644 Building is currently leased to Liz’s Sweet Stuff Bakery, while the first floor of the 640 Building is currently vacant. The second floor of each building consists of three one-bedroom residential apartment units, for a total of six one-bedroom units, which are all vacant. The Redeveloper does not anticipate that the second floor apartment units are leasable without substantial improvements. The Project includes renovation of the first floor commercial space in the 640 Building, as well as renovation of the three one-bedroom residential apartment units on the second floor of each of the 640 and 644 Buildings. The Project also includes façade enhancements and exterior upgrades including, but not limited to, replacement of the store front and second level windows and doors, exterior painting, and installation of awnings. All of these enhancements will allow the Redeveloper to lease out the residential apartment units in the buildings and the first floor commercial space in the 640 Building. The Redeveloper’s development concept reflecting the proposed façade enhancements and exterior upgrades is depicted below:



The CRA acknowledges that the above development concept is preliminary in nature and subject to change, but has included the current information submitted by the Redeveloper.

As part of the Project, the CRA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: demolition, façade enhancements, architectural and engineering fees, and other eligible uses. The use of TIF to assist with the costs of the eligible public improvements will make the Project as designed feasible. The Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Preliminary site plans reflecting both the layout of the first floor commercial space in the 640 Building and the layout of the second floor apartment units, are attached as Exhibit “B” and incorporated herein by this reference. The CRA acknowledges that the site plans are preliminary in nature and subject to change, but has included the current information submitted by the Redeveloper. Redeveloper intends to commence construction in spring 2020 and complete construction of the first floor commercial improvements in the fall of 2020. The second floor residential improvements are anticipated to be completed in the fall of 2021. The base year for the Project is anticipated to be 2020 and the effective date for the division of taxes shall be January 1, 2021. Based on the construction schedule all parties acknowledge and understand that there may be a partial valuation increase in the first year of the tax increment financing period (2021) depending on the construction schedule. If the 2021 valuation does not include all the improvements based upon Redeveloper’s construction schedule, then the tax increment in the first year will be less than projected and Redeveloper will be responsible for any shortfall or payment in lieu of taxes, which will be set forth in more detail in the redevelopment agreement for this Project.

The base value of the Project Site is anticipated to be \$152,964 which is the current assessed valuation of the Project Site. Pursuant to the Seward County Assessor’s preliminary appraisal of the Project, the projected completed valuation of the Project is \$380,800. The preliminary appraisal is not binding and is based upon the information and assumptions provided from the Redeveloper to the County Assessor. The CRA does not make any representations as to the final value of this Project or any redevelopment project. Any changes in market conditions, building plans, construction materials, etc., will have an effect on the final valuation.

Based upon the anticipated completed valuation of \$380,800, Redeveloper has requested \$41,339 in TIF Indebtedness. The Redeveloper estimates that the total Project costs shall be approximately \$502,000. Redeveloper shall also be responsible for the CRA’s administrative fee and the City’s attorney fees and cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$110,000 in TIF-eligible expenditures. The current estimated TIF uses is set forth below:

| | |
|------------------------|----------|
| CRA Administrative Fee | \$1,240 |
| Cost of Issuance | \$6,000 |
| Demolition | \$45,000 |
| Façade Enhancements | \$35,000 |
| Architect/Engineering | \$30,000 |

| | |
|-------------------------------------|-----------|
| Total estimated TIF eligible costs: | \$117,240 |
|-------------------------------------|-----------|

The final, actual cost of all TIF-eligible expenses shall be certified by Redeveloper upon completion of construction. In addition to the TIF Indebtedness, Redeveloper has stated that the Project would be financed in part using approximately \$500,000 in investor equity and the remainder financed through a bank loan.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. This section includes a consideration of the specific statutory elements identified under the Nebraska Community Development Law.

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper is the owner of the Project Site. The existing first floor commercial tenant of the 644 Building, Liz's Sweet Stuff Bakery, will not be required to relocate as part of the Project.

B. Population Density

The Project involves the renovation and rehabilitation of the existing historic commercial buildings on the Project Site, including making the six one-bedroom residential apartment units on the second floor of the buildings habitable. The addition of 6 one-bedroom residential apartment units will inherently result in an increase in population density in the Redevelopment Area. However, it is not anticipated that the increase in population density will have a material adverse impact on the City. The addition of 6 one-bedroom residential apartment units is consistent with the Comprehensive Plan of the City of Seward, which includes a recommendation to "[u]se incentives to further the image of the downtown as a neighborhood with housing in and around the downtown."

C. Land Coverage

The Project will consist of renovation and upgrades to the currently existing historical building on the Project Site. The footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of Seward.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The Project Site was designed for the additional uses that this Project would bring, and more vibrancy and additional businesses are desired in downtown Seward. Additional traffic in downtown Seward is a goal of

the City. The downtown infrastructure is anticipated to be sufficient for the intended uses.

E. Parking

The 2017 Downtown Revitalization Plan determined that, as a whole, there is a surplus of available parking spaces downtown compared to demand. While there are places where demand exceeds supply, there are virtually always available spaces within a block; therefore, no additional parking is needed at this time.

Pursuant to Article 34 of the City of Seward zoning ordinance, any use within the CBD - Downtown Seward District is exempt from the off-street parking requirements. The Project will need to meet or exceed the parking requirements set forth in the applicable zoning district, if any. It is the Redeveloper's obligation to satisfy the City's parking requirements.

F. Zoning, Building Code, and Ordinances

The Project Site is located in a CBD - Commercial Business District zone and the Project is a permitted use in said zoning district. The Redeveloper will be responsible for complying with the City of Seward zoning ordinance, and will obtain any zoning, building code, or ordinance changes that are necessary for the Project.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit "C" and incorporated by this reference.

Comprehensive Plan

Several goals of the Comprehensive Plan will be furthered by this Project. This section is not a comprehensive analysis of the Project's implementation and conformance with the Comprehensive Plan, but is meant to highlight and summarize the key points on this topic. Some selections from the Comprehensive Plan are set forth below:

VIBRANT BUSINESSES: GOALS

- Invest in Downtown Seward as a destination, an economic engine, and the heart of the community
- Promote a strong retail, restaurant, and service economy
- Focus business recruitment and incubation on sectors that complement the overall character of the city in terms of its strengths, its people, and its vision for the future
- Support and promote the creation of community amenities that will attract and retain a young and talented workforce

GOAL 1: INVEST IN DOWNTOWN SEWARD AS A DESTINATION, AN

ECONOMIC ENGINE, AND THE HEART OF THE COMMUNITY

Actions and Recommendations: The community should invest to make downtown a vibrant place with people, businesses, and things to do.

Understand the role of downtown. Downtown should not be reviewed by the same metrics as a traditional stand-alone business but should instead be judged by its contribution to the community as a whole. Downtown contributes to the city by offering it an identity (what is Seward if not for its iconic downtown), by providing a place for people to gather (how much do people enjoy downtown), and by leaving a lasting impression with visitors, including Concordia parents, business prospects, residents, and prospective residents. While subjective, downtown contributes to Seward in a remarkable way and deserves community support.

Increase financial capacity. At the time of the downtown plan, much of the total square footage in downtown remained vacant or underutilized. While main floor occupancy was strong in certain blocks, the share of total usable square footage (including the upper floors) was relatively low. Increasing the use of these floors will increase the valuation of the district as a whole and increase the revenue stream for individual property owners.

Increase patron visits. Ultimately, the goal of the plan is to make downtown into an area where people live, work, and play because each of these actions support a prosperous business community, reinforce downtown as the center of the community, and will increase reinvestment in downtown buildings.

Actions highlighted in the Downtown Revitalization Plan include:

- **Reinforce downtown the economic, social, and civic center of the community.** Investment in downtown represents an investment in the community as a whole, not an investment to favor an individual or business venture.
- **Promote full occupancy of downtown buildings through incentives, demonstration projects, and promotional events.** Downtown buildings should be viewed as infrastructure; when fully occupied, these resources serve the community to the maximum benefit through unique housing, destination businesses, and by reinforcing the overall quality of the district.

Additional Project Information from the Redeveloper

Redeveloper has represented that without the use of TIF, this Project would not be feasible and the Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

EXHIBIT "A"
Legal Description of the Project Site

The property is located at 640 Seward Street and 644 Seward Street. The property is legally described as follows:

Parcel 1: Tax Lot No. 14, being the East One-Half of the West One-Third of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

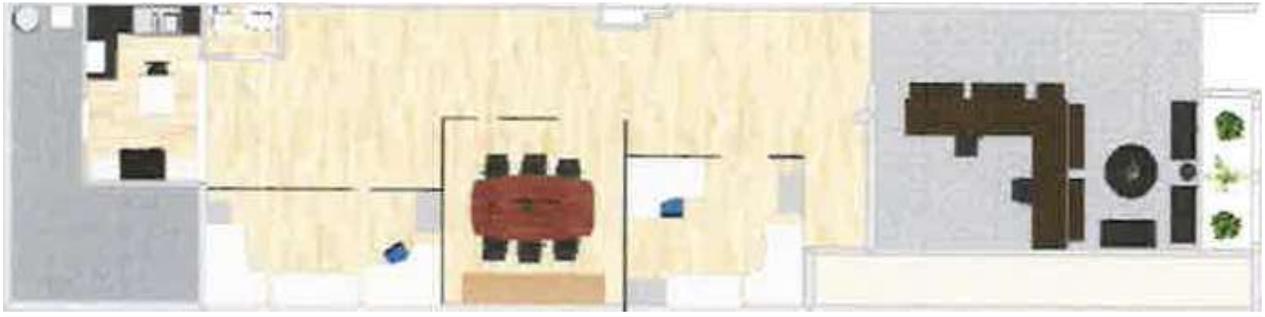
Parcel 2: Tax Lot No. 15, being the East One-Third of the West One-Half of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 3: Tax Lot No. 32, being the South 34 feet of Lot 6, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

EXHIBIT "B"
Preliminary Site Plan

The site plans are conceptual and preliminary in nature and subject to change. The use of the first floor commercial space in the 640 Building, in particular, is subject to change based on the market and the interest in the space.

640 Building – Commercial Space



Apartment Layout



**EXHIBIT “C”
Cost Benefit Analysis**

(Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the 640/644 Street Redevelopment Project, as described in the Amendment to the Redevelopment Plan to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing funds authorized by Neb. Rev. Stat. §18-2147.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

| | | |
|----|---|-----------|
| a. | Redevelopment Project Valuation: | \$152,964 |
| b. | Projected Completed Project Assessed Valuation: | \$380,800 |
| c. | Projected Tax Increment Base: | \$227,836 |
| d. | Estimated Tax Levy: | 1.733791 |
| e. | Annual Projected Tax Shift: | \$3,950 |

Note: The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2019 levy rate. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

No substantial adverse effects are anticipated on the public infrastructure and community public service needs. All public infrastructure and community public services required to serve the Project exists. The City desires additional density downtown and this Project shall further the overall development goals of the City.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the City should realize revenue from sales taxes paid by new residents of the apartment units constructed on the Project Site, who are likely to purchase goods and services from businesses within the Redevelopment Area. Redeveloper and the Project tenants will also pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The eligible improvements for this Project shall enhance the aesthetics of the Redevelopment Area. This will revitalize the Project Site, increase consumer traffic to the downtown area, and decrease the blighted and substandard conditions of the Redevelopment Area, all of which will benefit all employers in the downtown area. Additionally, the Project involves the construction of additional housing options, which should benefit employers by supporting the housing needs of the local workforce.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

Similar to the answer provided in Section 3, above, the Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project will provide additional space for one or more commercial tenants in Seward, which will allow for further growth of the community. The increased consumer traffic to the downtown area from new businesses is a benefit to all downtown businesses and helps to achieve the City's planning goal of creating a more vibrant downtown. Further, the additional housing units created as part of the Project should help the community attract and retain talented young professionals in furtherance of the goals of the Comprehensive Plan. There should be no material and unreasonable impact on other businesses.

5. Impacts on the student populations of school districts within the City:

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City. The Project includes the addition of six apartment units, but the apartments are one-bedroom units that will likely be marketed towards and occupied by young professionals. The size and location of the apartments will not likely attract many families with children. The school district should have the capacity to handle any minimal population increase from the Project.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

7. Summary of Findings:

The Project will facilitate the development of a blighted and substandard area of the City without the incurrence of significant public cost. Additionally, the Project will increase property tax revenue in the long-term. The benefits outweigh the costs of the proposed Project.

**REDEVELOPMENT AGREEMENT
(640/644 SEWARD STREET REDEVELOPMENT PROJECT)**

This Redevelopment Agreement is made and entered into as of the ____ day of March, 2020, by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and Kach 510, LLC, a Nebraska limited liability company (“Redeveloper”).

RECITALS

A. The CRA is a duly organized and existing community redevelopment authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Agreement.

B. The City of Seward, in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 to 18-2154, as amended (collectively the “Act”), has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

C. Redeveloper owns the Project Site which is located in the Redevelopment Area.

D. Redeveloper submitted a redevelopment project proposal to redevelop the Project Site.

E. Redeveloper’s proposed redevelopment project will consist of the renovation, redevelopment, and improvement of the existing historic buildings on the Project Site, as more particularly described on the attached Exhibit “A”.

F. The CRA has approved the Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing to provide for the construction of the eligible public improvements defined in this Redevelopment Agreement.

G. CRA and Redeveloper desire to enter into this Redevelopment Agreement for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, CRA and Redeveloper do hereby covenant, agree and bind themselves as follows:

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.01 Terms Defined in this Redevelopment Agreement.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Agreement, such definitions

to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

A. “Act” means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended, and acts amendatory thereof and supplemental thereto.

B. “Anticipated Tax Increment” means the Anticipated Tax Increment for this Project as set forth on the attached Exhibit “B”.

C. “City” means the City of Seward, Nebraska.

D. “CRA” means Community Redevelopment Authority of the City of Seward, Nebraska.

E. “Effective Date” means January 1, 2021.

F. “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements and other items eligible for reimbursement under the Act.

G. “Minimum Project Valuation” means the amount of Three Hundred Eighty Thousand Eight Hundred and No/100 Dollars (\$380,800.00).

H. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.

I. “Project” means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit “A” attached and incorporated by this reference.

J. “Project Completion Date” means December 31, 2021.

K. “Project Site” means all that certain real property situated in the City of Seward, Seward County, Nebraska, more particularly described on Exhibit “A”.

L. “Public Improvements” shall include all the public improvements more particularly described on Exhibit “A” which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments of the TIF Indebtedness.

M. “Redevelopment Agreement” means this Redevelopment Agreement between the CRA and Redeveloper with respect to the Project.

N. “Redeveloper” means Kach 510, LLC, a Nebraska limited liability company.

O. “Redevelopment Area” means Redevelopment Area #1 that is set forth in the Redevelopment Plan.

P. “Redevelopment Plan” means the Redevelopment Plan for the Redevelopment Area by the CRA and approved by the City pursuant to the Act, as amended from time to time.

Q. “Tax Increment” means in accordance with Neb. Rev. Stat. § 18-2147 of the Nebraska Community Development Law, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the Seward County Board of Equalization) for the Project Site before the completion of the construction of the Private Improvements and the ad valorem tax which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project.

R. “TIF Indebtedness” means the sums payable under any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CRA or the City secured in whole or in part by Tax Increment.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Agreement shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Agreement shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Agreement it is provided that any person may do or perform any act or thing the word “may” shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The phrase “at any time” shall be construed as meaning “at any time or from time to time.”

(d) The word “including” shall be construed as meaning “including, but not limited to.”

(e) The words “will” and “shall” shall each be construed as mandatory.

(f) The words “herein,” “hereof,” “hereunder,” “hereinafter” and words of similar import shall refer to the Redevelopment Agreement as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(g) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Agreement are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

**ARTICLE II
REPRESENTATIONS**

Section 2.01 Representations by the CRA.

The CRA makes the following representations and findings:

(a) The CRA is a duly organized and validly existing community redevelopment authority under the Act.

(b) The CRA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing employment, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Area.

(d) 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 CRA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company in good standing and has the power to enter into this Redevelopment Agreement and perform all obligations contained herein.

(b) The execution and delivery of the Redevelopment Agreement and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Agreement or, except as disclosed in writing to the CRA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns the Project Site in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Agreement by Redeveloper.

(e) Pursuant to Neb. Rev. Stat. § 18-2119, the Redeveloper certifies to the CRA that Redeveloper does not intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

(f) The Project would not be economically feasible without the use of tax increment financing.

(g) The Project would not occur in the Redevelopment Area without the use of tax increment financing.

ARTICLE III OBLIGATIONS OF THE CRA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

Subject to the contingencies described below and to all of the terms and conditions of this Redevelopment Agreement, commencing for the tax year of the Effective Date and continuing thereafter, the CRA shall capture the Tax Increment from the Private Improvements pursuant to the Nebraska Community Development Law. The CRA shall capture the Tax Increment generated by the Project Site for a total period of not to exceed fifteen (15) years after the Private Improvements have been included in the assessed valuation of the Project Site and the Project Site is generating the Tax Increment subject to capture by the CRA. The effective date of this provision shall be the Effective Date. The CRA shall file with the Seward County Assessor the “Notice to Divide Taxes” on or prior to August 1 in the year of the Effective Date.

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CRA shall incur or issue TIF Indebtedness in an amount not to exceed Forty One Thousand Three Hundred Thirty Nine and No/100 Dollars (\$41,339.00), as calculated on the attached and incorporated Exhibit “B”. The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit “E” (“Note”). The TIF Indebtedness shall be purchased by the Redeveloper or a lender of the Redeveloper. The TIF Indebtedness shall not be a general obligation of the CRA or City which shall issue such Note solely as a conduit. If the Redeveloper does not acquire and fund the TIF Indebtedness itself, the Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by the Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CRA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF Indebtedness that the CRA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, the CRA shall retain an amount sufficient to pay its reasonable and necessary cost of issuance, including attorney fees, and a CRA

administration fee in the amount of three percent (3%) of the TIF Indebtedness. The Redeveloper shall pay to the CRA the cost of issuance and CRA administration fee at or prior to the issuance of the TIF Note. The Tax Increment, shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

Section 3.04 Creation of Fund.

CRA will create a special fund to collect and hold the receipts of the Tax Increment. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.02 above.

Section 3.05 Projected TIF Sources and Uses.

In addition to the TIF Indebtedness calculation formula set forth on Exhibit “B”, Redeveloper’s anticipated TIF sources and eligible uses are attached and incorporated for the parties’ reference as Exhibit “C.”

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

The Redeveloper shall, no later than ninety (90) days following the execution of this Redevelopment Agreement, provide to the CRA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of the Redeveloper in connection with acquisition of the Project Site and construction of the Public Improvements and the Private Improvements. To the extent allowed by law, the CRA agrees to keep said information confidential. Such information shall state the amount and source of liquid assets on hand or immediately available to the Redeveloper for use in constructing the Private Improvements; and shall state the amount and source of debt financing which is available, or irrevocably committed, to the Redeveloper for use in completing the Private Improvements. Such information shall be provided in a form satisfactory to the CRA, and evidence of loan commitments shall include all of the documents evidencing the loan commitment, acceptance by the Redeveloper, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance, and the loan. Submittal of such financial information in a form satisfactory to the CRA shall be a condition precedent to the requirement of the CRA to proceed with its obligations under this Redevelopment Agreement.

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CRA as to the actual progress of Redeveloper with respect

to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CRA a Certificate of Completion in the form attached hereto as Exhibit "F" from Redeveloper's engineer or architect, or owner's representative. When accepted in writing by the CRA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance) and a penal bond as required by the Act. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance). This insurance shall insure against the perils of fire and extended coverage and shall include "special causes of loss" insurance for physical loss or damage.

Section 4.03 Cost Certification.

Redeveloper shall submit to CRA a certification of Eligible Project Costs in the form of the certification attached hereto as Exhibit "G" ("Eligible Project Costs Certification"), after expenditure of such project costs. Redeveloper may, at its option, submit one or more partial Eligible Project Costs Certifications prior to expenditure of all Eligible Project Costs providing certification of receipt of billings for work in progress. All Eligible Project Costs Certifications shall be subject to review and approval by the CRA. Determinations by the CRA whether costs included in the Eligible Project Costs Certification are properly included in Eligible Project Costs as defined in this Redevelopment Agreement shall be made in its sole discretion and shall be conclusive and binding on Redeveloper.

The TIF Indebtedness shall not exceed the actual and certified Eligible Project Costs for the Project. In the event that the certified Eligible Project Costs for the Project are less than the TIF Indebtedness, the CRA shall reduce the TIF Indebtedness amount and Redeveloper shall repay to the CRA within ten (10) days of said cost certification any amount in excess of the Eligible Project Costs issued prior to the Eligible Project Costs Certification.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, 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 Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, 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 Project.

Section 4.05 Pay Real Estate Taxes.

(a) Redeveloper has agreed to create a taxable real property valuation of the Project and Project Site of not less than the Minimum Project Valuation no later than the Effective Date. During the period of this Redevelopment Agreement, Redeveloper, and any successors and assigns, will: (1) not protest a real estate property valuation of the Project Site to a sum less than the Minimum Project Valuation; and (2) not convey the Project Site or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

(b) If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes (“Deficiency Payments”) to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CRA.

Section 4.06 No Assignment or Conveyance.

Redeveloper shall not convey, assign or transfer the Project Site or any interest therein prior to the termination of the fifteen (15) year period commencing on the Effective Date without the prior written consent of the CRA, which shall not be unreasonably withheld and which the CRA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyance, which shall be permitted without consent of the CRA: (i) any conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises (whether incurred prior to or after the effective date of this Redevelopment Agreement) with the outstanding principal amount of all such indebtedness secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Agreement; or (ii) any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises provided that any such conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Agreement.

Section 4.07 Grant of Easements.

Redeveloper shall grant to the City a Façade Easement in the form attached hereto as Exhibit “H”. Redeveloper shall grant to the City any other easements that are reasonably necessary, in the City’s discretion, in order to ensure the City can reasonably access and use the Public Improvements.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except, (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such lien is discharged or bonded within ninety (90) days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within ninety (90) days of Redeveloper receiving notice thereof.

Section 5.03 Mortgage Financing.

(a) Mortgage Holder Obligations. Each mortgage holder who obtains title to the Project Site or any part thereof as a result of foreclosure or other judicial proceedings or action in lieu thereof (referred to in this section as the “Mortgage Holder”) shall be obligated to require construction and completion of the Private Improvements and the Public Improvements by any person who subsequently obtains title to the Project Site or any part thereof from the Mortgage Holder; provided, however, the Mortgage Holder shall not be obligated by and shall be exempted from those provisions of this Redevelopment Agreement which require construction and completion of the Private Improvements and the Public Improvements. Additionally, no person, including the Mortgage Holder, may devote the Private Improvements and the Public Improvements thereon or any part thereof to any use or construct any improvements thereon other than those uses and improvements provided and permitted in accordance with this Redevelopment Agreement for the term of this Redevelopment Agreement.

(b) Copy of Notice of Default to Mortgagee. Whenever the CRA shall deliver any notice or demand to Redeveloper with respect to any breach or default by Redeveloper of its obligations or covenants in this Redevelopment Agreement, the CRA shall, at the same time, forward a copy of such notice or demand to each holder of any mortgage authorized by this Redevelopment Agreement at the last address of such holder as shown in the records of the CRA or as provided by such mortgagee.

(c) Mortgagee’s Option to Cure Defaults. If thirty (30) days after notice or demand with respect to any breach or default, such breach or default remains uncured, each holder shall (and every mortgage instrument made prior to acceptance by the CRA of the Certificate of Completion with respect to any of the Private Improvements or the Public Improvements by Redeveloper or its successors in interest shall so provide) have the right, at its option, to cure or remedy such breach or default within sixty (60) days after notice or demand, and to add the cost thereof to the mortgage debt and the lien of its mortgage. If the mortgage holder commences efforts

to cure the default within such period and the default cannot, in the exercise of due diligence, be cured within such period, the holder shall have the right to diligently continue to cure the default.

(d) Mortgage Rights Applicable to Other Forms of Encumbrance. The rights and obligations of this Redevelopment Agreement relating to mortgages of the Project Site shall apply to any other type of encumbrance on the Project Site, and any of the stated rights, obligations and remedies of any party relating to mortgage foreclosures shall be applicable to procedures under any deed of trust or similar method of encumbrance.

(e) Termination of Provisions. The provisions of this Section 5.03 shall terminate upon acceptance by the CRA of the Redeveloper's Certificate of Completion.

ARTICLE VI DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of the CRA and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Agreement or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Agreement shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Agreement, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CRA set out in Section 6.02, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

Section 6.02 Additional Remedies of the CRA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CRA made for such payment within thirty (30) days following written notice from the CRA;

- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CRA,

then Redeveloper shall be in default of this Redevelopment Agreement; and if such failure to perform, breach or default is not cured in the period herein provided, the parties agree that the damages caused to the CRA would be difficult to determine with certainty. To the extent that such failure results in the fact that the CRA is not able to capture the full amount of Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the Anticipated Tax Increment exceeds the actual Tax Increment. Additionally, the CRA may, but is not required to, declare the entire amount due hereunder for the remainder of the TIF period immediately due and payable by Redeveloper, such amount or any portion thereof which may from time to time remain unpaid shall bear interest at a rate of twelve percent (12%) per annum or, if less, the maximum legal rate permitted by law, until all amounts due hereunder are paid in full.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event Redeveloper fails to perform any other provisions of this Redevelopment Agreement (other than those specific provisions contained in Section 6.02), and such failure has not been cured within thirty (30) days following written notice from the CRA, then Redeveloper shall be in default. In such an instance, the CRA may seek to enforce the terms of this Redevelopment Agreement or exercise any other remedies that may be provided in this Redevelopment Agreement or by applicable law.

Section 6.04 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VI or this Redevelopment Agreement to the contrary, neither the CRA, City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the CRA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither City nor the CRA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CRA and the City from and agrees that the CRA and the City shall not be liable for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Private Improvements.

(b) Redeveloper shall indemnify, defend (at the CRA's and/or the City's option) and hold harmless the CRA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims,

liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CRA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

ARTICLE VII MISCELLANEOUS

Section 7.01 Memorandum.

A Memorandum of this Redevelopment Agreement shall be recorded with the Seward County Register of Deeds. The form of the Memorandum is attached as Exhibit "D" and incorporated by this reference.

Section 7.02 Governing Law.

This Redevelopment Agreement shall be governed by the laws of the State of Nebraska, including the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Agreement shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Agreement shall run with the Project Site. The Redevelopment Agreement shall not be amended except by a writing signed by the party to be bound.

Section 7.04 No Agency or Partnership.

This Redevelopment Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between: (i) the CRA and/or the City; and (ii) the Redeveloper, or any officer, employee, contractor or representative of Redeveloper. No joint employment is intended or created by this Redevelopment Agreement for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Redevelopment Agreement.

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by the Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under

the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by the Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be: Kach 510, LLC, 139 N. 6th Street, Seward, NE, Attn: Alyssa Hendrix. Email: kachinvestments@gmail.com.

(Signature page follows)

IN WITNESS WHEREOF, the CRA and Redeveloper have signed this Redevelopment Agreement as of the date and year first above written.

“CRA”
COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
Kach 510, LLC, a Nebraska limited
liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach 510, LLC, on behalf of the company.

Notary Public

EXHIBIT "A"
DESCRIPTION OF PROJECT

The Project undertaken by Redeveloper on the Project Site, defined as the real estate legally described as:

Parcel 1: Tax Lot No. 14, being the East One-Half of the West One-Third of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 2: Tax Lot No. 15, being the East One-Third of the West One-Half of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 3: Tax Lot No. 32, being the South 34 feet of Lot 6, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Includes the following Public Improvements and Private Improvements, which shall be undertaken and completed by the Redeveloper.

- (a) **Private Improvements.** The renovation, rehabilitation and exterior enhancement of the existing buildings on the Project Site, including renovation and improvement of the first floor commercial space in the building located at 640 Seward Street, and renovation of the three one-bedroom residential apartments located on the second floor of each of the buildings located at 640 Seward Street and 644 Seward Street, and other associated improvements on the Project Site.
- (b) **Public Improvements.** Demolition, façade enhancements, architectural and engineering fees, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

**EXHIBIT “B”
TIF INDEBTEDNESS**

1. Projected Base Value: \$152,964
2. Projected Minimum Final Value: \$380,800
3. Projected Incremental Valuation: \$227,836
4. Assumed Tax Levy: 1.733791
5. Anticipated Tax Increment: \$3,950 annually
6. Assumed Interest Rate: 5.00%
7. TIF Indebtedness:
 - a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$41,339, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2036, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
 - b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2021. The CRA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CRA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CRA has no obligation to make any payments other than the actual Tax Increment received from the Project.
 - c. **Maturity Date.** On or before December 31, 2036.
 - d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, commencing on the Effective Date of January 1, 2021 (2021 taxes paid in 2022) and terminating on December 31, 2035 (2035 taxes due on December 31, 2035 but paid in 2036). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

Note: All calculations are based on assumptions and estimates of future values that may be different than the values used herein or may vary from year to year.

Note: If the Effective Date is changed pursuant to the Redevelopment Agreement, the Maturity Date will change to reflect that change.

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

| | |
|-----------------|----------|
| Tax Levy | 1.733791 |
| Interest Rate | 5.00% |
| Number of Years | 15 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$152,964 | \$2,652 |
| Completed Project | \$380,800 | \$6,602 |
| Difference | \$227,836 | \$3,950 |

TIF Calculations:

| | |
|------------------------------|-----------|
| Annual TIF Amount | \$3,950 |
| TIF Indebtedness | \$41,339 |
| less 3% Admin Fee | (\$1,240) |
| TIF Available to Redeveloper | \$40,099 |

2. TIF USES:

| | |
|---|-----------------|
| Cost of Issuance (estimate) | \$6,000 |
| Demolition | \$45,000 |
| Façade Enhancements – Windows/Awning | \$35,000 |
| Architectural and Engineering Fees | \$30,000 |
| <hr/> Total estimated TIF eligible costs: | <hr/> \$116,000 |

The actual eligible amount of the façade enhancements shall be limited to the costs of enhancements to the building which exceed minimum building and design standards in the community and prevent the recurrence of substandard and blighted conditions. Written documentation from the Redeveloper’s engineer or architect shall be provided to verify the eligible amount of building enhancements.

EXHIBIT “D”

After recording please return to:

Bonnie Otte
City of Seward
City Hall, 537 Main Street
Seward, NE 68434

**MEMORANDUM OF REDEVELOPMENT AGREEMENT
(640/644 Seward Street Redevelopment Project)**

This Memorandum of Redevelopment Agreement (“Memorandum”) is made this ___ day of March, 2020 by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and Kach 510, LLC, a Nebraska limited liability company (“Redeveloper”).

1. **Redevelopment Agreement.** CRA and Redeveloper have entered into that certain Redevelopment Agreement dated as of this even date, describing the public improvements and the private improvements being made to real property owned by Redeveloper and legally described as:

Parcel 1: Tax Lot No. 14, being the East One-Half of the West One-Third of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 2: Tax Lot No. 15, being the East One-Third of the West One-Half of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 3: Tax Lot No. 32, being the South 34 feet of Lot 6, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CRA of the private improvements to be made by the Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment Agreement. The Tax Increment so captured by the CRA shall be used to make the public improvements as described in the Redevelopment Agreement.

3. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in

full. A full and correct copy of the Redevelopment Agreement may be inspected at the CRA offices in Seward, Nebraska.

[Signature Page Follows]

“CRA”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
Kach 510, LLC, a Nebraska limited
liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach 510, LLC, on behalf of the company.

Notary Public

**EXHIBIT “E”
FORM OF TIF PROMISSORY NOTE**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (“THE 1933 ACT”) AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF SEWARD, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(640/644 SEWARD STREET REDEVELOPMENT PROJECT)
SERIES 2020A

| Maturity Date | Interest Rate | Original Issuance Date |
|-------------------|---------------|------------------------|
| December 15, 2036 | 5.0% | |

| Registered Holder | Principal Amount |
|-------------------|------------------|
| Kach 510, LLC | \$41,339.00 |

THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA (the “Issuer”), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the City Treasurer, as Paying Agent and Registrar, and in like manner to pay solely from said source interest on said principal sum at the Interest Rate identified above from the Original Issuance Date identified above or from the most recent date to which interest has not been paid. Principal and accrued interest shall be payable in thirty (30) semi-annual installments due June 15, 2022, December 15, 2022, and each June 15 and December 15 thereafter through December 15, 2036, when all principal and accrued interest shall be due and payable. Except with respect to interest not punctually paid, the principal and interest on this Note will be paid by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the fifteenth calendar day next preceding the applicable maturity date at his address as it appears on such note registration books. The principal and interest of this Note is payable in any coin or currency of the United States of America which on the respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated the Community Redevelopment Authority of the City of Seward, Nebraska Redevelopment Revenue Note (640/644 Seward Street Redevelopment Project), Series 2020A, aggregating Forty One Thousand Three Hundred Thirty Nine and No/100 Dollars (\$41,339.00) ("Note") in principal amount which has been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and Kach 510, LLC, a Nebraska limited liability company, for the 640/644 Seward Street Redevelopment Project (the "Redevelopment Agreement"), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the "Project"). All such revenue has been duly pledged for the purpose of paying this Note.

THIS NOTE AND THE INTEREST HEREON DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE AND THE INTEREST HEREON EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Agreement against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible "redevelopment project" as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of Seward, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not

constitute a debt of the Issuer within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by his duly authorized attorney, upon written documentation of transfer satisfactory to the Issuer and the Registrar duly executed by the Registered Holder and the assignee/transferee, together with a purchase letter in a form provided by Issuer and any other documentation required by the Issuer. Prior to the approval of any transfer of this Note, the Registered Holder shall pay all of the Issuer's costs, including attorney's fees, relating to the transfer of the Note. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is prepayable at any time in whole or in part, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service. Prepayments shall reduce the number, but not the amount, of scheduled debt service payments on the Note, in inverse order of maturity.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

This Note shall not be entitled to any benefit or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of Seward as
Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT "F"
FORM OF CERTIFICATE OF COMPLETION
(640/644 Seward Street Redevelopment Project)

The undersigned certifies, represents and warrants to the City of Seward, Nebraska, and the Community Redevelopment Authority of the City of Seward, Nebraska ("CRA") with regard to the following real property situated in the City of Seward, Seward County, Nebraska, to wit:

Parcel 1: Tax Lot No. 14, being the East One-Half of the West One-Third of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 2: Tax Lot No. 15, being the East One-Third of the West One-Half of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 3: Tax Lot No. 32, being the South 34 feet of Lot 6, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

that the Private Improvements and Public Improvements required to be constructed by the Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated March __, 2020, as referenced in the Memorandum of Redevelopment Agreement recorded as Instrument No. _____ in the office of the Register of Deeds for Seward County, Nebraska.

"REDEVELOPER"

Kach 510, LLC, a Nebraska limited liability company

By: _____
Alyssa Hendrix, Manager

"CRA"

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

EXHIBIT "G"
FORM OF A CERTIFICATION OF ELIGIBLE PROJECT COSTS

Date: _____

Kach 510, LLC, a Nebraska limited liability company ("Redeveloper"), hereby certify that they have incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between the Redeveloper and the Community Redevelopment Authority of the City of Seward. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

| | |
|--------------------------------------|------------|
| Demolition | \$ _____ |
| Façade Enhancements – Windows/Awning | \$ _____ |
| Architectural and Engineering Fees | \$ _____ |
| <hr/> | |
| Total: | \$ _____ * |

***Principal Amount of TIF Indebtedness shall not exceed \$41,339.**

Kach 510, LLC, a Nebraska limited
liability company

By: _____
Alyssa Hendrix, Manager

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CRA:

Michael Hecker, Chairman

EXHIBIT "H"
Façade Easement
(starts on next page)

After recording please return to:
Community Redevelopment Authority
Of the City of Seward
c/o Bonnie Otte
537 Main Street
Seward, NE 68434

**FAÇADE LICENSE AGREEMENT
(640/644 Seward Street Redevelopment Project)**

THIS FAÇADE LICENSE AGREEMENT (the “Agreement”) is made this ____ day of March, 2020 by and between Kach 510, LLC, a Nebraska limited liability company (“Licensor”), and the Community Redevelopment Authority of the City of Seward, Nebraska (“Licensee”).

RECITALS

- A. Licensor owns certain real estate located at 640 Seward Street and 644 Seward Street in the City of Seward, Nebraska, legally described as follows:

Parcel 1: Tax Lot No. 14, being the East One-Half of the West One-Third of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 2: Tax Lot No. 15, being the East One-Third of the West One-Half of Lots 7, 10 and 11, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

Parcel 3: Tax Lot No. 32, being the South 34 feet of Lot 6, in Block 7, Original Town of the City of Seward, Seward County, Nebraska.

(the “Property”).

- B. Licensor entered into a Redevelopment Agreement (the “Redevelopment Agreement”) with Licensee for the rehabilitation and renovation of the building located on the Property (the “Building”).
- C. Pursuant to the Redevelopment Agreement, and to ameliorate the blighted and substandard conditions of the Property, Licensor agrees to make certain enhancements to the façade of the Building (the “Façade”) which exceed the

minimum requirements of the applicable building code for the aesthetic benefit to the Redevelopment Area and the public.

- D. Under the Redevelopment Agreement Licensor is receiving financial assistance from Licensee to make the Façade enhancements.
- E. This Agreement sets forth the parties' rights and obligations with respect to the Façade.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, Licensor and Licensee do now hereby agree as follows:

1. Façade. In consideration of the benefits received by Licensor under the Redevelopment Agreement, Licensor hereby agrees to construct and install the Façade to the specifications set forth in the plans, drawings and specifications which shall be approved by the Licensee prior to construction.

2. Façade Restrictions. Licensor agrees to observe and comply with the following restrictions:

- a. Licensor shall not demolish, remove or raze the Façade during the term of this Agreement.

- b. Licensor shall not undertake, or allow to be undertaken, any changes to the Façade without the express written consent of Licensee. Changes to the Façade include, but are not limited to:

- (i) Any change in the Façade, including the alteration, partial removal, construction, remodeling or physical or structural change or change in color or surfacing with respect to the appearance or construction of the Façade;

- (ii) The addition of any signs, canopies, plaques or other attachments to the Façade; or

- (iii) Any significant reconstruction, repair, repainting or refinishing of any Façade feature that alters its state from the existing condition.

- c. This section shall not preclude Licensor from implementing any ordinary or necessary maintenance as set forth in Section 3 below.

3. Façade Maintenance. Licensor shall perform all ordinary and/or necessary maintenance and repairs on the Façade to maintain its appearance and structural soundness and to prevent any deterioration of the Façade.

4. Specification of Work. In the event Licensor desires to make any changes to the Façade, Licensor shall give Licensee copies of the plans, designs, elevations, specifications and documents relating to the change or work, including specification of

all materials, colors and construction techniques to be used in any such work and photographs of the subject area as it appears at the time of the request.

5. Insurance. Licensor, at its expense, shall (i) keep the Building insured under a standard form of insurance policy against loss or damage resulting from fire or other perils normally insured under uniform standard extended coverage endorsement; and (ii) carry and maintain comprehensive public liability insurance. The public liability policy shall name Licensee as an additional insured as to the Façade and shall provide for not less than thirty (30) days prior written notice to the Licensee by the insurer of any proposed cancellation of any such insurance. Licensor shall deliver to Licensee a certificate of insurance prior to the recording of this Agreement.

6. Casualty Damage. In the event that the Building or any part thereof shall be damaged by fire or other casualty, then the proceeds of the insurance required to be carried pursuant to Section 5 above and Licensor's funds shall be applied to reconstructing the Façade to the condition required under this Agreement. If the Building is damaged to such an extent that Licensor determines that reconstruction is not feasible and provides Licensee with a statement from an independent engineer to the same effect, then this Agreement shall be void and of no further force or effect.

7. Inspection. Licensee shall be permitted to have access to the Property at reasonable times to inspect the Façade for the purpose of determining conformance with this Agreement.

8. Term. The term of this Agreement shall be fifteen (15) years from the date of completion of the improvements to the Façade. Provided, however, this Agreement shall terminate at any earlier date that the Redevelopment Agreement is terminated and is no longer in effect.

9. Public Access. Licensor acknowledges and agrees that the general public shall have the regular and substantial opportunity to view the Façade from the sidewalks and other property near the Building. Licensor shall have no obligation under this Agreement to allow the general public to view the interior of the Building.

10. Indemnification. Licensor shall defend, indemnify and hold Licensee harmless from and against any liability, claims, suits, demands, judgments (including costs, expenses and attorneys fees), resulting from actions or claims by third parties or defaults under this Agreement by Licensor arising out of the conveyance of or possession of the Façade Easement.

11. Binding Effect. This Agreement shall be appurtenant to and run with the property. The grant of this easement shall be binding upon the heir, executors, administrators, successors and assigns of Licensor.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have signed this Façade License Agreement as of the date and year first above written.

“LICENSOR”
Kach 510, LLC,
a Nebraska limited liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach 510, LLC, a Nebraska limited liability company, on behalf of the company.

Notary Public

“LICENSEE”
COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Plan Amendment – 640/644 Seward Street Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING AN AMENDMENT OF THE REDEVELOPMENT PLAN FOR THE CITY OF SEWARD, NEBRASKA, INCLUDING A SPECIFIC REDEVELOPMENT PROJECT.

RECITALS

A. The Community Redevelopment Authority of the City of Seward (“CRA”) has recommended that the Redevelopment Plan for the City of Seward (the “Redevelopment Plan”), a copy of which is on file and available for public inspection with the City Clerk, should be amended to include a project for the redevelopment of certain real property within the Redevelopment Area identified and legally defined in said amendment (the “Project Site”).

B. The proposed amendment to the Redevelopment Plan (“Redevelopment Plan Amendment”) is on file and available for public inspection with the Seward City Clerk.

C. The Redevelopment Plan Amendment includes a redevelopment project identified as the 640/644 Seward Street Redevelopment Project (the “Project”) that will utilize Tax Increment Financing pursuant to Neb. Rev. Stat. § 18-2147.

D. The CRA submitted the question of whether the Redevelopment Plan Amendment should be recommended to the City Council to the Planning Commission of the City of Seward.

E. The Planning Commission recommended the approval of the Redevelopment Plan Amendment.

F. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan Amendment by the City Council was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. §§ 18-2115 and 18-2115.01, and Nebraska law.

G. On March 17, 2020, the City Council held a public hearing relating to the question of whether the Redevelopment Plan Amendment should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

H. The City Council has reviewed the Redevelopment Plan Amendment, the cost benefit analysis prepared by the CRA and attached to the Redevelopment Plan Amendment, the recommendations of the Planning Commission, and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, it is found by the City Council of the City of Seward, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.
2. The Redevelopment Plan Amendment will, in accordance with the present and future needs of the City of Seward, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.
3. The Redevelopment Plan Amendment is in conformance with the general plan for development of the City of Seward as a whole, as set forth in the City of Seward Comprehensive Plan, as amended.
4. The cost and benefits set forth in the Project cost benefit analysis are found to be in the long-term best interest of the City of Seward.
5. The Project would not be economically feasible without the use of Tax Increment Financing.
6. The Project would not occur on the Redevelopment Area without the use of Tax Increment Financing.

BE IT FURTHER RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Redevelopment Plan Amendment is hereby approved and adopted by the City Council as the governing body for the City of Seward.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Agreement – 640/644 Seward Street Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE COMMUNITY REDEVELOPMENT AUTHORITY TO ENTER INTO SAID AGREEMENT.

RECITALS

A. Pursuant to the Nebraska Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended (the “Act”), the City of Seward, Nebraska (“City”), has adopted a redevelopment plan (“Redevelopment Plan”) for certain portions of the City. A copy of the Redevelopment Plan is on file with the City Clerk for inspection.

B. The Redevelopment Plan, as amended, includes a specific redevelopment project identified as the 640/644 Seward Street Redevelopment Project that will include the use of Tax Increment Financing (the “Project”).

C. On March 11, 2020, the CRA approved the Redevelopment Agreement for the Project.

D. The City Council has reviewed the Redevelopment Agreement and has found it to be in conformity with the Act and the General Comprehensive Development Plan of the City, and in the best interests of the City.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Seward, Nebraska, that the Redevelopment Agreement between the Community Redevelopment Authority of the City of Seward, Nebraska and The 640/644 Seward Street, LLC, which is on file with the City Clerk and available for public inspection, is hereby approved.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to execute and deliver the Redevelopment Agreement, with such changes, modifications, additions, and deletions therein and shall they seem necessary, desirable or appropriate, for and on behalf of the CRA.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of such TIF Indebtedness as set forth in the Redevelopment Agreement. Such TIF Indebtedness shall be repaid solely from the Tax Increment created by the Project and does not represent the general obligation of the CRA of the City.

BE IT FURTHER RESOLVED that all Resolutions or parts thereof in conflict with the provisions of this Resolution or to the extent of such conflicts, are hereby repealed.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

NOTICE OF PUBLIC HEARINGS

Public notice is hereby given by the Planning Commission of the City of Seward, Nebraska, that a public hearing will be held at 7:30 p.m. on March 9, 2020 at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

Public notice is hereby also given by the Mayor and City Council of the City of Seward, Nebraska, that a public hearing will be held at 7:00 p.m. on March 17, 2020, at the Seward Municipal Building, 142 North 7th Street, Seward, Nebraska.

The purpose of both hearings is to obtain public comment prior to the review and consideration of a proposed amendment to the redevelopment plan for the City of Seward, including a specific redevelopment project.

The property which is the subject of this notice and of the public hearing is generally located 647 Seward Street in Seward, Nebraska and is legally described as follows:

Tax Lot Thirty-Three (33) and a portion of Tax Lot Thirty-Two (32), Block Ten (10), Original Town of Seward, Seward County, Nebraska (PID# 800073347).

All interested parties shall be afforded at each public hearing a reasonable opportunity to express their views regarding the proposed redevelopment plan amendment. A map of the redevelopment area and a copy of the redevelopment plan and cost-benefit analysis shall be maintained in the office of the City Clerk.

Bonnie Otte, City Clerk

Publish February 19, 26, 2020
One Proof of Publication

647 Seward -
Roberts Bldg

Tax-Increment Financing Application

CITY OF SEWARD, NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY (CRA)
537 MAIN STREET - P.O. BOX 38 - SEWARD, NE 68434-0038
(Return to City Administrator's Office)

PROJECT SCOPE: (PLEASE PRINT OR TYPE ALL INFORMATION)

1. Applicant Information

Business Name: KACH ROBERTS BLDG, LLC.
Contact Person for Applicant: ALYSSA HENDRIX
Street Address: 139 N 6th STREET, SEWARD
Mailing Address: 647 SEWARD STREET, SEWARD
Telephone: 402-641-3718 Alternate Telephone: _____
Fax: _____
Email: KACHINVESTMENTS@GMAIL.COM
Owners: KACH ROBERTS BLDG, LLC
Business Structure: (e.g. corporation, limited liability company, etc.); also identify the state of organization):
ALYSSA & CAROL HENDRIX

2. Project Description

- a. What type of business does this project involve (i.e. industrial, commercial, residential, etc.)
 - i. If the project involves housing, please give a description of intended tenants, type of household (families/elderly/etc.), income levels, impact on the schools and/or community, etc.:
 - ii. If the project involves retail business, please give a description of the retail business, how the community would benefit from this retail business, the impact on similar existing retail businesses, etc.:
 - iii. If the project involves industry, please give a description of the type of industry, impact on the environment, impact on the community, similar existing industries in town, etc.:
 - b. What is the estimated number of new jobs this project will create?
 - c. What is the pay scale and benefits package for these positions?
- 3. Proposed Project Site:**
Please provide the address, legal description, current owner. If the current owner is not the applicant, identify whether the project site is under contract, option, etc.:
- 4. Physical Description of the Proposed Project:**
Building square footage, size of property, description of building materials, etc. (Attach site plan, if available)
- 5. Land Use:**
- a. If property is to be subdivided, show division planned (attach copy of the plat):
 - b. Current Zoning of the property:
 - c. Is the proposed project a permitted use on the property? What permits would be required?
 - d. Please describe any other relevant information relating to zoning, permitting, or similar land use issues:

6. Estimated Project Costs:

- a. Land Acquisition, if applicable: \$ _____
- b. Site Development (itemize):
 - i. Demolition: \$ _____
 - ii. Grading: \$ _____
 - iii. Site Preparation \$ _____
 - iv. Other (explain): \$ _____
- c. Building Construction Cost: \$ _____
- d. Other Site Improvements (explain) \$ 238,900
- e. Equipment: \$ _____
- f. Architectural and Engineering Fees: \$ 15,000
- g. Legal Fees: \$ _____
- h. Financing Costs: \$ _____
- i. Broker Costs, if any: \$ _____
- j. Contingencies: \$ _____
- k. Other (explain): \$ _____
- Total:** \$ 253,900

7. Please attach the following documentation:

- a. Construction Pro Forma.
- b. Annual Income and Expense Pro Forma (with appropriate schedules).
- c. Applicant's Corporate/Business Annual Financial Statements for the last three years.
- d. Business Plan for the proposed project.

8. Estimated Tax Increment:

- a. Total estimated assessed valuation of Real Property at completion (please also describe how you arrived at this value; e.g., discussions with County Assessor, based on previous construction projects, etc.):
- b. Latest property valuation before construction (from Property Tax Statement):
- c. Estimated increase in real estate valuation:
- d. Estimated new real estate tax generated annually:

9. Proposed Source of Financing:

- a. Equity
- b. Bank loan (please provide conditional approval or commitment letters, if applicable):
- c. Tax Increment Financing:
- d. Other (please describe):

10. Name and address of architect, engineer, and general contractor:

11. Project construction schedule:

- a. Construction start date: _____
- b. Construction completion date: _____
- c. If project is phased:
 - Year ____ / ____ % Complete
 - Year ____ / ____ % Complete

12. Municipal reference (if applicable). Please name any other municipality wherein the applicant, or other corporations the applicant has been involved with, has completed development within the last five years:

13. Amount of TIF request: \$ 49,923.00
14. Application Fee Paid: \$ _____

(Note: If the Application is approved, the applicant is not entitled to receive the requested TIF amount. The actual amount of the TIF Indebtedness will vary depending on multiple factors including without limitation lender interest rates, identification of eligible expenditures, and additional information identified in the redevelopment project approval process. However, as a general estimate for this application, request no more than ten (10) times the amount identified in section 8(d) of this application.

15. Describe eligible costs for which tax increment financing will be used.

Please provide a detailed breakdown of proposed eligible uses and costs of each use, including any available bids or cost estimates for such work (include attachment if necessary):

16. Statement of necessity for use of tax increment financing (include attachment if necessary):

- a. Is your project economically feasible as designed without tax increment financing? If no, please indicate how tax increment financing is necessary for the economic feasibility of your project.
- b. Would you locate your project in the redevelopment area without Tax Increment Financing? Explain.

17. List any other long term public benefits your project will bring to the City, or any other information relevant to this application.

"Applicant"
By: [Signature]
Name: ALYSSA HENDRIX
Title: MANAGING MEMBER

1. Applicant Information:

Business Name: KACH Roberts BLDG,LLC., structured by KACH Enterprise, LLC.

Project Address: 647 Seward St, Seward

Contact: Alyssa Hendrix

Address: 139 N 6th Street, Seward Telephone: 402-641-3798

Email: kachinvestments@gmail.com

Business Structure: Nebraska Limited Liability Company Owners: Carey & Alyssa Hendrix

2. Project description:

The project renovates the approximately 1,600 sq. ft. main floor with second story apartment renovations of 647 Seward Street, Seward, Nebraska so that it is a suitable space for commercial tenants as well as residential tenants by meeting current fire marshal code and building inspection upgrades. KACH Roberts BLDG, LLC., owns the building.

A. ***What type of business does this project involve?*** Commercial and residential

1. ***If the project involves housing, give a description of the intended tenants, type of household, income levels, impact on schools and/or community.***

The vision for this project improvement is to take an old building and make it functional with an esthetically inviting facelift for the downtown community to provide jobs and downtown living.

Commercial: The main level, 1,600 sq.ft. space can provide an opportunity for a restaurant, service or retail business. Rent for the space is projected to be \$1,200.00 per month. The number of jobs, pay scale and benefits package would be determined by the individual business and their structured business plan.

Residential: The second level, two studio apartments, can provide an opportunity for a bachelor/bachelorette, young professional or traveling individual. The projected rent per apartment is \$650-\$950.00 per month.

3. Proposed project site:

Provide the address, legal description, current owner.

The address is 640 Seward Street, Seward, Nebraska. Owner is KACH Roberts BLDG,LLC..

Legal description is Seward original town block 10 TL 33 & PT TL 32.

4. Physical description of the proposed project:

Building square footage, size of property, description of building materials. Site plan is attached.

The building and size of the property are approximately 1,600 sq. ft. main level and 1,600 sq.ft. second story. The materials are brick, mortar and concrete.

5. Land use:

b. *Current zoning of the property:* Commercial.

c. *Is the proposed project a permitted use on the property? Yes.*

What permits would be required? Building, electrical, HVAC, plumbing and sprinkler permits.

6. Estimated Project Costs: See attachment

7. Business Plan:

KACH Enterprise, LLC., is a multiple commercial and residential property investment limited liability company in Nebraska. KACH has a vision to complete their properties by means of multiple options directed by the City of Seward's Comprehensive Plan.

- 2006: KACH Investments, LLC., purchased its first property, 139 N. 6th Street, Seward.
- 2013: KACH 133, LLC., purchased commercial property at 133 N. 6th Street, Seward, whose current tenant is Jazzercise, Inc..
- 2014: KACH 510, LLC., purchased commercial property at 510 Bradford Street.
- 2011-2016: purchased six residential properties (4 single family homes and 2 college student residences).
- 2018, KACH 510, LLC., purchased the property at 640 & 644 Seward Street
- 2018, KACH Roberts Bldg, LLC., purchased 647 Seward Street.
- 2018: C&A Complex Management, LLC., purchased Glenhaven Mobile Home.

KACH Enterprise, LLC., mission statement is to believe in the people, products and process of the community by providing appealing commercial leasing space in the Seward's Downtown Historic District. KACH helps to grow new and existing business, support the dreams of entrepreneurs and provide a sustainable community to live in.

8. Estimated Tax Increment:

A. A conversation via Marilyn at the Seward County Assessor's and her advisor, Bob, sat down with us and our site plans to project the rough estimate of this project to be \$184,975.00.

B. *Property valuation before construction:*

2018 evaluation \$84,020.00, 2019 evaluation \$89,497.00

9. Proposed Source of Financing:

- a. Equity: \$250,000.00
- b. Bank Loan: Financial Institution letter attached
- c. Tax Increment Financing: \$49,943.00

10. Name and address of architect, engineer and general contractor.

- General Contractor : Hartley Construction, 402-641-1535, 508 S. Columbia, Seward

11. Construction schedule:

- A. *Construction start date: Spring 2020*
- B. *Construction completion date: Fall 2021 for main level, Fall 2020 apartments*

12: Municipal reference:

KACH 510, LLC., was granted TIF in 2016 on the 510 Bradford property. The abandoned 7,000 sq.ft. property project was completed in 3 months and now hosts Twin Rivers Urgent Care, Bluestem Fiber Network and Enhanced Physical Therapy. The property has reached its projected property evaluation.

13: Amount of TIF request: \$49,943.00

14: Application Fee Paid: per approval

15: Describe eligible costs for which TIF will be used: see attachment

16. Statement of necessity for use of tax increment financing.

a Is your project economically feasible as designed without tax increment financing? If no, please explain. No. KACH needs the TIF financing package to offset this expense.

b Would you locate your project in the redevelopment area without tax increment financing?

Building is located in the redevelopment area.

17 List any other long term public benefits your project will bring to the city, or any other information relevant to this application.

The community impact is the creation of new jobs, new business and affordable housing opportunities in the downtown business district of Seward. This project will generate additional sales tax revenue for the city.

KACH ROBERTS BLDG, LLC

647 SEWARD STREET, SEWARD



Financing Proposal

KACH Roberts Bldg, LLC., managed by Carey & Alyssa Hendrix, is seeking to TIF a property located at 647 Seward Street, Seward, for \$49,923.00

This property was purchased July 2018. At the time of purchase there were no tenants on the main level, 1,600 sq.ft. commercial space and one tenant was fulfilling their lease agreement per the previous owner for a single bedroom apartment on the second story.

Currently the main level commercial space is occupied by Brandy's Balloons. Brandy was given a build-out allowance for improvements of the main level and her rent is \$500.00/ month. The second level apartments are currently vacant.

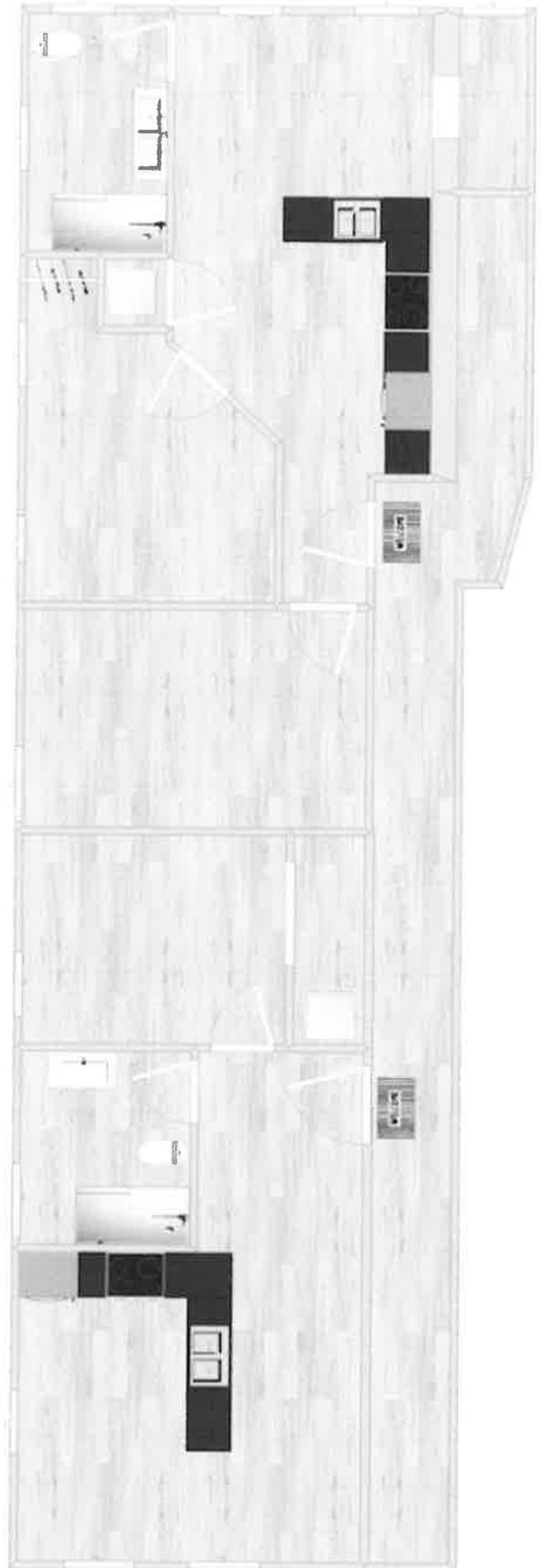
With the demand of downtown housing rentals, our vision is to remodel the two second story apartments with a potential of one 850 sq.ft. main level apartment, leaving 750 sq.ft. commercial leasing space on the front main.

Seward's Downtown Revitalization is applying for a second grant which we intend on applying for to improve the esthetics of paint, roof, gutters, awnings and rear access which we will need to match.

Commercial property in the Seward market sells for a minimum of \$50.00 to \$100.00 per sq.ft

In speaking with the County Assessor about improvements to the property, the completed evaluation would come in at \$184,900.00. Current evaluation is \$89,497. The increased evaluation was based on the improvements of the main and second story apartments, including fire marshal and code improvement requirements. The improvements are as follows;

- Store front windows, store front entrance, apartment entrance and second level windows \$43,900
- Roof and gutters \$20,000
- Rear fire escape with deck \$35,000
- Demolition \$15,000
- Build-out \$125,000
 - Electrical (\$19,000)
 - Plumbing (\$17,000)
 - HVAC (\$36,000)
 - Finishing (\$28,000)
 - Appliances (\$25,000)



KACH 510 LLC

ALYSSA OR CAREY HENDRIX

PH. 402-641-3798

139 N 6TH ST.

SEWARD, NE 68434-2001

76-136/1049

1228

186/644 Seward

DATE 2/11/2020

PAY TO THE ORDER OF City of Seward

\$ 1000

DOLLARS



JONES
Seward, NE • MILFORD, NE

MEMO TF Application

⑆104901364⑆ 60003526⑈ 01228

Signature

MP

SPECIALTY LINE

Tax Increment Financing Projections

1. Assumptions:

| | | |
|-----------------|----------|-----------------------------------|
| Tax Levy (2019) | 1.733791 | |
| Interest Rate | 5.00% | |
| Number of Years | 15 | *assumes no partial value in 2021 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$89,497 | \$1,552 |
| Completed Project | \$184,975 | \$3,207 |
| Difference | \$95,478 | \$1,655 |

2.(a) TIF Calculations (monetized):

| | |
|----------------|------|
| Base Year | 2020 |
| Effective Date | 2021 |

| | |
|-------------------------|----------|
| Annual TIF Amount | \$1,655 |
| Total TIF | \$24,831 |
| TIF Indebtedness Amount | \$17,324 |
| less 3% Admin Fee | (\$520) |
| Total TIF Available | \$16,804 |

3. TIF USES

| | |
|---------------------------|----------|
| Demolition | \$15,000 |
| Façade Enhancements | \$43,900 |
| Architect and Engineering | \$30,000 |
| Total | \$88,900 |

* Plus Cost of Issuance and Attorney Fees

TIF Loan Amortization Schedule

| | | | | | | |
|--------------------------|-------------|--------------------------|----------------|-----------------|-------------------------------|-------------------------|
| Principal | | \$17,323.89 | | | | |
| Interest Rate | | 5.00% | | | Projected TIF Payments | |
| Payments/Year | | 2 | | | Annual | \$1,655.39 |
| Loan Payment | | \$827.69 | | | Semi-Ann | \$827.69 |
| Est. Closing Date | | 06/01/20 | | | | |
| | Date | Principal Balance | Payment | Interest | Principal | Ending Principal |
| | 6/15/2021 | \$17,323.89 | \$911.91 | \$911.91 | \$0.00 | \$17,323.89 |
| | 12/15/2021 | \$17,323.89 | \$433.10 | \$433.10 | \$0.00 | \$17,323.89 |
| 1 | 6/15/2022 | \$17,323.89 | \$827.69 | \$433.10 | \$394.60 | \$16,929.29 |
| | 12/15/2022 | \$16,929.29 | \$827.69 | \$423.23 | \$404.46 | \$16,524.83 |
| 2 | 6/15/2023 | \$16,524.83 | \$827.69 | \$413.12 | \$414.57 | \$16,110.25 |
| | 12/15/2023 | \$16,110.25 | \$827.69 | \$402.76 | \$424.94 | \$15,685.32 |
| 3 | 6/15/2024 | \$15,685.32 | \$827.69 | \$392.13 | \$435.56 | \$15,249.75 |
| | 12/15/2024 | \$15,249.75 | \$827.69 | \$381.24 | \$446.45 | \$14,803.30 |
| 4 | 6/15/2025 | \$14,803.30 | \$827.69 | \$370.08 | \$457.61 | \$14,345.69 |
| | 12/15/2025 | \$14,345.69 | \$827.69 | \$358.64 | \$469.05 | \$13,876.64 |
| 5 | 6/15/2026 | \$13,876.64 | \$827.69 | \$346.92 | \$480.78 | \$13,395.86 |
| | 12/15/2026 | \$13,395.86 | \$827.69 | \$334.90 | \$492.80 | \$12,903.06 |
| 6 | 6/15/2027 | \$12,903.06 | \$827.69 | \$322.58 | \$505.12 | \$12,397.95 |
| | 12/15/2027 | \$12,397.95 | \$827.69 | \$309.95 | \$517.75 | \$11,880.20 |
| 7 | 6/15/2028 | \$11,880.20 | \$827.69 | \$297.00 | \$530.69 | \$11,349.51 |
| | 12/15/2028 | \$11,349.51 | \$827.69 | \$283.74 | \$543.96 | \$10,805.55 |
| 8 | 6/15/2029 | \$10,805.55 | \$827.69 | \$270.14 | \$557.56 | \$10,248.00 |
| | 12/15/2029 | \$10,248.00 | \$827.69 | \$256.20 | \$571.49 | \$9,676.50 |
| 9 | 6/15/2030 | \$9,676.50 | \$827.69 | \$241.91 | \$585.78 | \$9,090.72 |
| | 12/15/2030 | \$9,090.72 | \$827.69 | \$227.27 | \$600.43 | \$8,490.30 |
| 10 | 6/15/2031 | \$8,490.30 | \$827.69 | \$212.26 | \$615.44 | \$7,874.86 |
| | 12/15/2031 | \$7,874.86 | \$827.69 | \$196.87 | \$630.82 | \$7,244.04 |
| 11 | 6/15/2032 | \$7,244.04 | \$827.69 | \$181.10 | \$646.59 | \$6,597.44 |
| | 12/15/2032 | \$6,597.44 | \$827.69 | \$164.94 | \$662.76 | \$5,934.68 |
| 12 | 6/15/2033 | \$5,934.68 | \$827.69 | \$148.37 | \$679.33 | \$5,255.36 |
| | 12/15/2033 | \$5,255.36 | \$827.69 | \$131.38 | \$696.31 | \$4,559.04 |
| 13 | 6/15/2034 | \$4,559.04 | \$827.69 | \$113.98 | \$713.72 | \$3,845.33 |
| | 12/15/2034 | \$3,845.33 | \$827.69 | \$96.13 | \$731.56 | \$3,113.77 |
| 14 | 6/15/2035 | \$3,113.77 | \$827.69 | \$77.84 | \$749.85 | \$2,363.91 |
| | 12/15/2035 | \$2,363.91 | \$827.69 | \$59.10 | \$768.60 | \$1,595.32 |
| 15 | 6/15/2036 | \$1,595.32 | \$827.69 | \$39.88 | \$787.81 | \$807.51 |
| | 12/15/2036 | \$807.51 | \$827.69 | \$20.19 | \$807.51 | \$0.00 |

**AMENDMENT TO THE REDEVELOPMENT PLAN
OF THE CITY OF SEWARD, NEBRASKA**

(647 SEWARD STREET REDEVELOPMENT PROJECT)

Introduction

The City of Seward, Nebraska (“City”) has undertaken a plan of redevelopment within the community pursuant to the adoption of the Redevelopment Plan for a certain redevelopment area in the City of Seward, as amended (the “Redevelopment Plan”). The Redevelopment Plan was approved by the City Council of the City as of November 15, 2011. The Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City, as set forth in the Redevelopment Plan.

Pursuant to the Nebraska Community Development Law codified at Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), the City created the Community Redevelopment Authority of the City of Seward (“CRA”), which has administered the Redevelopment Plan for the City.

The purpose of this Plan Amendment is to identify specific property within the redevelopment area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site legally described on the attached and incorporated Exhibit “A” (the “Project Site”). The project under consideration will consist of the renovation, rehabilitation, and exterior enhancement of the historic commercial building on the Project Site and associated improvements (the “Project”).

Project Site

The Project Site is in need of redevelopment. The CRA has considered whether redevelopment of the Project Site will conform to the general plan and the coordinated, adjusted, and harmonious development of the City and its environs. In this consideration, the CRA finds that such a redevelopment of the Project Site will promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community including, among other things, the promotion of safety from fire, the promotion of the healthful and convenient distribution of population, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary and unsafe dwelling accommodations or conditions of blight. The blighted condition of the Project Site and the Redevelopment Area has contributed to its inability to attract businesses and/or development. In order to support additional private development, the Project Site and the Redevelopment Area are in need of renovation and development.

The existing building on the Project Site was built in 1900 and is in need of renovation and rehabilitation. The first floor of the building, which is comprised of approximately 1,600 square feet of commercial space, is currently occupied by

Brandy's Balloons pursuant to a lease expiring June 1, 2020. The second story of the building consists of two residential apartment units, both of which are vacant and in need of improvement to attract tenants. Redeveloper intends to make a substantial investment to make the upper story apartments habitable, and to convert approximately 850 square feet of the first floor commercial space into a residential apartment unit, leaving the remaining 750 square feet at the front of the building for a restaurant, service or retail tenant. A substantial portion of the Project will consist of façade enhancements to the building that will improve the aesthetic quality of the Project Site, and decrease blighted and substandard conditions in the Redevelopment Area. The Project is intended to prevent further deterioration of the Project Site and the Redevelopment Area, and is not feasible without the assistance of tax increment financing.

The general location of the Project Site is depicted below:



Recent photographs of the Project Site are set forth below:





The current land use map set forth in the 2018 City of Seward Comprehensive Plan (“Comprehensive Plan”) identifies the current land use as commercial. The future land use map set forth in the Comprehensive Plan designates the future land use of the Project Site as Downtown Urban Mixed Use. The current and future land use maps set forth in the Comprehensive Plan are incorporated into the Redevelopment Plan by this reference. Key features of the Urban Mixed Use designation include, but are not limited to, a mix of complementary uses, including residential and commercial uses, and land uses that are sometimes mixed vertically, resulting in complementary and alternating times of use and the ability to share parking areas.

Project

Kach Roberts Bldg, LLC (“Redeveloper”) has submitted a proposal for the redevelopment of the Project Site. The Project will include the renovation, rehabilitation, and exterior enhancement of the building on the Project Site. The Project shall include demolition, façade enhancements, and other improvements that are eligible public improvements under the Act. The Project is anticipated to eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the Redevelopment Plan.

The building on the Project Site has approximately 1,600 square feet of first floor area and 1,600 square feet of second floor area. The first floor is currently occupied by Brandy’s Balloons pursuant to a lease expiring June 1, 2020. The second floor consists of two residential apartment units, which are vacant. The Redeveloper does not anticipate that the second floor apartment units are leasable without substantial improvements. The Project would include the renovation of the existing apartment units on the second floor of the building into a one-bedroom apartment unit and a two-bedroom apartment unit, and conversion of approximately 850 square feet of the first floor commercial space into an additional one-bedroom residential apartment unit. The remaining 750 square feet on the first floor would be available for retail, restaurant or service use. The Project would also include façade enhancements and exterior upgrades including, but not limited to, replacement of the store front and second floor windows, and improvement of the store front entry and apartment entry. All of these

enhancements will allow the Redeveloper to lease out the residential apartment units in the building.

As part of the Project, the CRA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: demolition, façade enhancements, architectural and engineering fees, and other eligible uses. The use of TIF to assist with the costs of the eligible public improvements will make the Project as designed feasible. The Redeveloper shall be responsible for all other costs and expenses associated with the Project.

A preliminary site plan reflecting the layout of the second floor apartment units is attached as Exhibit “B” and incorporated herein by this reference. The CRA acknowledges that the site plan is preliminary in nature and subject to change, but has included the current information submitted by the Redeveloper. Redeveloper intends to commence construction in spring 2020 and complete construction of the second floor improvements in 2020. The first floor improvements are anticipated to be completed in 2021. The base year for the Project is anticipated to be 2020 and the effective date for the division of taxes shall be January 1, 2021. Based on the construction schedule all parties acknowledge and understand that there may be a partial valuation increase in the first year of the tax increment financing period (2021) depending on the construction schedule. If the 2021 valuation does not include all the improvements based upon Redeveloper’s construction schedule, then the tax increment in the first year will be less than projected and Redeveloper will be responsible for any shortfall or payment in lieu of taxes, which will be set forth in more detail in the redevelopment agreement for this Project.

The base value of the Project Site is anticipated to be \$89,497 which is the current assessed valuation of the Project Site. Pursuant to the Seward County Assessor’s preliminary appraisal of the Project, the projected completed valuation of the Project is \$184,975. The preliminary appraisal is not binding and is based upon the information and assumptions provided from the Redeveloper to the County Assessor. The CRA does not make any representations as to the final value of this Project or any redevelopment project. Any changes in market conditions, building plans, construction materials, etc., will have an effect on the final valuation.

Based upon the anticipated completed valuation of \$184,975, Redeveloper has requested \$17,324 in TIF Indebtedness. The Redeveloper estimates that the total Project costs shall be approximately \$253,900. Redeveloper shall also be responsible for the CRA’s administrative fee and the City’s attorney fees and cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$76,020 in TIF-eligible expenditures. The current estimated TIF uses is set forth below:

| | |
|--------------------------------------|----------|
| CRA Administrative Fee | \$520 |
| Cost of Issuance | \$6,000 |
| Demolition | \$15,000 |
| Façade/Energy Enhancements (Windows) | \$21,500 |

| | |
|-------------------------------------|-----------------|
| Energy Enhancements (HVAC) | \$18,000 |
| <u>Architect/Engineering</u> | <u>\$15,000</u> |
| Total estimated TIF eligible costs: | \$76,020 |

The final, actual cost of all TIF-eligible expenses shall be certified by Redeveloper upon completion of construction. In addition to the TIF Indebtedness, Redeveloper has stated that the Project would be financed in part using approximately \$250,000 in investor equity and the remainder financed through a bank loan.

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. This section includes a consideration of the specific statutory elements identified under the Nebraska Community Development Law.

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper is the owner of the Project Site. The Redeveloper has represented that the lease with the current first floor tenant, Brandy’s Balloons, expires prior to commencement of construction of the first floor improvements.

B. Population Density

The proposed Project includes the renovation and rehabilitation of the apartment units on the second floor of the existing building on the Project Site, as well as conversion of approximately 850 square feet of first floor commercial space into an additional one-bedroom apartment unit. It is not anticipated that the addition of 3 apartment units will have a significant impact on population density in the City of Seward. Further, the addition of 3 apartment units in downtown Seward is consistent with the Comprehensive Plan which recommends using incentives to further the image of the downtown as a neighborhood with housing in and around the downtown.

C. Land Coverage

The Project will consist of renovation and rehabilitation to the existing historical building on the Project Site. The footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of Seward.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The Project Site was designed for the commercial and residential uses that comprise the Project. Further, additional traffic in downtown

Seward is a stated goal of the City in order to enhance the vibrancy of the downtown area. The downtown infrastructure is anticipated to be sufficient for the intended uses.

E. Parking

The 2017 Downtown Revitalization Plan determined that, as a whole, there is a surplus of available parking spaces downtown compared to demand. While there are places where demand exceeds supply, there are virtually always available spaces within a block; therefore, no additional parking is needed at this time.

Pursuant to Article 34 of the City of Seward Zoning Ordinance, any use within the CBD - Downtown Seward District is exempt from the off-street parking requirements. The Project will need to meet or exceed the parking requirements set forth in the applicable zoning district, if any. It is the Redeveloper's obligation to satisfy the City's parking requirements.

F. Zoning, Building Code, and Ordinances

The Project Site is located in the CBD - Commercial Business District zone. Pursuant to the City of Seward zoning ordinance, multi-family housing is permitted in the CBD - Commercial Business District zone. The Redeveloper will be responsible for complying with the City of Seward zoning ordinance, and will obtain any zoning, building code, or ordinance changes that are necessary for the Project.

Cost-Benefit Analysis

Pursuant to Section 18-2113 of the Act, the CDA must conduct a cost-benefit analysis for any redevelopment project that will utilize TIF. The Cost-Benefit Analysis for the Project is attached hereto as Exhibit "C" and incorporated by this reference.

Comprehensive Plan

Several goals of the Comprehensive Plan will be furthered by this Project. This section is not a comprehensive analysis of the Project's implementation and conformance with the Comprehensive Plan, but is meant to highlight and summarize the key points on this topic. Some selections from the Comprehensive Plan are set forth below:

VIBRANT BUSINESSES: GOALS

- Invest in Downtown Seward as a destination, an economic engine, and the heart of the community
- Promote a strong retail, restaurant, and service economy
- Focus business recruitment and incubation on sectors that complement the overall character of the city in terms of its strengths, its people, and its vision for the future
- Support and promote the creation of community amenities that will attract and retain a young and talented workforce

GOAL 1: INVEST IN DOWNTOWN SEWARD AS A DESTINATION, AN ECONOMIC ENGINE, AND THE HEART OF THE COMMUNITY

Actions and Recommendations: The community should invest to make downtown a vibrant place with people, businesses, and things to do.

Understand the role of downtown. Downtown should not be reviewed by the same metrics as a traditional stand-alone business but should instead be judged by its contribution to the community as a whole. Downtown contributes to the city by offering it an identity (what is Seward if not for its iconic downtown), by providing a place for people to gather (how much do people enjoy downtown), and by leaving a lasting impression with visitors, including Concordia parents, business prospects, residents, and prospective residents. While subjective, downtown contributes to Seward in a remarkable way and deserves community support.

Increase financial capacity. At the time of the downtown plan, much of the total square footage in downtown remained vacant or underutilized. While main floor occupancy was strong in certain blocks, the share of total usable square footage (including the upper floors) was relatively low. Increasing the use of these floors will increase the valuation of the district as a whole and increase the revenue stream for individual property owners.

Increase patron visits. Ultimately, the goal of the plan is to make downtown into an area where people live, work, and play because each of these actions support a prosperous business community, reinforce downtown as the center of the community, and will increase reinvestment in downtown buildings.

Actions highlighted in the Downtown Revitalization Plan include:

- **Reinforce downtown the economic, social, and civic center of the community.** Investment in downtown represents an investment in the community as a whole, not an investment to favor an individual or business venture.
- **Promote full occupancy of downtown buildings through incentives, demonstration projects, and promotional events.** Downtown buildings should be viewed as infrastructure; when fully occupied, these resources serve the community to the maximum benefit through unique housing, destination businesses, and by reinforcing the overall quality of the district.

Additional Project Information from the Redeveloper

Redeveloper has represented that without the use of TIF, this Project would not be feasible and the Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

EXHIBIT "A"
Legal Description of the Project Site

The property is located on the corner of 7th and Seward Streets. The address is 647 Seward Street and the property is legally described as follows:

Commencing at the Northwest Corner of Block Ten (10), in the Original Town, City of Seward, Seward County, Nebraska, running thence South Eighty-four Feet (S84'), thence East Twenty Feet (E20'), thence North Eighty-four Feet (N84'), thence West Twenty Feet (20') to the Place of Beginning, and also the West One-Sixth (1/6th) of the North Seventeen Feet (NI 7') of Lot Six (6) in Block Ten (10), Original Town, City of Seward, Seward County, Nebraska, and

Commencing at a point 20 feet East of the Northwest Corner of Block Ten (10), Original Town, City of Seward, Seward County, Nebraska, running thence East a distance of 3 feet 6 inches to the center of fire wall between the buildings now standing on the West One-third (W 113rd) of Lot Two (2) in said Block, thence South 27 feet 6 inches; thence West 3 feet 6 inches; thence North 27 feet 6 inches to the place of beginning.

EXHIBIT "B"
Preliminary Site Plan

The site plan for the second floor is preliminary in nature and subject to change.



Exhibit "B"

**EXHIBIT “C”
Cost Benefit Analysis**

(Pursuant to Neb. Rev. Stat. § 18-2113)

The cost-benefit analysis for the 647 Seward Street Redevelopment Project, as described in the Amendment to the Redevelopment Plan to which this cost-benefit analysis is attached, is presented below. The above-referenced project will utilize Tax Increment Financing funds authorized by Neb. Rev. Stat. §18-2147.

1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:

The taxes generated by the current value of the property shall continue to be allocated between taxing jurisdictions pursuant to standard statutory requirements. Only the incremental taxes created by the Project will be captured to pay eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Project, the true tax shift of this Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the 15 year tax shift is as follows:

| | | |
|----|---|-----------|
| a. | Redevelopment Project Valuation: | \$89,947 |
| b. | Projected Completed Project Assessed Valuation: | \$184,975 |
| c. | Projected Tax Increment Base: | \$95,478 |
| d. | Estimated Tax Levy: | 1.733791 |
| e. | Annual Projected Tax Shift: | \$1,655 |

Note: The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2019 levy rate. There has been no accounting for incremental growth or change in the tax levy over the 15 year TIF period.

2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:

a. Public infrastructure improvements and impacts:

No substantial adverse effects are anticipated on the public infrastructure and community public service needs. All public infrastructure and community public services required to serve the Project exists. The City desires additional density downtown and this Project shall further the overall development goals of the City.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should realize revenue from sales taxes paid by new residents of the apartment units constructed on the Project Site, who are likely to purchase goods and services from businesses within the Redevelopment Area. Redeveloper and the Project tenants will also pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The eligible improvements for this Project shall enhance the aesthetics of the Redevelopment Area. This will revitalize the Project Site, increase consumer traffic to the downtown area, and decrease the blighted and substandard conditions of the Redevelopment Area, all of which will benefit all employers in the downtown area. Further, the additional housing options generated by this Project are beneficial to supporting the needed workforce for all employers, and downtown housing is an attractive housing option for some individuals.

4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:

Similar to the answer provided in Section 3, above, the Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. Rather, the additional apartment units available in downtown Seward should help the community attract and retain talented young professionals. There should be no material and unreasonable impact on other businesses.

5. Impacts on the student populations of school districts within the City:

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City. The Project includes renovation and rehabilitation of 3 residential apartment units, but the apartments are one- and two-bedroom apartments marketed towards and occupied by young professionals. The size and location of the apartments will not likely attract many families with children. The school district should have the capacity to handle any minimal population increase from the Project.

6. Other impacts determined by the agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

7. Summary of Findings:

The Project will facilitate the development of a blighted and substandard area of the City without the incurrence of significant public cost. Additionally, the Project will increase property tax revenue in the long-term. The benefits outweigh the costs of the proposed Project.

**REDEVELOPMENT AGREEMENT
(647 SEWARD STREET REDEVELOPMENT PROJECT)**

This Redevelopment Agreement is made and entered into as of the ____ day of March, 2020, by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and Kach Roberts Bldg, LLC, a Nebraska limited liability company (“Redeveloper”).

RECITALS

A. The CRA is a duly organized and existing community redevelopment authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Agreement.

B. The City of Seward, in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 to 18-2154, as amended (collectively the “Act”), has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

C. Redeveloper owns the Project Site which is located in the Redevelopment Area.

D. Redeveloper submitted a redevelopment project proposal to redevelop the Project Site.

E. Redeveloper’s proposed redevelopment project will consist of the renovation, redevelopment, and improvement of the existing historic building on the Project Site into a mixed-use building offering first floor commercial space and first- and second-floor residential apartment units, as more particularly described on the attached Exhibit “A”.

F. The CRA has approved the Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing to provide for the construction of the eligible public improvements defined in this Redevelopment Agreement.

G. CRA and Redeveloper desire to enter into this Redevelopment Agreement for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, CRA and Redeveloper do hereby covenant, agree and bind themselves as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.01 **Terms Defined in this Redevelopment Agreement.**

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Agreement, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

A. “Act” means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended, and acts amendatory thereof and supplemental thereto.

B. “Anticipated Tax Increment” means the Anticipated Tax Increment for this Project as set forth on the attached Exhibit “B”.

C. “City” means the City of Seward, Nebraska.

D. “CRA” means Community Redevelopment Authority of the City of Seward, Nebraska.

E. “Effective Date” means January 1, 2021.

F. “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements and other items eligible for reimbursement under the Act.

G. “Minimum Project Valuation” means the amount of One Hundred Eighty-Four Thousand Nine Hundred Seventy Five and No/100 Dollars (\$184,975.00).

H. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.

I. “Project” means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit “A” attached and incorporated by this reference.

J. “Project Completion Date” means December 31, 2021.

K. “Project Site” means all that certain real property situated in the City of Seward, Seward County, Nebraska, more particularly described on Exhibit “A”.

L. “Public Improvements” shall include all the public improvements more particularly described on Exhibit “A” which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments of the TIF Indebtedness.

M. “Redevelopment Agreement” means this Redevelopment Agreement between the CRA and Redeveloper with respect to the Project.

N. “Redeveloper” means Kach Roberts Bldg, LLC, a Nebraska limited liability company.

O. “Redevelopment Area” means Redevelopment Area #1 that is set forth in the Redevelopment Plan.

P. “Redevelopment Plan” means the Redevelopment Plan for the Redevelopment Area by the CRA and approved by the City pursuant to the Act, as amended from time to time.

Q. “Tax Increment” means in accordance with Neb. Rev. Stat. § 18-2147 of the Nebraska Community Development Law, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the Seward County Board of Equalization) for the Project Site before the completion of the construction of the Private Improvements and the ad valorem tax which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project.

R. “TIF Indebtedness” means the sums payable under any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CRA or the City secured in whole or in part by Tax Increment.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Agreement shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Agreement shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Agreement it is provided that any person may do or perform any act or thing the word “may” shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The phrase “at any time” shall be construed as meaning “at any time or from time to time.”

(d) The word “including” shall be construed as meaning “including, but not limited to.”

(e) The words “will” and “shall” shall each be construed as mandatory.

(f) The words “herein,” “hereof,” “hereunder,” “hereinafter” and words of similar import shall refer to the Redevelopment Agreement as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(g) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Agreement are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

ARTICLE II REPRESENTATIONS

Section 2.01 Representations by the CRA.

The CRA makes the following representations and findings:

(a) The CRA is a duly organized and validly existing community redevelopment authority under the Act.

(b) The CRA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing employment, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Area.

(d) 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 CRA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company in good standing and has the power to enter into this Redevelopment Agreement and perform all obligations contained herein.

(b) The execution and delivery of the Redevelopment Agreement and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Agreement or, except as disclosed in writing to the CRA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns the Project Site in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Redevelopment Agreement by Redeveloper.

(e) Pursuant to Neb. Rev. Stat. § 18-2119, the Redeveloper certifies to the CRA that Redeveloper does not intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

(f) The Project would not be economically feasible without the use of tax increment financing.

(g) The Project would not occur in the Redevelopment Area without the use of tax increment financing.

ARTICLE III OBLIGATIONS OF THE CRA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

Subject to the contingencies described below and to all of the terms and conditions of this Redevelopment Agreement, commencing for the tax year of the Effective Date and continuing thereafter, the CRA shall capture the Tax Increment from the Private Improvements pursuant to the Nebraska Community Development Law. The CRA shall capture the Tax Increment generated by the Project Site for a total period of not to exceed fifteen (15) years after the Private Improvements have been included in the assessed valuation of the Project Site and the Project Site is generating the Tax Increment subject to capture by the CRA. The effective date of this provision shall be the Effective Date. The CRA shall file with the Seward County Assessor the "Notice to Divide Taxes" on or prior to August 1 in the year of the Effective Date.

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CRA shall incur or issue TIF Indebtedness in an amount not to exceed Seventeen Thousand Three Hundred Twenty Four and No/100 Dollars (\$17,324.00), as calculated on the attached and incorporated Exhibit "B". The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit "E" ("Note"). The TIF Indebtedness shall be purchased by the Redeveloper or a lender of the Redeveloper. The TIF Indebtedness shall not be a general obligation of the CRA or City which shall issue such Note solely as a conduit. If the Redeveloper does not acquire and fund the TIF Indebtedness itself, the Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by the Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CRA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF

Indebtedness that the CRA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, the CRA shall retain an amount sufficient to pay its reasonable and necessary cost of issuance, including attorney fees, and a CRA administration fee in the amount of three percent (3%) of the TIF Indebtedness. The Redeveloper shall pay to the CRA the cost of issuance and CRA administration fee at or prior to the issuance of the TIF Note. The Tax Increment, shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

Section 3.04 Creation of Fund.

CRA will create a special fund to collect and hold the receipts of the Tax Increment. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.02 above.

Section 3.05 Projected TIF Sources and Uses.

In addition to the TIF Indebtedness calculation formula set forth on Exhibit “B”, Redeveloper’s anticipated TIF sources and eligible uses are attached and incorporated for the parties’ reference as Exhibit “C.”

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

The Redeveloper shall, no later than ninety (90) days following the execution of this Redevelopment Agreement, provide to the CRA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of the Redeveloper in connection with acquisition of the Project Site and construction of the Public Improvements and the Private Improvements. To the extent allowed by law, the CRA agrees to keep said information confidential. Such information shall state the amount and source of liquid assets on hand or immediately available to the Redeveloper for use in constructing the Private Improvements; and shall state the amount and source of debt financing which is available, or irrevocably committed, to the Redeveloper for use in completing the Private Improvements. Such information shall be provided in a form satisfactory to the CRA, and evidence of loan commitments shall include all of the documents evidencing the loan commitment, acceptance by the Redeveloper, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance, and the loan. Submittal of such financial information in a form satisfactory to the CRA shall be a condition precedent to the requirement of the CRA to proceed with its obligations under this Redevelopment Agreement.

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to

acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CRA as to the actual progress of Redeveloper with respect to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CRA a Certificate of Completion in the form attached hereto as Exhibit “F” from Redeveloper’s engineer or architect, or owner’s representative. When accepted in writing by the CRA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors’ general liability and completed operations (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance) and a penal bond as required by the Act. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance). This insurance shall insure against the perils of fire and extended coverage and shall include “special causes of loss” insurance for physical loss or damage.

Section 4.03 Cost Certification.

Redeveloper shall submit to CRA a certification of Eligible Project Costs in the form of the certification attached hereto as Exhibit “G” (“Eligible Project Costs Certification”), after expenditure of such project costs. Redeveloper may, at its option, submit one or more partial Eligible Project Costs Certifications prior to expenditure of all Eligible Project Costs providing certification of receipt of billings for work in progress. All Eligible Project Costs Certifications shall be subject to review and approval by the CRA. Determinations by the CRA whether costs included in the Eligible Project Costs Certification are properly included in Eligible Project Costs as defined in this Redevelopment Agreement shall be made in its sole discretion and shall be conclusive and binding on Redeveloper.

The TIF Indebtedness shall not exceed the actual and certified Eligible Project Costs for the Project. In the event that the certified Eligible Project Costs for the Project are less than the TIF Indebtedness, the CRA shall reduce the TIF Indebtedness amount and Redeveloper shall repay to the CRA within ten (10) days of said cost certification any amount in excess of the Eligible Project Costs issued prior to the Eligible Project Costs Certification.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, 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 Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, 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 Project.

Section 4.05 Pay Real Estate Taxes.

(a) Redeveloper has agreed to create a taxable real property valuation of the Project and Project Site of not less than the Minimum Project Valuation no later than the Effective Date. During the period of this Redevelopment Agreement, Redeveloper, and any successors and assigns, will: (1) not protest a real estate property valuation of the Project Site to a sum less than the Minimum Project Valuation; and (2) not convey the Project Site or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

(b) If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes (“Deficiency Payments”) to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CRA.

Section 4.06 No Assignment or Conveyance.

Redeveloper shall not convey, assign or transfer the Project Site or any interest therein prior to the termination of the fifteen (15) year period commencing on the Effective Date without the prior written consent of the CRA, which shall not be unreasonably withheld and which the CRA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyance, which shall be permitted without consent of the CRA: (i) any conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises (whether incurred prior to or after the effective date of this Redevelopment Agreement) with the outstanding principal amount of all such indebtedness secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Agreement; or (ii) any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises provided that any such conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Agreement.

Section 4.07 Grant of Easements.

Redeveloper shall grant to the City a Façade Easement in the form attached hereto as Exhibit “H”. Redeveloper shall grant to the City any other easements that are reasonably necessary, in the City’s discretion, in order to ensure the City can reasonably access and use the Public Improvements.

ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except, (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such lien is discharged or bonded within ninety (90) days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within ninety (90) days of Redeveloper receiving notice thereof.

Section 5.03 Mortgage Financing.

(a) Mortgage Holder Obligations. Each mortgage holder who obtains title to the Project Site or any part thereof as a result of foreclosure or other judicial proceedings or action in lieu thereof (referred to in this section as the “Mortgage Holder”) shall be obligated to require construction and completion of the Private Improvements and the Public Improvements by any person who subsequently obtains title to the Project Site or any part thereof from the Mortgage Holder; provided, however, the Mortgage Holder shall not be obligated by and shall be exempted from those provisions of this Redevelopment Agreement which require construction and completion of the Private Improvements and the Public Improvements. Additionally, no person, including the Mortgage Holder, may devote the Private Improvements and the Public Improvements thereon or any part thereof to any use or construct any improvements thereon other than those uses and improvements provided and permitted in accordance with this Redevelopment Agreement for the term of this Redevelopment Agreement.

(b) Copy of Notice of Default to Mortgagee. Whenever the CRA shall deliver any notice or demand to Redeveloper with respect to any breach or default by Redeveloper of its obligations or covenants in this Redevelopment Agreement, the CRA shall, at the same time, forward a copy of such notice or demand to each holder of any mortgage authorized by this Redevelopment Agreement at the last address of such holder as shown in the records of the CRA or as provided by such mortgagee.

(c) Mortgagee’s Option to Cure Defaults. If thirty (30) days after notice or demand with respect to any breach or default, such breach or default remains uncured, each holder shall (and every mortgage instrument made prior to acceptance

by the CRA of the Certificate of Completion with respect to any of the Private Improvements or the Public Improvements by Redeveloper or its successors in interest shall so provide) have the right, at its option, to cure or remedy such breach or default within sixty (60) days after notice or demand, and to add the cost thereof to the mortgage debt and the lien of its mortgage. If the mortgage holder commences efforts to cure the default within such period and the default cannot, in the exercise of due diligence, be cured within such period, the holder shall have the right to diligently continue to cure the default.

(d) Mortgage Rights Applicable to Other Forms of Encumbrance. The rights and obligations of this Redevelopment Agreement relating to mortgages of the Project Site shall apply to any other type of encumbrance on the Project Site, and any of the stated rights, obligations and remedies of any party relating to mortgage foreclosures shall be applicable to procedures under any deed of trust or similar method of encumbrance.

(e) Termination of Provisions. The provisions of this Section 5.03 shall terminate upon acceptance by the CRA of the Redeveloper's Certificate of Completion.

ARTICLE VI DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of the CRA and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Agreement or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Agreement shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Agreement, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CRA set out in Section 6.02, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

Section 6.02 Additional Remedies of the CRA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);

- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CRA made for such payment within thirty (30) days following written notice from the CRA;
- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CRA,

then Redeveloper shall be in default of this Redevelopment Agreement; and if such failure to perform, breach or default is not cured in the period herein provided, the parties agree that the damages caused to the CRA would be difficult to determine with certainty. To the extent that such failure results in the fact that the CRA is not able to capture the full amount of Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the Anticipated Tax Increment exceeds the actual Tax Increment. Additionally, the CRA may, but is not required to, declare the entire amount due hereunder for the remainder of the TIF period immediately due and payable by Redeveloper, such amount or any portion thereof which may from time to time remain unpaid shall bear interest at a rate of twelve percent (12%) per annum or, if less, the maximum legal rate permitted by law, until all amounts due hereunder are paid in full.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event Redeveloper fails to perform any other provisions of this Redevelopment Agreement (other than those specific provisions contained in Section 6.02), and such failure has not been cured within thirty (30) days following written notice from the CRA, then Redeveloper shall be in default. In such an instance, the CRA may seek to enforce the terms of this Redevelopment Agreement or exercise any other remedies that may be provided in this Redevelopment Agreement or by applicable law.

Section 6.04 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VI or this Redevelopment Agreement to the contrary, neither the CRA, City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the CRA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither City nor the CRA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CRA and the City from and agrees that the CRA and the City shall not be liable for any

loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Private Improvements.

(b) Redeveloper shall indemnify, defend (at the CRA's and/or the City's option) and hold harmless the CRA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CRA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

ARTICLE VII MISCELLANEOUS

Section 7.01 Memorandum.

A Memorandum of this Redevelopment Agreement shall be recorded with the Seward County Register of Deeds. The form of the Memorandum is attached as Exhibit "D" and incorporated by this reference.

Section 7.02 Governing Law.

This Redevelopment Agreement shall be governed by the laws of the State of Nebraska, including the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Agreement shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Agreement shall run with the Project Site. The Redevelopment Agreement shall not be amended except by a writing signed by the party to be bound.

Section 7.04 No Agency or Partnership.

This Redevelopment Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between: (i) the CRA and/or the City; and (ii) the Redeveloper, or any officer, employee, contractor or representative of Redeveloper. No joint employment is intended or created by this Redevelopment Agreement for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and subcontractors who are involved in the implementation of or construction under this Redevelopment Agreement.

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by the Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by the Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be: Kach Roberts Bldg, LLC, 139 N. 6th Street, Seward, NE, Attn: Alyssa Hendrix. Email: kachinvestments@gmail.com.

(Signature page follows)

IN WITNESS WHEREOF, the CRA and Redeveloper have signed this Redevelopment Agreement as of the date and year first above written.

“CRA”
COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
Kach Roberts Bldg, LLC, a Nebraska
limited liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach Roberts Bldg, LLC, on behalf of the company.

Notary Public

EXHIBIT "A"
DESCRIPTION OF PROJECT

The Project undertaken by Redeveloper on the Project Site, defined as the real estate legally described as:

Commencing at the Northwest Corner of Block Ten (10), in the Original Town, City of Seward, Seward County, Nebraska, running thence South Eighty-four Feet (S84'), thence East Twenty Feet (E20'), thence North Eighty-four Feet (N84'), thence West Twenty Feet (20') to the Place of Beginning, and also the West One-Sixth (1/6th) of the North Seventeen Feet (NI 7') of Lot Six (6) in Block Ten (10), Original Town, City of Seward, Seward County, Nebraska,

AND

Commencing at a point 20 feet East of the Northwest Corner of Block Ten (10), Original Town, City of Seward, Seward County, Nebraska, running thence East a distance of 3 feet 6 inches to the center of fire wall between the buildings now standing on the West One-third (W 113rd) of Lot Two (2) in said Block, thence South 27 feet 6 inches; thence West 3 feet 6 inches; thence North 27 feet 6 inches to the place of beginning.

Includes the following Public Improvements and Private Improvements, which shall be undertaken and completed by the Redeveloper.

- (a) **Private Improvements.** The renovation, rehabilitation and exterior enhancement of the existing building on the Project Site for first floor commercial use, as well as first and second floor residential use, and other associated improvements on the Project Site.
- (b) **Public Improvements.** Demolition, façade and energy efficiency enhancements, architectural and engineering fees, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

**EXHIBIT “B”
TIF INDEBTEDNESS**

1. Projected Base Value: \$89,497
2. Projected Minimum Final Value: \$184,975
3. Projected Incremental Valuation: \$95,478
4. Assumed Tax Levy: 1.733791
5. Anticipated Tax Increment: \$1,655 annually
6. Assumed Interest Rate: 5.00%
7. TIF Indebtedness:
 - a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$17,324, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2036, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
 - b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2021. The CRA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CRA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CRA has no obligation to make any payments other than the actual Tax Increment received from the Project.
 - c. **Maturity Date.** On or before December 31, 2036.
 - d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, commencing on the Effective Date of January 1, 2021 (2021 taxes paid in 2022) and terminating on December 31, 2035 (2035 taxes due on December 31, 2035 but paid in 2036). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

Note: All calculations are based on assumptions and estimates of future values that may be different than the values used herein or may vary from year to year.

Note: If the Effective Date is changed pursuant to the Redevelopment Agreement, the Maturity Date will change to reflect that change.

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

| | |
|-----------------|----------|
| Tax Levy | 1.733791 |
| Interest Rate | 5.00% |
| Number of Years | 15 |

Property Valuation:

| | Assessed Val. | Est. Taxes |
|-------------------|---------------|------------|
| Pre-Project | \$89,497 | \$1,552 |
| Completed Project | \$184,975 | \$3,207 |
| Difference | \$95,478 | \$1,655 |

TIF Calculations:

| | |
|------------------------------|----------|
| Annual TIF Amount | \$1,655 |
| TIF Indebtedness | \$17,324 |
| less 3% Admin Fee | (\$520) |
| TIF Available to Redeveloper | \$16,804 |

2. TIF USES:

| | |
|---|-----------------|
| Cost of Issuance (estimate) | \$6,000 |
| Demolition | \$15,000 |
| Façade/Energy Enhancements - Windows | \$21,500 |
| Energy Efficiency Enhancements - HVAC | \$18,000 |
| <u>Architectural and Engineering Fees</u> | <u>\$15,000</u> |
| Total estimated TIF eligible costs: | \$76,020 |

The actual eligible amount of the façade and energy efficiency enhancements shall be limited to the costs of enhancements to the building which exceed minimum building and design standards in the community and prevent the recurrence of substandard and blighted conditions. Written documentation from the Redeveloper's engineer or architect shall be provided to verify the eligible amount of building enhancements.

EXHIBIT “D”

After recording please return to:

Bonnie Otte
City of Seward
City Hall, 537 Main Street
Seward, NE 68434

**MEMORANDUM OF REDEVELOPMENT AGREEMENT
(647 Seward Street Redevelopment Project)**

This Memorandum of Redevelopment Agreement (“Memorandum”) is made this ___ day of March, 2020 by and between the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) and Kach Roberts Bldg, LLC, a Nebraska limited liability company (“Redeveloper”).

1. **Redevelopment Agreement.** CRA and Redeveloper have entered into that certain Redevelopment Agreement dated as of this even date, describing the public improvements and the private improvements being made to real property owned by Redeveloper and legally described as:

Commencing at the Northwest Corner of Block Ten (10), in the Original Town, City of Seward, Seward County, Nebraska, running thence South Eighty-four Feet (S84'), thence East Twenty Feet (E20'), thence North Eighty-four Feet (N84'), thence West Twenty Feet (20') to the Place of Beginning, and also the West One-Sixth (1/6th) of the North Seventeen Feet (NI 7') of Lot Six (6) in Block Ten (10), Original Town, City of Seward, Seward County, Nebraska,

AND

Commencing at a point 20 feet East of the Northwest Corner of Block Ten (10), Original Town, City of Seward, Seward County, Nebraska, running thence East a distance of 3 feet 6 inches to the center of fire wall between the buildings now standing on the West One-third (W 113rd) of Lot Two (2) in said Block, thence South 27 feet 6 inches; thence West 3 feet 6 inches; thence North 27 feet 6 inches to the place of beginning.

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CRA of the private improvements to be made by the Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment Agreement. The Tax Increment so captured by the CRA shall be used to make the public improvements as described in the Redevelopment Agreement.

3. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in full. A full and correct copy of the Redevelopment Agreement may be inspected at the CRA offices in Seward, Nebraska.

[Signature Page Follows]

“CRA”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
Kach Roberts Bldg, LLC, a Nebraska
limited liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach Roberts Bldg, LLC, on behalf of the company.

Notary Public

**EXHIBIT “E”
FORM OF TIF PROMISSORY NOTE**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (“THE 1933 ACT”) AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY REDEVELOPMENT AUTHORITY
OF THE CITY OF SEWARD, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(647 SEWARD STREET REDEVELOPMENT PROJECT)
SERIES 2020A

| | | |
|------------------------|---------------|------------------------|
| Maturity Date | Interest Rate | Original Issuance Date |
| December 15, 2036 | 5.0% | |
| Registered Holder | | Principal Amount |
| Kach Roberts Bldg, LLC | | \$17,324.00 |

THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA (the “Issuer”), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the City Treasurer, as Paying Agent and Registrar, and in like manner to pay solely from said source interest on said principal sum at the Interest Rate identified above from the Original Issuance Date identified above or from the most recent date to which interest has not been paid. Principal and accrued interest shall be payable in thirty (30) semi-annual installments due June 15, 2022, December 15, 2022, and each June 15 and December 15 thereafter through December 15, 2036, when all principal and accrued interest shall be due and payable. Except with respect to interest not punctually paid, the principal and interest on this Note will be paid by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the fifteenth calendar day next preceding the applicable maturity date at his address as it appears on such note registration books. The principal and interest of this Note is payable in any coin or currency of the United States of America which on the respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated the Community Redevelopment Authority of the City of Seward, Nebraska Redevelopment Revenue Note (647 Seward Street Redevelopment Project), Series 2020A, aggregating Seventeen Thousand Three Hundred Twenty Four and No/100 Dollars (\$17,324.00) (“Note”) in principal amount which has been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the “Act”) and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and Kach Roberts Bldg, LLC, a Nebraska limited liability company, for the 647 Seward Street Redevelopment Project (the “Redevelopment Agreement”), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the “Project”). All such revenue has been duly pledged for the purpose of paying this Note.

THIS NOTE AND THE INTEREST HEREON DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE AND THE INTEREST HEREON EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA, OR THE CITY OF SEWARD, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Agreement against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible “redevelopment project” as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of Seward, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not

constitute a debt of the Issuer within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by his duly authorized attorney, upon written documentation of transfer satisfactory to the Issuer and the Registrar duly executed by the Registered Holder and the assignee/transferee, together with a purchase letter in a form provided by Issuer and any other documentation required by the Issuer. Prior to the approval of any transfer of this Note, the Registered Holder shall pay all of the Issuer's costs, including attorney's fees, relating to the transfer of the Note. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is prepayable at any time in whole or in part, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service. Prepayments shall reduce the number, but not the amount, of scheduled debt service payments on the Note, in inverse order of maturity.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

This Note shall not be entitled to any benefit or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF SEWARD, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of Seward as
Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT “F”
FORM OF CERTIFICATE OF COMPLETION
(647 Seward Street Redevelopment Project)

The undersigned certifies, represents and warrants to the City of Seward, Nebraska, and the Community Redevelopment Authority of the City of Seward, Nebraska (“CRA”) with regard to the following real property situated in the City of Seward, Seward County, Nebraska, to wit:

Commencing at the Northwest Corner of Block Ten (10), in the Original Town, City of Seward, Seward County, Nebraska, running thence South Eighty-four Feet (S84'), thence East Twenty Feet (E20'), thence North Eighty-four Feet (N84'), thence West Twenty Feet (20') to the Place of Beginning, and also the West One-Sixth (1/6th) of the North Seventeen Feet (NI 7') of Lot Six (6) in Block Ten (10), Original Town, City of Seward, Seward County, Nebraska,

AND

Commencing at a point 20 feet East of the Northwest Corner of Block Ten (10), Original Town, City of Seward, Seward County, Nebraska, running thence East a distance of 3 feet 6 inches to the center of fire wall between the buildings now standing on the West One-third (W 113rd) of Lot Two (2) in said Block, thence South 27 feet 6 inches; thence West 3 feet 6 inches; thence North 27 feet 6 inches to the place of beginning.

that the Private Improvements and Public Improvements required to be constructed by the Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated March ___, 2020, as referenced in the Memorandum of Redevelopment Agreement recorded as Instrument No. _____ in the office of the Register of Deeds for Seward County, Nebraska.

“REDEVELOPER”

Kach Roberts Bldg, LLC, a Nebraska limited liability company

By: _____

Alyssa Hendrix, Manager

“CRA”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

EXHIBIT "G"
FORM OF A CERTIFICATION OF ELIGIBLE PROJECT COSTS

Date: _____

Kach Roberts Bldg, LLC, a Nebraska limited liability company ("Redeveloper"), hereby certify that they have incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between the Redeveloper and the Community Redevelopment Authority of the City of Seward. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

| | |
|---|-----------|
| Demolition | \$ _____ |
| Façade/Energy Efficiency Enhancements - Windows | \$ _____ |
| Energy Efficiency Enhancements - HVAC | \$ _____ |
| Architectural and Engineering Fees | \$ _____ |
| <hr/> | |
| Total: | \$ _____* |

***Principal Amount of TIF Indebtedness shall not exceed \$17,324.**

Kach Roberts Bldg, LLC, a Nebraska
limited liability company

By: _____
Alyssa Hendrix, Manager

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CRA:

Michael Hecker, Chairman

EXHIBIT "H"
Façade Easement
(starts on next page)

After recording please return to:
Community Redevelopment Authority
Of the City of Seward
c/o Bonnie Otte
537 Main Street
Seward, NE 68434

**FAÇADE LICENSE AGREEMENT
(647 Seward Street Redevelopment Project)**

THIS FAÇADE LICENSE AGREEMENT (the “Agreement”) is made this ____ day of March, 2020 by and between Kach Roberts Bldg, LLC, a Nebraska limited liability company (“Licensor”), and the Community Redevelopment Authority of the City of Seward, Nebraska (“Licensee”).

RECITALS

- A. Licensor owns certain real estate located at 647 Seward Street in the City of Seward, Nebraska, legally described as follows:

Commencing at the Northwest Corner of Block Ten (10), in the Original Town, City of Seward, Seward County, Nebraska, running thence South Eighty-four Feet (S84'), thence East Twenty Feet (E20'), thence North Eighty-four Feet (N84'), thence West Twenty Feet (20') to the Place of Beginning, and also the West One-Sixth (1/6th) of the North Seventeen Feet (NI 7') of Lot Six (6) in Block Ten (10), Original Town, City of Seward, Seward County, Nebraska,

AND

Commencing at a point 20 feet East of the Northwest Corner of Block Ten (10), Original Town, City of Seward, Seward County, Nebraska, running thence East a distance of 3 feet 6 inches to the center of fire wall between the buildings now standing on the West One-third (W 113rd) of Lot Two (2) in said Block, thence South 27 feet 6 inches; thence West 3 feet 6 inches; thence North 27 feet 6 inches to the place of beginning (the “Property”).

- B. Licensor entered into a Redevelopment Agreement (the “Redevelopment Agreement”) with Licensee for the rehabilitation and renovation of the building located on the Property (the “Building”).
- C. Pursuant to the Redevelopment Agreement, and to ameliorate the blighted and substandard conditions of the Property, Licensor agrees to make certain enhancements to the façade of the Building (the “Façade”) which exceed the minimum requirements of the applicable building code for the aesthetic benefit to the Redevelopment Area and the public.
- D. Under the Redevelopment Agreement Licensor is receiving financial assistance from Licensee to make the Façade enhancements.
- E. This Agreement sets forth the parties’ rights and obligations with respect to the Façade.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, Licensor and Licensee do now hereby agree as follows:

1. Façade. In consideration of the benefits received by Licensor under the Redevelopment Agreement, Licensor hereby agrees to construct and install the Façade to the specifications set forth in the plans, drawings and specifications which shall be approved by the Licensee prior to construction.

2. Façade Restrictions. Licensor agrees to observe and comply with the following restrictions:

a. Licensor shall not demolish, remove or raze the Façade during the term of this Agreement.

b. Licensor shall not undertake, or allow to be undertaken, any changes to the Façade without the express written consent of Licensee. Changes to the Façade include, but are not limited to:

(i) Any change in the Façade, including the alteration, partial removal, construction, remodeling or physical or structural change or change in color or surfacing with respect to the appearance or construction of the Façade;

(ii) The addition of any signs, canopies, plaques or other attachments to the Façade; or

(iii) Any significant reconstruction, repair, repainting or refinishing of any Façade feature that alters its state from the existing condition.

c. This section shall not preclude Licensor from implementing any ordinary or necessary maintenance as set forth in Section 3 below.

3. Façade Maintenance. Licensor shall perform all ordinary and/or necessary maintenance and repairs on the Façade to maintain its appearance and structural soundness and to prevent any deterioration of the Façade.

4. Specification of Work. In the event Licensor desires to make any changes to the Façade, Licensor shall give Licensee copies of the plans, designs, elevations, specifications and documents relating to the change or work, including specification of all materials, colors and construction techniques to be used in any such work and photographs of the subject area as it appears at the time of the request.

5. Insurance. Licensor, at its expense, shall (i) keep the Building insured under a standard form of insurance policy against loss or damage resulting from fire or other perils normally insured under uniform standard extended coverage endorsement; and (ii) carry and maintain comprehensive public liability insurance. The public liability policy shall name Licensee as an additional insured as to the Façade and shall provide for not less than thirty (30) days prior written notice to the Licensee by the insurer of any proposed cancellation of any such insurance. Licensor shall deliver to Licensee a certificate of insurance prior to the recording of this Agreement.

6. Casualty Damage. In the event that the Building or any part thereof shall be damaged by fire or other casualty, then the proceeds of the insurance required to be carried pursuant to Section 5 above and Licensor's funds shall be applied to reconstructing the Façade to the condition required under this Agreement. If the Building is damaged to such an extent that Licensor determines that reconstruction is not feasible and provides Licensee with a statement from an independent engineer to the same effect, then this Agreement shall be void and of no further force or effect.

7. Inspection. Licensee shall be permitted to have access to the Property at reasonable times to inspect the Façade for the purpose of determining conformance with this Agreement.

8. Term. The term of this Agreement shall be fifteen (15) years from the date of completion of the improvements to the Façade. Provided, however, this Agreement shall terminate at any earlier date that the Redevelopment Agreement is terminated and is no longer in effect.

9. Public Access. Licensor acknowledges and agrees that the general public shall have the regular and substantial opportunity to view the Façade from the sidewalks and other property near the Building. Licensor shall have no obligation under this Agreement to allow the general public to view the interior of the Building.

10. Indemnification. Licensor shall defend, indemnify and hold Licensee harmless from and against any liability, claims, suits, demands, judgments (including costs, expenses and attorneys fees), resulting from actions or claims by third parties or defaults under this Agreement by Licensor arising out of the conveyance of or possession of the Façade Easement.

11. Binding Effect. This Agreement shall be appurtenant to and run with the property. The grant of this easement shall be binding upon the heir, executors, administrators, successors and assigns of Licensor.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have signed this Façade License Agreement as of the date and year first above written.

“LICENSOR”

Kach Roberts Bldg, LLC,
a Nebraska limited liability company

By: _____
Alyssa Hendrix, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Alyssa Hendrix, Manager of Kach Roberts Bldg, LLC, a Nebraska limited liability company, on behalf of the company.

Notary Public

“LICENSEE”

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
SEWARD, NEBRASKA

ATTEST:

By: _____
Bonnie Otte, Secretary

By: _____
Michael Hecker, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF SEWARD)

The foregoing instrument was acknowledged before me this ___ day of March, 2020, by Michael Hecker and Bonnie Otte, Chairman and Secretary respectively of the Community Redevelopment Authority of the City of Seward, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Plan Amendment – 647 Seward Street Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING AN AMENDMENT OF THE REDEVELOPMENT PLAN FOR THE CITY OF SEWARD, NEBRASKA, INCLUDING A SPECIFIC REDEVELOPMENT PROJECT.

RECITALS

A. The Community Redevelopment Authority of the City of Seward (“CRA”) has recommended that the Redevelopment Plan for the City of Seward (the “Redevelopment Plan”), a copy of which is on file and available for public inspection with the City Clerk, should be amended to include a project for the redevelopment of certain real property within the Redevelopment Area identified and legally defined in said amendment (the “Project Site”).

B. The proposed amendment to the Redevelopment Plan (“Redevelopment Plan Amendment”) is on file and available for public inspection with the Seward City Clerk.

C. The Redevelopment Plan Amendment includes a redevelopment project identified as the 647 Seward Street Redevelopment Project (the “Project”) that will utilize Tax Increment Financing pursuant to Neb. Rev. Stat. § 18-2147.

D. The CRA submitted the question of whether the Redevelopment Plan Amendment should be recommended to the City Council to the Planning Commission of the City of Seward.

E. The Planning Commission recommended the approval of the Redevelopment Plan Amendment.

F. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan Amendment by the City Council was provided in conformity with the Open Meetings Act, Neb. Rev. Stat. § 84-1407 et seq., the Community Development Law, Neb. Rev. Stat. §§ 18-2115 and 18-2115.01, and Nebraska law.

G. On March 17, 2020, the City Council held a public hearing relating to the question of whether the Redevelopment Plan Amendment should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

H. The City Council has reviewed the Redevelopment Plan Amendment, the cost benefit analysis prepared by the CRA and attached to the Redevelopment Plan Amendment, the recommendations of the Planning Commission, and has duly considered all statements made and material submitted related to the submitted question.

NOW THEREFORE, it is found by the City Council of the City of Seward, Nebraska, in accordance with the Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154 (the “Act”), as follows:

1. The Project Site is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.
2. The Redevelopment Plan Amendment will, in accordance with the present and future needs of the City of Seward, promote the health, safety, morals, order, convenience, prosperity, and the general welfare of the community in conformance with the legislative declarations and determinations set forth in the Act.
3. The Redevelopment Plan Amendment is in conformance with the general plan for development of the City of Seward as a whole, as set forth in the City of Seward Comprehensive Plan, as amended.
4. The cost and benefits set forth in the Project cost benefit analysis are found to be in the long-term best interest of the City of Seward.
5. The Project would not be economically feasible without the use of Tax Increment Financing.
6. The Project would not occur on the Redevelopment Area without the use of Tax Increment Financing.

BE IT FURTHER RESOLVED, that pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the Redevelopment Plan Amendment is hereby approved and adopted by the City Council as the governing body for the City of Seward.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

CITY OF SEWARD, NEBRASKA

RESOLUTION # _____

(Redevelopment Agreement – 647 Seward Street Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA, APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE COMMUNITY REDEVELOPMENT AUTHORITY TO ENTER INTO SAID AGREEMENT.

RECITALS

A. Pursuant to the Nebraska Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended (the “Act”), the City of Seward, Nebraska (“City”), has adopted a redevelopment plan (“Redevelopment Plan”) for certain portions of the City. A copy of the Redevelopment Plan is on file with the City Clerk for inspection.

B. The Redevelopment Plan, as amended, includes a specific redevelopment project identified as the 647 Seward Street Redevelopment Project that will include the use of Tax Increment Financing (the “Project”).

C. On March 11, 2020, the CRA approved the Redevelopment Agreement for the Project.

D. The City Council has reviewed the Redevelopment Agreement and has found it to be in conformity with the Act and the General Comprehensive Development Plan of the City, and in the best interests of the City.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Seward, Nebraska, that the Redevelopment Agreement between the Community Redevelopment Authority of the City of Seward, Nebraska and The 647 Seward Street, LLC, which is on file with the City Clerk and available for public inspection, is hereby approved.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to execute and deliver the Redevelopment Agreement, with such changes, modifications, additions, and deletions therein and shall they seem necessary, desirable or appropriate, for and on behalf of the CRA.

BE IT FURTHER RESOLVED, the CRA is hereby authorized to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of such TIF Indebtedness as set forth in the Redevelopment Agreement. Such TIF Indebtedness shall be repaid solely from the Tax Increment created by the Project and does not represent the general obligation of the CRA of the City.

BE IT FURTHER RESOLVED that all Resolutions or parts thereof in conflict with the provisions of this Resolution or to the extent of such conflicts, are hereby repealed.

Dated this 17th day of March, 2020.

CITY OF SEWARD, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Mayor and City Council of the City of Seward, Nebraska will hold a public hearing on Tuesday, March 17, 2020 at the City Council meeting starting at 7:00 p.m. at the Municipal Building, 142 North 7th Street, Seward, NE to review the functioning and progress of the Seward Economic Development Program funded by local City Sales Tax.

Bonnie Otte
Assist. Admin/
Clerk-Treasurer/
Budget & HR Director

Publish one time
March 4, 2020
One Proof of Publication

**CITIZENS ADVISORY REVIEW COMMITTEE
FOR THE LB 840 ECONOMIC DEVELOPMENT PLAN
SEMI-ANNUAL REVIEW REPORT**

To: The Seward City Council
From: Citizens Advisory Review Committee - LB 840 Economic Development Plan
Date: February 28, 2020
Re: Semi-annual review report required by the Economic Development Plan

The Citizens Advisory Review Committee (CARC) is a committee of registered voters appointed by the Mayor (and affirmed by the City Council) to review the Economic Development Plan (the Plan) established under LB 840. The CARC mainly reviews the actions taken by the LB 840 Application Review Board (ARB). The ARB is the committee that has the authority to spend the LB 840 funds.

The CARC met on February 18, 2020, to review the functioning and progress of the Plan. The meeting consisted of discussions about the following:

1. A copy of the general ledger reports including a report of all transactions from 8/1/19 to 1/31/20 was distributed prior to the meeting. The CARC felt all transactions listed in the financial reports appeared to be appropriate.

The committee met with City Administration and received a presentation by City Finance Director Nick Wolf on his involvement in the LB 840 process.

The CARC notes that it does not audit nor does it verify the numbers submitted to it in the general ledger reports. It is our understanding that these accounts are audited during the annual overall audit that is done on the city's financial records.



LETTER AGREEMENT AMENDMENT #1

Date: February 28, 2020

This AMENDMENT (“Amendment”) shall amend and become a part of the Letter Agreement for Professional Services dated May 14, 2018 between City of Seward, Nebraska (“Client”) and Olsson, Inc. (“Olsson”) providing for professional services for the following Project (the “Agreement”):

PROJECT DESCRIPTION AND LOCATION

Project Description: Highway 15 Improvements for Rail Campus Construction
Project Location: Seward, Nebraska

SCOPE OF SERVICES

Client and Olsson hereby agree that Olsson’s Scope of Services under the Agreement is amended by adding the services specifically described below for the additional compensation set forth below:

Phase 040 – Construction Administration

The following Construction Services are anticipated for this project:

1. Prepare and submit on behalf of the City of Seward a Stormwater Pollution Prevention Plan (SWPPP) – NPDES Permit
2. Conduct two (2) Site Visits.
3. Review and respond to questions as requested by the Contractor.

Phase 050 – Special Inspections and Materials Testing

Construction materials testing services have been requested for pavement subgrades, reinforced concrete, and asphalt. We propose to provide our special inspections and construction testing services in the following manner:

Task 050001 - Earthwork Observation

Pavement Subgrades – Olsson will observe the exposed subgrade within the construction limits of the pavement areas to verify that soils unsuitable for pavement support have been removed and to identify unstable areas that require additional excavation prior to placement of the concrete and asphaltic pavement sections. A proofroll will be performed when accessible.

Olsson will obtain samples of materials proposed for use as structural fill for laboratory testing. Laboratory tests, including standard Proctors and Atterberg limits tests, will be performed to

evaluate the physical properties of the proposed fill materials. Olsson will observe field placement methods and perform field density tests on structural fill placed within the pavement areas. We have assumed a maximum of 1 Proctor and Atterberg Limits test will be required for testing of soil to be used as structural fill.

Task 050002 - Reinforced Concrete Testing

Olsson will observe placement of reinforcing steel in the concrete base sections. Field tests including slump, air entrainment and temperature will be performed on samples of concrete obtained from these areas. A batch plant inspection will also be performed with 2 gradations assumed for laboratory testing of the concrete aggregate. Cylinders will be cast from the concrete used in construction of the pavement bases for compressive strength testing at a rate of one set of 4 cylinders for every 300 yards of concrete placed per day. The following have been assumed:

- Concrete Pavement Bases – 6 sets of 4 cylinders per set, cast over 6 placement events

Task 050003 - Asphalt Testing

Olsson will observe the placement of the asphaltic concrete pavement while on-site to collect a sample for laboratory testing. Laboratory tests including theoretical maximum specific gravity, sieve analysis, density, binder ignition, and air voids, will be performed to evaluate the physical properties of the asphalt. Olsson will record the date, sample number, sample tonnage, mat temperature, lift, lane, and a general location of sampling for each sample collected. The sample will be delivered to the lab immediately after sampling. We have assumed 7 samples of asphalt will be needed throughout the project.

Task 050004 - Project Management/Reporting

Olsson's field professionals will prepare electronic field reports summarizing each day's field observations presenting test results and detailing items not in compliance with the project drawings and/or specifications.

Field reports will be reviewed by our project manager and submitted electronically to the designated project team on a weekly basis. Olsson is not responsible for the Contractor's means and methods and does not have the obligation or authority to stop the Contractor's work. Olsson's responsibility as the special inspection firm is to report field observations and test results to the Contractor and Client as provided herein.

Phase 060 – Construction Staking

Establish vertical and horizontal control for the grading contractor during site grading and utility and paving contractors for construction of the drainage culverts, guard rail, and pavement.

SCHEDULE FOR OLSSON'S SERVICES

Unless otherwise agreed, Olsson expects to perform its services covered by this Amendment promptly upon signing.

COMPENSATION

For the additional Scope of Services specifically set forth in this Amendment, Client shall pay Olsson the following fee in addition to the fee(s) set forth in the Agreement:

Client shall pay to Olsson for the performance of the Scope of Services, the actual time of personnel performing such services, and all actual reimbursable expenses in accordance with the Labor Billing Rate Schedule(s) and the Reimbursable Expense Schedule attached to this Agreement. Olsson shall submit invoices on a monthly basis and payment is due within 30 calendar days of invoice date.

| Phase | Description | Estimated Fee |
|-----------------|---|---------------|
| 040 | Construction Administration | \$ 8,000.00 |
| 050 | Special Inspections and Materials Testing | \$ 17,955.00 |
| 060 | Construction Staking | \$ 10,700.00 |
| Amendment Total | | \$ 36,655.00 |

TERMS AND CONDITIONS OF SERVICE

All provisions of the original Agreement not specifically amended herein shall remain unchanged.

If this Contract Amendment satisfactorily sets forth your understanding of our agreement, please sign in the space provided below. Retain a copy for your files and return an executed original to Olsson. This proposal will be open for acceptance for a period of 30 days from the date set forth above, unless changed by us in writing.,

OLSSON, INC.

By 
Jon G. Olsen, PE

By 
Travis Anderson

By signing below, you acknowledge that you have full authority to bind Client to the terms of this Amendment. If you accept this Amendment, please sign:

CITY OF SEWARD, NEBRASKA

By _____
Signature

Printed Name _____

Title _____

Dated: _____

LABOR BILLING RATE SUMMARY AND REIMURSBABLE EXPENSE SCHEDULE

Field Services*

| | | |
|--|----------|---------|
| Technician | per hour | \$60.00 |
| Senior Technician | per hour | \$65.00 |
| Steel Technician | per hour | \$85.00 |
| Steel Technician Level II (NDT Services) | per hour | \$90.00 |

Travel and Reimbursable Expenses

| | | |
|----------|----------|------------|
| Mileage | per mile | \$0.75 |
| Expenses | | Cost + 10% |

Management and Administration

| | | |
|------------------|----------|----------|
| Administrative | per hour | \$60.00 |
| CMT Manager | per hour | \$120.00 |
| Project Engineer | per hour | \$130.00 |

Laboratory Testing and Equipment

| | | |
|----------------------------------|----------|----------|
| Standard Proctor | per test | \$175.00 |
| Atterberg Limits | per test | \$110.00 |
| P-200 Sieve Analysis | per test | \$100.00 |
| Relative Density | per test | \$240.00 |
| Compression Test - Concrete | per test | \$15.00 |
| Compression Test - Mortar | per test | \$15.00 |
| Compression Test - Grout | per test | \$20.00 |
| Compression Test - Block Prism | per test | \$120.00 |
| Floor Flatness Testing Equipment | per day | \$200.00 |
| NDT Ultrasonic Equipment | per day | \$100.00 |
| TIP Testing Equipment | per pile | \$500.00 |
| TIP Testing Cabling | per pile | \$500.00 |

* Field services provided on Saturday, Sunday, Holidays, and in excess of 8-hours/day will be charged at 1.5 times the unit fee.

**COST ESTIMATE
SPECIAL INSPECTIONS AND MATERIALS TESTING**

Seward Rail Campus Highway 15 Improvements

I. EARTHWORK OBSERVATION

Pavement Subgrades

| | | | |
|--------------------------------------|----------------|----|----------|
| 45 Hrs Technician @ | \$60.00 /hr | \$ | 2,700.00 |
| 1 Standard Proctor @ | \$175.00 /each | \$ | 175.00 |
| 1 Atterberg Limits Test @ | \$110.00 /each | \$ | 110.00 |
| 4 Gradations @ | \$100.00 /each | \$ | 400.00 |
| 15 Trips (mileage @ \$0.75 per mile) | \$45.00 /trip | \$ | 675.00 |

II. REINFORCED CONCRETE TESTING

Reinforced Concrete - Concrete Base

| | | | |
|-------------------------------------|---------------|----|----------|
| 24 Hrs Technician @ | \$60.00 /hr | \$ | 1,440.00 |
| 24 Compression Test - Concrete @ | \$15.00 /each | \$ | 360.00 |
| 6 Trips (mileage @ \$0.75 per mile) | \$45.00 /trip | \$ | 270.00 |

Batch Plant Inspection

| | | | |
|-------------------------------------|----------------|----|--------|
| 6 Hrs Technician @ | \$60.00 /hr | \$ | 360.00 |
| 2 Gradations @ | \$100.00 /each | \$ | 200.00 |
| 2 Trips (mileage @ \$0.75 per mile) | \$45.00 /trip | \$ | 90.00 |

III. ASPHALT TESTING

Production - Lab Testing

| | | | |
|--|----------------|----|----------|
| 7 Theoretical Maximum Specific Gravity @ | \$200.00 /each | \$ | 1,400.00 |
| 7 Sieve Analysis (>3/4") @ | \$160.00 /each | \$ | 1,120.00 |
| 7 Density of Superpave Gyratory Specimens (2 pt) @ | \$315.00 /each | \$ | 2,205.00 |
| 7 Asphalt Binder Ignition Method @ | \$190.00 /each | \$ | 1,330.00 |
| 7 Percent Air Voids in Compacted Paving Mix @ | \$35.00 /each | \$ | 245.00 |

Sampling During Install

| | | | |
|-------------------------------------|---------------|----|----------|
| 21 Hrs Technician @ | \$60.00 /hr | \$ | 1,260.00 |
| 7 Trips (mileage @ \$0.75 per mile) | \$45.00 /trip | \$ | 315.00 |

IV. REPORTING/PROJECT MANAGEMENT

Technician Supervision, Review, and Project Administration

| | | | |
|--------------------------|--------------|----|----------|
| 25 Hrs Project Manager @ | \$120.00 /hr | \$ | 3,000.00 |
| 5 Hrs Administrative @ | \$60.00 /hr | \$ | 300.00 |

Estimated Total: \$ 17,955.00

JOB TITLE: GOLF SHOP MANAGER (Salaried: Exempt)

ACCOUNTABILITY: Under the direction of the Public Properties Director

JOB SUMMARY: Responsible for the management and operation of municipal nine-hole golf course (seasonal 7-day a week), including clubhouse, pro shop, concessions/**kitchen/dining area and bar**.

ESSENTIAL DUTIES AND RESPONSIBILITIES: Collects green fees, reserves tee times, schedules, coordinates and supervises leagues (including computer generated handicapping, tournaments and special events); promotes the golf course and encourages play; oversees the concessions/**kitchen/dining area** (including **orders, stocks inventory, prepares, sells and serves food**); **manages liquor license and bar (including orders, stocks, sells and serves alcohol; trains staff; operates alcohol cart on golf course grounds)**; schedules golf events; performs cart maintenance; schedules rentals; establishes programming; explains and enforces golf rules and regulations; balances cash drawer and makes daily bank deposits; manages rental and scheduling of clubhouse; maintains and cleans the clubhouse, including **concessions/kitchen/dining area, bar**, restrooms, basement, storage rooms and exterior patio; identifies and advises the Public Properties Director regarding building and facility maintenance; works closely with Golf Course Superintendent on special events and feedback from golf players; supervises and schedules seasonal part-time personnel; performs personnel evaluations and assists in employee recruitment, training, hiring and discipline; requisitions, prices, and maintains inventory of materials, equipment and supplies; assists in annual budget preparation and monitors revenues and expenses to ensure budget compliance; regular and reliable attendance; other duties as assigned.

ADDITIONAL DUTIES AND RESPONSIBILITIES: Assists in the development of long and short-term golf course improvement plans; prepares reports and maintains records; responds to citizen inquiries, complaints and information requests; compiles and maintains program mailing lists; completes and files accident/incident forms; develops and implements safety and training programs; assists public and answers and directs phone calls; represents the City at activities or functions to market golf course.

KNOWLEDGE/SKILLS/ABILITIES: Good oral and written communication skills to effectively communicate on a daily basis with the public, employees, volunteers, City Officials, and other city departments; high degree of organization skills; thorough knowledge and understanding of: golf course principles, etiquette, concepts and techniques, objectives, practices and procedures for the administration of a public golf course; **Nebraska liquor laws; safe food handling laws**; good hand-eye coordination; basic computer skills, specifically, MS Office; basic mathematical skills; ability to: plan, execute and evaluate programs on a continuing basis; manage conflict; operate equipment (computer, photocopier, fax machine, postage meter, credit card system, security system, public address system, **concession/kitchen/dining**, golf cart and cash register); work indoors and outdoors year-round; work in recreation and construction sites with exposure to dust, noise and hazards; sit, stand, walk, bend, stoop, kneel, crouch, crawl, climb, reach, finger and handle objects; focus and maintain close, distance and peripheral vision with depth perception; lift up to 50 pounds; work varying schedules, including early mornings, evenings, weekends and holidays.

MINIMUM REQUIREMENTS: Graduation from high school or equivalent; **must be 21 years of age**; must be able to comply with all rules and regulations of the Nebraska Liquor Control Act as it pertains to operating a liquor license; possess a valid driver's license. Five (5) years of experience in playing golf; two (2) years of experience in supervising employees; certified as a PGA Class A-Golf Pro by the Professional Golfers Association is preferred.

Updated 10/2019

JOB TITLE: GOLF SHOP SEASONAL EMPLOYEE (Hourly: Non-exempt)

ACCOUNTABILITY: Under the direction of the Golf Shop Manager.

JOB SUMMARY: assists with the operation of municipal nine-hole golf course and clubhouse, including clubhouse, pro shop, concessions/kitchen/dining area and bar.

ESSENTIAL DUTIES AND RESPONSIBILITIES: Collects green fees, reserves tee times; promotes the golf course and encourages play; responds to citizen inquiries, complaints and information requests; oversees the concessions/kitchen/dining area (including stocks, prepares, sells and serves food); oversees the bar (including stocks, sells and serves alcohol and operates alcohol cart on golf course grounds); performs golf cart maintenance; schedules rentals; explains and enforces golf rules and regulations; operates payment systems, makes change, balances cash drawer and makes daily bank deposits; maintains and cleans the clubhouse, including concessions/kitchen/dining area, bar, restrooms, basement, storage rooms and exterior patio; assists with clubhouse rental; identifies and advises the Golf Shop Manager regarding building and facility maintenance, inventory, and supplies; regular and reliable attendance; other duties as assigned.

SKILLS/ABILITIES: Work indoors and outdoors; lift up to 50 pounds; hand-eye coordination; required to: stand or sit for extended periods of time; carry, push and pull a variety of tools, equipment and materials; work in recreation and construction sites with exposure to dust, noise and hazards; walk, climb, balance, stoop, kneel, crouch, crawl, reach, bend; knowledge of basic computer skills, specifically MS Office; basic math skills; oral and written communication skills to effectively communicate on a daily basis with public, coworkers and other departments; work varying schedules, including early mornings, evenings, weekends and holidays.

TRAINING AND EXPERIENCE: Graduation from an accredited high school or GED equivalent; possess a valid driver's license; must be 19 years of age; must be able to comply with all rules and regulations of the Nebraska Liquor Control Act as it pertains to operating a liquor license.

Updated 3/2020

JOB TITLE: SUMMER SEASONAL LABORER (Hourly: Non-exempt)

ACCOUNTABILITY: Under the direction of the Public Properties Director, Street Superintendent, Water/Wastewater Director.

JOB SUMMARY: Assists in a variety of unskilled and semiskilled manual labor required for the seasonal daily care and maintenance of parks, cemeteries, athletic fields, swimming pool, streets, recycling center, parking lots, and facility and grounds at City Hall, golf course, fire station, library, senior center, water and wastewater, and other city-owned properties.

ESSENTIAL DUTIES AND RESPONSIBILITIES: Assists in daily care and maintenance of public grounds and turf (mowing, raking, trimming, seeding, fertilizing, pest and weed control, removing litter, edging walkways); installs, repairs, and maintains irrigation systems; maintains flower beds and garden areas (planting, watering, weeding, fertilizing, pruning); trims and removes trees, shrubbery and branches; removes grass, leaves and debris from walks, stairs, drives, trails, pathways, streets; maintains and cares for grave markers and stones; assists visitors with locating grave sites; maintains playground equipment (installing, demolition, inspecting, repairing, painting); maintains and prepares athletic fields (dragging, chalking); maintains buildings, facilities and playground equipment (painting, minor repairs, routine upkeep, cleaning park buildings and restrooms, furniture removal or moving); maintains vehicles and equipment (inspecting, routine upkeep, minor repairs); operates, inspects, and maintains vehicles (trucks, pickups, utility vehicles) and various types of equipment (hand tools, power mowers, weed trimmers, edgers, weed and paint sprayers, rototillers, Sand-pro, small tractor with attachments); regular and reliable attendance; other duties as assigned.

SKILLS/ABILITIES: Works in adverse weather conditions; lifts 50 lbs.; lifts and empties trash containers operates trucks and light equipment; operates a 10 lb. weed trimmer for extended periods of time; carries, pushes and pulls a variety of tools, equipment and materials; stands, walks, climbs, balances, stoops, kneels, reaches, bends, and works in a crouched position for extended periods of time; available to work evenings/weekends as needed; rotates on-call duty with members of department; oral and written communication skills to effectively communicate on a daily basis with the public, coworkers and other departments.

TRAINING AND EXPERIENCE: Prefer some experience as a laborer or maintenance worker of grounds, buildings or other facilities.

SPECIAL REQUIREMENTS: Must be 18 years of age or older and possess a valid driver's license.

Updated 3/2020

ORDINANCE NO. 2020-

AN ORDINANCE TO PROVIDE FOR ANNUAL CLASSIFICATION OF OFFICERS AND EMPLOYEES OF THE CITY OF SEWARD, NEBRASKA; TO AMEND THE TITLE OF SUMMER SEASONAL LABORER AND TO AMEND THE PAY LINE OF GOLF SHOP MANAGER; TO PROVIDE FOR LONGEVITY PAY AND PAYMENT OF PART-TIME EMPLOYEES; TO PROVIDE FOR A DATE SUCH CLASSIFICATION AND PAY RANGES OF COMPENSATION SHALL BECOME EFFECTIVE; TO PROVIDE FOR PUBLICATION IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF SEWARD, NEBRASKA:

Section 1. CLASSIFICATION, RANGES OF COMPENSATION. The classification of officers and employees of the City of Seward, Nebraska, pay grades and ranges of compensation for such classification are as follows:

2019-2020 SALARY SCHEDULE
PAY RANGE RATES

| <u>POSITION</u> | (20) | CLERICAL (HOURLY) | <u>MINIMUM</u> | <u>MAXIMUM</u> |
|--|-----------------------|-------------------|----------------|----------------|
| | (A) CLERICAL (HOURLY) | | | |
| Account Clerk III | | | 16.86 | 22.63 |
| Util Billing Clerk/Customer Service Representative | | | 15.65 | 20.75 |
| Administrative Assistant | | | 14.42 | 19.61 |
| Admin Assistant - Municipal Bldg | | | 13.90 | 18.17 |
| Library Assistant II/Social Media/IT | | | 16.20 | 21.31 |
| Library Assistant I/Community Outreach | | | 12.38 | 14.45 |
| Library Assistant I/Children's Services | | | 11.78 | 14.45 |
| Library Clerk I | | | 10.01 | 12.48 |
| Aging Services Commission Assistant | | | 14.16 | 18.92 |
| Golf Shop Seasonal Employee | | | 9.85 | 11.94 |
| (B) LABOR & TRADES (HOURLY) | | | | |
| Code Enforcement/Inspection Official | | | 19.57 | 24.57 |
| Civic Center Caretaker | | | 9.81 | 11.47 |
| Custodian | | | 12.72 | 18.94 |
| Electric Line Crew Chief | | | 29.27 | 38.69 |
| Electric Journeyman Lineman | | | 27.18 | 36.60 |

| | | |
|---|-------|-------|
| Electric Lineman | 24.81 | 31.42 |
| Electric Service Technician | 23.91 | 29.75 |
| Electric Seasonal Groundman | 18.73 | 22.09 |
| Meter Maintenance Utility Worker | 16.02 | 21.47 |
| Assistant Public Properties Director | 20.85 | 24.11 |
| Public Properties Maintenance Worker | 14.39 | 21.00 |
| Street Division Foreman | 21.97 | 28.37 |
| Street Maintenance Worker III | 17.02 | 22.91 |
| Street Maintenance Worker II | 15.59 | 20.93 |
| Street Maintenance Worker I | 14.36 | 18.96 |
| Recycling Center Worker | 10.04 | 14.42 |
| Facility Maintenance Supervisor | 22.60 | 30.33 |
| WW Treatment/Water Plant Operator | 19.62 | 26.08 |
| Senior Utility Maintenance Worker II | 20.65 | 28.02 |
| Utility Maintenance Worker II | 19.55 | 26.71 |
| Utility Maintenance Worker I | 16.79 | 22.37 |
| Water/Wastewater Seasonal Laborer | 12.77 | 13.28 |
| Public Properties/Recreation/Golf/Street/ Summer Seasonal Laborer | 12.77 | 13.28 |
| Pool Manager | 11.99 | 14.18 |
| Assistant Pool Manager | 10.36 | 12.27 |
| Swim Program Coordinator | 10.09 | 11.93 |
| Lifeguard | 9.81 | 10.90 |
| Pool Office/Concession Work | 9.81 | 10.90 |
| Water Safety Instructor | 9.81 | 10.90 |
| Swim Lesson Aide | 6.54 | 7.09 |

(C) PUBLIC SAFETY (HOURLY)

| | | |
|--|-------|-------|
| Police Sergeant | 23.44 | 30.97 |
| Police Officer II | 20.65 | 27.44 |
| Police Officer I | 19.78 | 26.35 |
| Administrative Secretary/Records Clerk | 14.98 | 20.17 |
| Community Service Officer | 13.28 | 18.19 |

(D) SUPERVISORY, TECHNICAL & ADMINISTRATIVE (MONTHLY)

| | | |
|--------------------|-------|--------|
| City Administrator | 9,450 | 10,186 |
| Chief of Police | 6,086 | 7,466 |
| City Engineer | 5,980 | 7,973 |

| | | |
|---|------------------|------------------|
| Asst. Chief of Police | 5,273 | 6,189 |
| Electric Superintendent | 5,437 | 7,181 |
| Public Properties Director | 5,104 | 6,346 |
| Asst. Adm/Clk-Treas/Budget & HR Director | 5,033 | 6,986 |
| Water/Wastewater Director | 4,838 | 7,189 |
| Street Superintendent | 4,664 | 5,893 |
| Finance Director/Treasurer | 5,075 | 6,705 |
| Library Director | 4,255 | 5,335 |
| Deputy Clerk/Fin Director/Asst. Treasurer | 4,250 | 5,198 |
| Golf Course Grounds Superintendent | 4,250 | 4,957 |
| Building/Zoning/Code Enforcement Director | 4,173 | 5,225 |
| Assistant Recreation Director | 2,971 | 3,866 |
| Golf Shop Manager | 2,971 | 3,866 |
| Assistant Library Director | 2,964 | 4,008 |
| Civic Center Manager | 2,964 | 3,421 |
| Golf Shop Manager | 2,964 | 3,548 |

Section 2. LONGEVITY PAY. Each employee, who is a full-time employee, will, for each two years of service to the City, receive five dollars (\$5.00) per month in addition to the established base pay in his classification as set forth in Section One of this ordinance.

Section 3. COMPENSATION PAYABLE BIWEEKLY. The compensation and salary fixed for the respective officers and employees of the City by this ordinance shall be paid biweekly.

Section 4. PART-TIME EMPLOYEES. Persons employed by the City on a part-time or occasional basis shall be paid on an hourly rate and at such time as shall be fixed by the Mayor and Council by motion.

Section 5. REPEAL. Any City of Seward ordinance, resolution, or employee handbook or part of any ordinance, resolution, or employee handbook of the City of Seward, Nebraska in conflict with this Ordinance is hereby repealed to the extent of such conflict.

Section 6. WHEN OPERATIVE. This ordinance shall be effective the beginning of the next full pay period following March 17, 2020, after its approval, passage and publication as required by law and the ordinances of the City.

Passed and approved this _____ day of _____, 2020.

ATTEST:

THE CITY OF SEWARD, NEBRASKA

 Bonnie Otte
 Assistant Administrator
 Clerk/Treasurer/
 Budget & Human Resources Director

 Joshua Eickmeier, Mayor

2019-2020 (EFFECTIVE 1ST FULL PAY PERIOD FOLLOWING MARCH 17, 2020)

| POSITION | CLERICAL (HOURLY) | | | | | | | | |
|---|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| ACCOUNT CLERK III | 16.86 | 17.58 | 18.30 | 19.02 | 19.74 | 20.47 | 21.19 | 21.91 | 22.63 |
| UTIL BILLING CLK-CUST SERV REP | 15.65 | 16.29 | 16.93 | 17.56 | 18.20 | 18.84 | 19.47 | 20.11 | 20.75 |
| ADMIN ASSISTANT | 14.42 | 15.07 | 15.72 | 16.37 | 17.01 | 17.66 | 18.31 | 18.96 | 19.61 |
| ADMIN ASSISTANT - MUNI BUILDING | 13.90 | 14.43 | 14.97 | 15.50 | 16.04 | 16.57 | 17.10 | 17.64 | 18.17 |
| LIBRARY ASSISTANT II/Social Media/IT | 16.20 | 16.83 | 17.47 | 18.11 | 18.75 | 19.39 | 20.03 | 20.67 | 21.31 |
| LIBRARY ASSISTANT I/Community Outreach | 12.38 | 12.64 | 12.90 | 13.16 | 13.42 | 13.68 | 13.93 | 14.19 | 14.45 |
| LIBRARY ASSISTANT I/Children's Services | 11.78 | 12.11 | 12.45 | 12.78 | 13.12 | 13.45 | 13.79 | 14.12 | 14.45 |
| LIBRARY CLERK I | 10.01 | 10.31 | 10.62 | 10.93 | 11.24 | 11.55 | 11.86 | 12.17 | 12.48 |
| AGING SERV. COMM. ASSISTANT | 14.16 | 14.75 | 15.35 | 15.94 | 16.54 | 17.14 | 17.73 | 18.33 | 18.92 |
| GOLF SHOP SEASONAL EMPLOYEE | 9.85 | 10.11 | 10.37 | 10.64 | 10.89 | 11.15 | 11.42 | 11.67 | 11.94 |

| POSITION | LABOR & TRADES (HOURLY) | | | | | | | | |
|--------------------------------------|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| CODE ENFORCEMENT/INSPECTION OFFICIAL | 19.57 | 20.19 | 20.81 | 21.43 | 22.05 | 22.67 | 23.29 | 23.91 | 24.57 |
| CIVIC CENTER CARETAKER | 9.81 | 10.02 | 10.23 | 10.44 | 10.64 | 10.85 | 11.06 | 11.26 | 11.47 |
| CUSTODIAN | 12.72 | 13.50 | 14.28 | 15.05 | 15.83 | 16.61 | 17.39 | 18.17 | 18.94 |
| ELECTRIC LINE CREW CHIEF | 29.27 | 30.45 | 31.63 | 32.80 | 33.99 | 35.16 | 36.33 | 37.52 | 38.69 |
| ELECTRIC JOURNEYMAN LINEMAN | 27.18 | 28.36 | 29.54 | 30.71 | 31.90 | 33.07 | 34.24 | 35.42 | 36.60 |
| ELECTRIC LINEMAN | 24.81 | 25.64 | 26.46 | 27.28 | 28.12 | 28.94 | 29.76 | 30.58 | 31.42 |
| ELEC SERVICE TECHNICIAN | 23.91 | 24.64 | 25.37 | 26.10 | 26.83 | 27.56 | 28.29 | 29.02 | 29.75 |
| ELECTRIC SEASONAL GROUNDMAN | 18.73 | 19.15 | 19.57 | 19.99 | 20.41 | 20.83 | 21.25 | 21.67 | 22.09 |
| METER MAINTENANCE UTILITY WORKER | 16.02 | 16.70 | 17.38 | 18.07 | 18.75 | 19.43 | 20.11 | 20.79 | 21.47 |
| ASSIST. PUBLIC PROP. DIRECTOR | 20.85 | 21.36 | 21.77 | 22.17 | 22.59 | 22.99 | 23.40 | 23.81 | 24.11 |
| PUBLIC PROP. MAINTENANCE WORKER | 14.39 | 15.22 | 16.04 | 16.87 | 17.69 | 18.52 | 19.35 | 20.17 | 21.00 |

| LABOR & TRADES (HOURLY) | | | | | | | | | |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| POSITION | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| STREET DIVISION FOREMAN | 21.97 | 22.77 | 23.57 | 24.37 | 25.17 | 25.97 | 26.77 | 27.57 | 28.37 |
| STREET MAINT. WORKER III | 17.02 | 17.76 | 18.49 | 19.23 | 19.96 | 20.70 | 21.44 | 22.17 | 22.91 |
| STREET MAINT. WORKER II | 15.59 | 16.25 | 16.92 | 17.59 | 18.26 | 18.93 | 19.60 | 20.26 | 20.93 |
| STREET MAINT. WORKER I | 14.36 | 14.93 | 15.51 | 16.08 | 16.66 | 17.24 | 17.81 | 18.39 | 18.96 |
| RECYCLING WORKER | 10.04 | 10.59 | 11.13 | 11.68 | 12.23 | 12.78 | 13.33 | 13.87 | 14.42 |
| FACILITY MAINTENANCE SUPERV | 22.60 | 23.57 | 24.53 | 25.50 | 26.46 | 27.43 | 28.40 | 29.36 | 30.33 |
| WW PLANT / WATER PLANT OPER | 19.62 | 20.43 | 21.23 | 22.04 | 22.85 | 23.66 | 24.47 | 25.28 | 26.08 |
| SENIOR UTIL. MAINT. WORKER II | 20.65 | 21.57 | 22.49 | 23.42 | 24.34 | 25.26 | 26.18 | 27.10 | 28.02 |
| UTIL MAINT. WORKER II | 19.55 | 20.45 | 21.34 | 22.24 | 23.14 | 24.03 | 24.92 | 25.82 | 26.71 |
| UTIL MAINT. WORKER I | 16.79 | 17.49 | 18.19 | 18.89 | 19.58 | 20.28 | 20.98 | 21.68 | 22.37 |
| WATER/WASTEWATER SEASONAL LABORER | 12.77 | 13.28 | | | | | | | |
| SUMMER SEASONAL LABORER | 12.77 | 13.28 | | | | | | | |
| POOL MANAGER | 11.99 | 12.27 | 12.54 | 12.81 | 13.08 | 13.36 | 13.63 | 13.90 | 14.18 |
| ASST. POOL MANAGER | 10.36 | 10.60 | 10.84 | 11.08 | 11.32 | 11.55 | 11.79 | 12.03 | 12.27 |
| SWIM PROGRAM COORDINATOR | 10.09 | 10.32 | 10.55 | 10.78 | 11.01 | 11.24 | 11.47 | 11.70 | 11.93 |
| POOL LIFEGUARD | 9.81 | 9.95 | 10.09 | 10.22 | 10.36 | 10.50 | 10.63 | 10.77 | 10.90 |
| POOL OFFICE/CONCESSIONS | 9.81 | 9.95 | 10.09 | 10.22 | 10.36 | 10.50 | 10.63 | 10.77 | 10.90 |
| WATER SAFETY INSTR. | 9.81 | 9.95 | 10.09 | 10.22 | 10.36 | 10.50 | 10.63 | 10.77 | 10.90 |
| SWIM LESSON AIDE | 6.54 | 6.61 | 6.68 | 6.75 | 6.82 | 6.88 | 6.95 | 7.02 | 7.09 |

| POLICE (HOURLY) | | | | | | | | | |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| POSITION | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| POLICE SERGEANT | 23.44 | 24.38 | 25.33 | 26.27 | 27.21 | 28.15 | 29.09 | 30.03 | 30.97 |
| POLICE OFFICER II | 20.65 | 21.50 | 22.35 | 23.20 | 24.05 | 24.90 | 25.74 | 26.59 | 27.44 |
| POLICE OFFICER I | 19.78 | 20.60 | 21.42 | 22.24 | 23.06 | 23.89 | 24.71 | 25.53 | 26.35 |
| ADM/SEC RECORDS CLK PD | 14.98 | 15.63 | 16.28 | 16.93 | 17.57 | 18.22 | 18.87 | 19.52 | 20.17 |
| COMMUNITY SERVICE OFFICER | 13.28 | 13.89 | 14.51 | 15.12 | 15.74 | 16.35 | 16.97 | 17.58 | 18.19 |

SUPERVISORY, TECHNICAL, ADMINISTRATIVE (MONTHLY)

| POSITION | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| CITY ADMINISTRATOR | 9,450 | 9,542 | 9,634 | 9,726 | 9,818 | 9,910 | 10,002 | 10,094 | 10,186 |
| CHIEF OF POLICE | 6,086 | 6,258 | 6,431 | 6,603 | 6,776 | 6,949 | 7,121 | 7,294 | 7,466 |
| CITY ENGINEER | 5,980 | 6,229 | 6,479 | 6,728 | 6,977 | 7,226 | 7,476 | 7,724 | 7,973 |
| ASST CHIEF OF POLICE | 5,273 | 5,388 | 5,502 | 5,617 | 5,731 | 5,846 | 5,960 | 6,075 | 6,189 |
| ELECTRIC SUPERINTENDENT | 5,437 | 5,655 | 5,873 | 6,090 | 6,309 | 6,527 | 6,745 | 6,963 | 7,181 |
| PUBLIC PROPERTIES DIRECTOR | 5,104 | 5,259 | 5,414 | 5,570 | 5,725 | 5,880 | 6,036 | 6,191 | 6,346 |
| ASST ADM/CLK-TREAS/BUD/HUMAN | 5,033 | 5,277 | 5,521 | 5,765 | 6,010 | 6,254 | 6,498 | 6,742 | 6,986 |
| W/WWTW DIRECTOR | 4,838 | 5,132 | 5,426 | 5,720 | 6,014 | 6,308 | 6,743 | 7,037 | 7,189 |
| STREET SUPERINTENDENT | 4,664 | 4,818 | 4,971 | 5,125 | 5,278 | 5,432 | 5,586 | 5,739 | 5,893 |
| FINANCE DIRECTOR/TREASURER | 5,075 | 5,279 | 5,483 | 5,687 | 5,891 | 6,093 | 6,297 | 6,501 | 6,705 |
| LIBRARY DIRECTOR | 4,255 | 4,390 | 4,525 | 4,660 | 4,795 | 4,930 | 5,065 | 5,200 | 5,335 |
| DEPUTY CLK/FIN/ASST. TREAS. | 4,250 | 4,369 | 4,487 | 4,606 | 4,724 | 4,842 | 4,961 | 5,079 | 5,198 |
| GOLF COURSE GROUNDS SUPERINTENDENT | 4,250 | 4,339 | 4,427 | 4,525 | 4,613 | 4,702 | 4,790 | 4,878 | 4,957 |
| BLDG/ZONING/CODE ENFORCEMENT | 4,173 | 4,305 | 4,436 | 4,568 | 4,699 | 4,831 | 4,962 | 5,094 | 5,225 |
| ASSISTANT RECREATION DIRECTOR | 2,971 | 3,083 | 3,195 | 3,306 | 3,418 | 3,530 | 3,642 | 3,754 | 3,866 |
| GOLF SHOP MANAGER | 2,971 | 3,083 | 3,195 | 3,306 | 3,418 | 3,530 | 3,642 | 3,754 | 3,866 |
| ASST LIBRARY DIRECTOR | 2,964 | 3,094 | 3,225 | 3,355 | 3,486 | 3,616 | 3,747 | 3,877 | 4,008 |
| CIVIC CENTER MANAGER | 2,964 | 3,021 | 3,078 | 3,135 | 3,192 | 3,250 | 3,307 | 3,364 | 3,421 |

RESOLUTION NO. 2020-

WHEREAS, the City Council of the City of Seward, Nebraska may by resolution fix the amount of Park, Recreation, Golf Course, Camping, and Cemetery fees, and

WHEREAS, it is deemed advisable to establish Park, Recreation, Golf Course, Camping, and Cemetery fees;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA THAT:

The amount of Park, Recreation, Golf Course, Camping, and Cemetery fees shall henceforth be and are hereby fixed as follows to be in full force and effect on and after date of passage:

Seward Youth Sports Programs:

| | |
|--------------------|----------|
| Baseball | \$ 35.00 |
| Basketball | \$ 30.00 |
| Soccer | \$ 30.00 |
| Softball | \$ 35.00 |
| Volleyball | \$ 30.00 |
| Volleyball (Adult) | \$ 35.00 |
| Wrestling | \$ 20.00 |
| Flag Football | \$ 30.00 |
| Tackle Football | \$ 35.00 |
| Tennis | \$ 25.00 |

Seward Dowding Swimming Pool:

| | |
|------------------------------------|----------------------|
| Adult (18-54) | \$ 5.00 per day |
| Youth (3-17) | \$ 4.00 per day |
| Senior (55-64) | \$ 4.00 per day |
| Senior (65+) | FREE |
| Age 2 & Under | FREE |
| Individual Annual Pass | \$ 75.00 |
| Family Annual Pass | \$150.00 |
| Season Exercise Pass | \$ 55.00 |
| 10 Class Water Exercise Punch Card | \$ 30.00 |
| Pre-K & Parent Swim Lesson | \$ 25.00 per session |
| Group Swim Lesson | \$ 40.00 per session |
| Private Swim Lesson | \$ 80.00 per session |
| Rental Fee | \$300.00 |

Seward Recreation Facilities:

Sports Complex Concession Stand

| | |
|--|----------|
| One Day Rental | \$150.00 |
| Two Day Rental | \$250.00 |
| Three Day Rental | \$300.00 |
| Damage Deposit | \$100.00 |
| (To be returned or subtracted from total rental fee if stand is cleaned and no damage has occurred). | |

Plum Creek Park Softball Concession Stand

| | |
|------------------|----------|
| One Day Rental | \$ 75.00 |
| Two Day Rental | \$125.00 |
| Three Day Rental | \$150.00 |

Cattle Athletic Training Facility

| | |
|---|---------------------------|
| Seward Based Team Registration (per season) | \$300.00 (Dec 1 to May 1) |
| Non-Seward Based Team Registration | \$100.00 per hour |
| Private Instruction (1 per week) | \$ 25.00 per hour |
| Weekday Use 7:00 a.m. to 4:00 p.m. | \$ 10.00 per hour |
| Prime Time Use Weekdays 4:00 p.m. to 10:00 p.m. | |
| Building (Team/Group) | \$ 20.00 per hour |
| Batting cage (individual) | \$ 10.00 per hour |

Seward Community Golf Course:

| | | |
|--------------------------|-------------------------|----------|
| | <u>Daily Green Fees</u> | |
| 9 Holes (Including Tax) | | \$ 19.00 |
| 18 Holes (Including Tax) | | \$ 26.00 |

| | | |
|-------------------|------------------------|----------|
| | <u>Annual Golf Fee</u> | |
| Single | | \$600.00 |
| Family | | \$775.00 |
| Age 19-25 | | \$275.00 |
| Grade/High School | | \$150.00 |

| | | |
|--------------------------|--|----------|
| | <u>Daily Golf Cart Rental Per Player</u> | |
| 9 Holes (Including Tax) | | \$ 7.00 |
| 18 Holes (Including Tax) | | \$ 11.00 |

| | | |
|--------|-------------------------------|----------|
| | <u>Annual Golf Cart Lease</u> | |
| Single | | \$300.00 |
| Family | | \$400.00 |

| | | |
|---------------------------------|--|----------|
| | <u>Annual Golf Cart Storage With Trail Fee</u> | |
| Gas Cart (Does not include gas) | | \$375.00 |
| Electric Cart | | \$400.00 |

| | | |
|----------------------|-----------------------------|----------|
| | <u>Daily Trail Fee Only</u> | |
| Cart Stored Off-Site | | \$ 10.00 |

| | | |
|----------------------|------------------------------|----------|
| | <u>Annual Trail Fee Only</u> | |
| Cart Stored Off-Site | | \$200.00 |

| | | |
|---|----------------------|----------|
| | <u>Miscellaneous</u> | |
| Annual Locker Rent | | \$ 35.00 |
| Annual Single Driving Range Pass | | \$150.00 |
| Annual Single Driving Range Without Season Pass | | \$200.00 |
| Annual Family Driving Range Pass | | \$225.00 |
| Annual Family Driving Range Without Season Pass | | \$275.00 |
| Junior Rate (High School or Younger) | | \$100.00 |

| | | |
|--|---------|--|
| Driving Range Bucket of Golf Balls (Including Tax) | | |
| Small Bucket | \$ 4.50 | |
| Medium Bucket | \$ 6.50 | |
| Large Bucket | \$ 8.50 | |

Clubhouse Dining Room/Kitchen Rental

| | |
|-----------------------|------------------|
| Dining Room Only | \$100.00 per day |
| Dining Room & Kitchen | \$150.00 per day |

Seward Blue Valley Campground:

| | |
|-----------------------|--------------------|
| Camper Unit | \$ 15.00 per night |
| Senior Citizens (65+) | \$ 10.00 per night |
| Tent Unit | \$ 7.00 per night |

Maximum length of stay is 14 consecutive days with a 48 hour interim between visits.

Seward Cemeteries:

| <u>Burial Space Fees</u> | |
|--|----------------------------|
| Adult Space | \$600.00 |
| Infant Space (under 2 yrs old) | \$200.00 |
| <u>Grave Opening and Closing Fees</u> | |
| Adult Traditional | \$600.00 |
| Adult Cremation | \$300.00 |
| Infant Traditional/Cremation (under 2 yrs old) | \$275.00 |
| <u>Monument and Marker Fees</u> | |
| Stone Setting | \$ 75.00 per setting |
| <u>Miscellaneous Fees</u> | |
| Perpetual Care | 25% of burial space |
| Saturday Funeral Closing | \$300.00 |
| Sunday and Holiday Funeral Closing | \$500.00 |
| Sunday and Holiday Grave Opening | \$290.00/hr (2 hr minimum) |
| Overtime Incurred (After 4:00 p.m.) | \$100.00/hr |
| Deed Transfer | \$100.00 |
| Scattering of Ashes in Designated Area | \$ 75.00 |
| Entering a Name on Cemetery Records (See Rules and Regulations) | \$ 75.00 |

Transferring of a space will be made at the discretion of the City after a request is reviewed and payment is received.

Holidays in which the City will provide services for an additional fee: Martin Luther King Jr. Day (third Monday in January), Labor Day (first Monday in September), and Veterans Day (November 11).

Holidays in which no services or openings will be conducted: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Thanksgiving Day (fourth Thursday in November), and Christmas Day (December 25).

Resolutions 2020-5 and all previous resolutions in conflict with this resolution are hereby revoked.

The Mayor declared the resolution adopted.

Dated: _____, 2020

THE CITY OF SEWARD, NEBRASKA

ATTEST:

Joshua Eickmeier, Mayor

Bonnie Otte
Asst Administrator/Clerk-Treasurer
Budget & HR Director

(SEAL)

City of Seward Downtown Revitalization Façade Improvement Commercial Rehabilitation Grant Program

Items Included:

1. Program Guidelines
2. Program/Application Instructions
3. Application
4. Davis Bacon Labor Standard – Contractor’s Guide
5. Seward County Wage Determination – 3/3/20
6. Downtown Revitalization Area Map
7. Historic Preservation Information
6. Program Process Flowchart and Contacts

**Application Deadline: Wednesday April 8, 2020, 4:00 p.m., at
Seward City Hall, 537 Main St., Seward, NE 68434.**

Questions:

Greg Butcher, Seward City Administrator – 402-643-2928

Jonathan Jank, SCCDP President & CEO – 402-643-4189

Trey Ertmer, SENDD/Grant Administrator – 402-475-2560

CITY OF SEWARD MISSION STATEMENT

Our City promotes genuine community spirit by providing
friendly, quality services to people who live, work and play in Seward.

“Nebraska’s Official 4th of July City”

DOWNTOWN REVITALIZATION FAÇADE IMPROVEMENT/COMMERCIAL REHABILITATION PROGRAM

I. Program Overview

Statement of Purpose:

To improve downtown buildings by restoring, renovating, replacing, or reconstructing facades, structural repairs, exterior building repairs, and internal code compliance. These improvements will be in accordance with historic preservation to achieve five (5) significant goals and are part of an overall strategy to attract consumers and new businesses, as well as to support existing businesses. These five (5) goals are:

1. Enhance the environmental and historical quality of the Downtown area.
2. Improve the economic potential of individual buildings and the Downtown area.
3. Strengthen property values.
4. Improve the blighted appearance of buildings.
5. Encourage pride in the downtown area.

Funding Mechanism:

A DTR façade improvement program administered by the City of Seward and funded by the Community Development Block Grant Downtown Revitalization funds.

Program Details:

- Available to property owners, business owners, and tenants within the designated DTR Revitalization Area as identified in the 2017 Phase 1 DTR Study prepared by RDG Planning and Design.
- Eligible improvements include the rehabilitation of buildings.
- Single family residences shall not be eligible for this program.
- The Seward City Council shall appoint a Downtown Revitalization Committee (“DTR Committee”), whom shall also be the currently serving members of the City of Seward LB 840 Application Review Board.
- Application deadline will be determined by the DTR Committee. If funds are still available after the first application cycle, additional cycles will be determined by the DTR Committee.
- Requires a minimum 50% match.
- Request amounts and design will be reviewed by the DTR Committee.
- The DTR Committee will make project funding recommendations to the Seward City Council, with the City Council making the awards.

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- Work must be completed and invoices submitted before May 31, 2020.

II. Program Guidelines

The purpose of this program is to assist in the creation of a cohesive, cost-effective, and vibrant downtown district and if applicable to restore, improve, or create historic architectural features to facades of buildings anywhere within Downtown Seward as identified within the 2017 Downtown Revitalization Plan.

1. Eligible improvements include the rehabilitation of sidewalk, building facades, and building structural components. Eligible improvements include but are not limited to:
 - Brick/masonry repair or restoration.
 - New or replacement of awnings and signs.
 - Exterior wall repairs, including the repair, restorative installation of decorative details and other design features.
 - Building mounted façade lighting.
 - Entries, door and window repairs and replacements.
 - Miscellaneous façade improvements.
 - Façade code violation eradication.
 - Repairs of building code compliance issues identified in an inspection conducted by the City of Seward.
 - Painting is eligible for exterior façade improvements in combination with above activities or permanent signage for restoration and historic preservation that are fixed to structure.
2. Requires a minimum 50% match by the applicant. Matching funds by the applicant may not be from City of Seward LB 840 Funds or City of Seward CDBG Reuse Loan Funds (RLF).
3. Projects shall be located in the designated downtown revitalization area as stated in the City of Seward 2017 Downtown Revitalization Plan. Copy of the designated map is attached hereto as Exhibit "A".
4. Request amounts and design will be reviewed by the DTR Committee. The DTR Committee will make project funding recommendations for approval by the Seward City Council. The DTR Committee shall prioritize qualifying project applications based upon the percentage of matching funds contributed by the applicant. Qualifying applicants which contribute above the 50% match minimum will be given first priority and shall be ranked on such basis. (Ex: Façade project for \$50,000, applicant to cover \$30,000 (60%) will be given priority over masonry project for \$50,000 with applicant to cover \$27,500 (55%). The purpose in such ranking is to leverage the most funds into qualifying downtown projects.
5. Each application will be considered solely on its merits, without regard to age (provided the applicant is of age as prescribed by law), color, creed, marital status, national origin, political party affiliation, race or gender of the applicant(s).

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6. Applicants will be notified via first class mail of the recommendation of the DTR Committee and the final approval/non-approval by the City Council in an authorizing document signed and dated by the Mayor.
7. \$35,000 shall be set aside for administrative costs, and \$8,000 for construction management.
8. \$307,000 was initially set aside for forgivable loans in amount greater than \$1,000 but no greater than \$50,000, for eligible applicants and eligible improvements. Currently there are approximately \$75,000 in funds available.
9. The DTR project funds will be reimbursed to the applicant for eligible project costs and will become a five (5) year forgivable loan. The loan will be prorated at 20% forgiven each year. This is done to insure that the improvements will remain in place.
10. The five (5) year forgivable loan can be transferred by the property owner at the time of a sale to the purchaser if approved by the Seward City Council.
11. For each forgivable loan, the applicant will be required to sign a Promissory Note and the property owner will be required to sign a Deed of Trust.
12. Improvements must remain intact for a minimum period of five (5) years from the date of completion. Changes to funded improvements prior to five (5) years may trigger repayment.
13. Where practical, building facades shall be resorted to historic standards. If it is deemed not practical by the DTR Committee then a similar architectural design shall be used.
14. If a building does not have a historic significant architectural design or feature, another proposed design may be submitted to qualify for the program.
15. No work for which funding is sought shall begin until authorized by the CDBG Grant Administrator.
16. To qualify for funds, an application with appropriate conceptual plans and other documents must be submitted to the Seward City Clerk, 537 Main Street, Seward, NE 68434.
17. The work proposed by the applicant requires at least two (2) bids from outside sources to verify that costs are within reasonable parameters. The DTR Committee may waive this requirement in special circumstances.
18. All projects must comply with City of Seward Building Codes as currently adopted by the City as well as all relevant Nebraska Statutes, Rules and Regulations.
19. Contractors are required to comply with Davis-Bacon Wage Determinations, System for Award Management (SAM) registration, and E-Verify requirements.

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20. Applicants are responsible for any architectural fees, preparing design specifications, any engineering, and any other costs.
21. Attestation of U.S. Citizenship form will be required if applicant is an individual or a sole proprietor.
22. Projects are subject to a Tier II environmental review and approval from the State Historical Preservation Office (SHPO).
23. All amendments to the program guidelines shall be approved by the Seward City Council with prior approval or recommendation of the Nebraska Department of Economic Development.

III. Implementation Guidelines

For the benefit of the entire City of Seward, this Program encourages the improvement of facades and buildings in the downtown district, so as to accentuate the historic elements of the district through the restoration, renovation, replacement, or reconstruction of facades and buildings, as defined:

Façade shall mean the exterior wall of a building exposed to public view from the building's exterior. This will typically include a visual impact with items such as awnings, windows, and signage.

Restoration is the preferred treatment for building facades and improvements. Restoration is most applicable to buildings where there has been very little change to the building over time. This results in the return of the building to its original appearance through the use of authentic materials and the replication of missing or deteriorated components.

Renovation results in improvements which do not attempt to return the building to its original appearance. Improvements made should be sensitive to historic details and materials and should respect whatever original character remains.

Replacement of facades or improvements is appropriate when the majority of the original façade or building is missing or has been significantly altered so as to make restoration or renovation impractical. Designs should select materials, dimensions, and architectural details that are similar or compatible to surrounding buildings such as height, size and spacing, materials, and colors. **It should be noted that in some cases the current façade alterations may be considered historic in their own right, even if the current look is not original. Projects that intend to replace any aspects of the façade or structure are encouraged to consult with SHPO before application to identify potential project challenges.**

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Reconstruction takes place when the building and its features no longer exist. With reconstruction, designs are created through new construction to replicate, mimic, resemble, or accentuate historic period details.

SHPO encourages applicants to contact their office before final project plans are made. Early contact with their office can help identify potential project delays and clarify what may be considered appropriate or inappropriate work for grant projects. SHPO may be reached at 402-471-4787.

IV. Design and Document Approval Flow Chart

1. The City undertook a thorough Phase I DTR planning process to gauge community interest. Based on the strong support for the City's proposed DTR Phase II project, stakeholders, City leaders, and CBD business/building owners vetted the proposed plan. The City of Seward and Seward County Chamber & Development Partnership (SCCDP) will promote the program with ongoing advertisement through the Partnership's Facebook page, Seward (Nebraska) Community Chat's group (4,889 members), monthly Blue River Buzz e-newsletter (over 800 subscribers), and through hand-delivering applications.
2. Application is filled out and submitted to City Clerk, 537 Main Street, Seward, NE 68434, along with sketches and a description of the intended use of the funds, which may be amended.
 - a. Note: Sketches and description of the planned improvements need only be conceptual but must show enough detail so the DTR Committee can make comments and recommendations.
3. The DTR Committee conducts a preliminary review of the applications.
4. Applications receiving preliminary approval by the DTR Committee are forwarded to the CDBG Grant Administrator for a Tier II environmental review.
5. If the applicant wishes to participate in the program, then the applicant arranges for preparation of construction drawings and price quotations and provides a copy for review. If no changes are suggested by the DTR Committee, the applicant completes the application material outlined under "Supporting Data Checklist" and submits two (2) copies to the City of Seward.
6. The DTR Committee reviews the formal application and makes a recommendation to the City Council.
7. The City Council awards funding.
8. CDBG Administrator meets with the applicant and contractors to review and complete paperwork and legal documents at a preconstruction meeting.

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9. After formal approval and completion of all necessary documents the CDBG Administrator issues a Notice to Proceed to the applicant.
10. After receiving the Notice to Proceed the project is started according to approved design. Any changes must be reviewed by the DTR Committee, SHPO, undergo further Tier II environmental review, and be approved by the City Council in an authorizing document signed and dated by the Mayor.
11. The applicant must ensure that the selected contractor is aware of Davis Bacon Wage Requirements prior to final selection of the contractor. SENDD will serve as the Labor Standards Compliance Officer.
12. The Contractor must be registered on the System for Award Management (SAM) prior to signing of the contract between the applicant and contractor.
13. The Contractor must work with the CDBG Grant Administrator.
14. The applicant must submit invoices and corresponding cancelled checks to the City.
15. At the project completion, the CDBG Grant Administrator will conduct a final review to ensure that the project has been completed as proposed in an authorizing document signed and dated by the Mayor.
16. The CDBG Grant Administrator prepares the grant drawdown documents.
17. The City of Seward will distribute grant funds as a forgivable loan to the applicant upon receipt from Nebraska Department of Economic Development.
18. The DTR Committee reviews façade and building improvements annually for a period of five (5) years to ensure that approved designs remain intact.

V. Supporting Data Checklist

The following information shall be submitted with the application.

Façade:

- Provide a drawing of changes
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photo of existing façade on all exposed sides
- Timeline for the proposed improvements

Paint:

- Provide samples of the colors chosen
- Mark which color will be the body color and which will be accent colors
- Note where each color will be used
- Submit two (2) detailed written estimates from contractors of your choice

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- Submit color photo of existing façade on all exposed sides
- Timeline for the proposed improvements.

Windows:

- Provide details on windows being replaced
- Provide details on replacement windows
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photo of existing façade on all exposed sides
- Timeline for the proposed improvements.

Sidewalk:

- Provide details on the sidewalk to be replaced
- Provide details on if the existing sidewalk is hollow
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photo of all existing sidewalk
- Timeline for the proposed improvements.

Structural/Building Code Compliance:

- Provide details of the structural components or code issues to be replaced or repaired
- Note where these items are located
- Provide details on the condition of the existing items
- Submit two (2) detailed written estimates from contractors of your choice
- Submit color photos of existing conditions
- Submit a copy of a code inspection conducted by the City of Seward
- Timeline for the proposed improvements.

All:

- Submit signed Hold Harmless Agreement
- If applying as an individual or sole proprietor, submit signed Attestation of U.S. Citizenship
- If applying as a business owner or tenant, provide written authorization from the property owner for the improvements
- Submit a copy of City building permit, if applicable.

Conflict of Interest

No member of the governing body of the City of Seward and no other official, employee or agent of those organizations who exercises policy, decision-making functions or responsibilities in connection with the planning and implementation of this program shall:

- be directly or indirectly eligible for this Program;
- accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub agreement;
- obtain a financial interest or benefit from a Program activity;
- have an interest in any contract, subcontract or agreement for themselves or for persons with business or family ties.

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Grievance Procedure

Complaints concerning the Downtown Revitalization Program shall be in writing and addressed to the DTR Committee. A written response will be made within 15 working days. If the project owner is not satisfied, complaints may be filed with the City Council. The City Council shall meet, as soon as practicable, to review all factors in the complaint for a determination and solution.

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P.O. Box 38 • 537 Main Street
Seward, Nebraska 68434
Phone and TDD 402-643-2928
Fax 402-643-6491
www.cityofsewardne.gov

DTR Grant Instructions

Because the grants for the Seward Downtown Revitalization projects are funded by a federal Community Development Block Grant (CDBG) which is administered by the Nebraska Department of Economic Development (DED) the following instructions must be fulfilled in their entirety (as applicable):

1. Façade Improvement/Commercial Rehab Program

- Review the program guidelines.

2. Application

- Complete the application and return it to Bonnie Otte, Seward City Clerk, 537 Main Street, Seward, NE 68434, **by 4:00pm Wednesday, April 8, 2020.**

3. Citizenship Attestation

- The United States Citizenship Attestation form must be signed and returned to Bonnie Otte.

4. Release and Hold Harmless Agreement

- The Release and Hold Harmless Agreement must be signed and returned to Bonnie Otte.

5. Work Plan

- Attach all quotes from vendors and contractors for labor and materials for work to be completed.

6. Section 106

- The purpose of Section 106 Review is to ensure that any changes to historic buildings using CDBG or other federal funds do not have an adverse effect on the structure's historic integrity.
- The State Historic Preservation Office (SHPO) must approve all projects before they can be funded.

7. Davis-Bacon Act

- The purpose of the Davis-Bacon Act is to ensure that the local prevailing wage is paid to contractors and their employees

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- All grant recipients, contractors and subcontractors must comply with the Davis-Bacon Act. The following applicable documents are attached:
 - i. Davis-Bacon Labor Standards Contractor's Guide: Provides overview of payroll and wage requirements for contractors and subcontractors.
 - ii. Prevailing wage determinations

8. SAM.gov Registration

- As of April 20, 2015, any entity receiving CDBG funds is required to register with the website SAM.gov. This includes all Seward Downtown Revitalization grant recipients, contractors and subcontractors, SAM stands for System Administration Management and allows the state and federal government to be assured the vendors and grant recipients are legitimate businesses, even if they are a sole proprietorship.
- You will need to create a user account, enter a DUNS number (which is a 9 digit identifying number that can be obtained from the Dunn and Bradstreet link on SAM.gov.) and register your business. If you have any problems or questions, please call Trey Ertmer, Southeast Nebraska Development District (SENDD) CDBG Administrator at (402) 475-2560.
- DED provides guidance on this matter. The guidance notes that “registrants are required to complete a one-time registration. This registration must be re-certified annually.” See below and also additional guidance at: www.sam.gov

9. Project Construction

- Grant recipients shall not proceed with the project until they have received a written Notice to Proceed from the City of Seward.
- Contact Trey Ertmer (SENDD) when a contractor or subcontractor begins work on a project. To comply with Davis-Bacon Act, Trey must conduct an interview with the contractors and workers to be sure they are being paid the prevailing wage. This is a requirement of the DED and federal law.
- If any deviation from the plan approved by SHPO is required, please consult with Trey and he will provide guidance and resubmit the revision to SHPO if necessary.

10. Request for Reimbursement

- A grant recipient is eligible to submit a Request for Reimbursement once they have completed and paid for work in excess of their minimum match requirement. The grants require at least a 50% match.
- Complete the attached Request for Reimbursement form and submit to Trey Ertmer with the following documentation to prove compliance with the Davis-Bacon Act.

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- i. Invoice from each contractor/vendor for work completed.
 - ii. Cancelled check or bank statement proving the the work from the invoice has been paid to the contractor/vendor.
 - iii. Weekly certified payrolls (timesheets per the Contractor's Guide for the Davis-Bacon Act).
- The Request for Reimbursement must be approved by Trey Ertmer to ensure compliance with Section 106 and the Davis-Bacon Act. If applicable, the Building Official must inspect work to ensure it complies with applicable building codes.
 - Once approved, Trey Ertmer (SENDDD) will request a draw-down from the Department of Economic Development. The minimum draw-down request for a CDBG grant per DED regulations is \$5,000. Therefore, if a grant recipient's Request for Reimbursement is less than \$5,000 it will not be submitted to the DED until additional Requests for Reimbursement are received so the aggregate total is \$5,000 or greater. The City will work to ensure reimbursements are requested in a timely manner.
 - The City will reimburse the grant recipient for any Request for Reimbursement once the funds are received from the DED.

11. Contact Information

- Trey Ertmer, DTR Grant Administrator
Southeast Nebraska Development District (SENDDD)
(402) 475-2560
tertmer@sendedd.org
- Greg Butcher, City Administrator
City of Seward
(402) 643-2928
greg.butcher@cityofsewardne.gov
- Bonnie Otte, City Clerk
City of Seward
(402) 643-2928
bonnie.otte@cityofsewardne.gov

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Application

Seward Façade Improvement/Commercial Rehabilitation Program

(Attach additional pages to provide additional information.)

Applicant Name: _____

Applicant's Phone Number: _____

Applicant's Email Address: _____

Business Name: _____

Property Owner: _____

Property Address: _____

Property Legal Description: _____

Type of façade improvement planned (see Design Guidelines)

Restoration Renovation Replacement Reconstruction

Structural alterations: _____

Cosmetic alterations (i.e. moldings): _____

Painting (approximate sq. ft. area): _____

Interior Improvements: _____

Specify other work (i.e. awnings): _____

Total cost of project: _____

DTR Project Funds Amount requested: \$ _____

I hereby submit the attached plans, specifications and color samples for the proposed project, and understand that these must be approved by the City of Seward. No work may begin until I have received written notice to proceed from the City of Seward. I further understand that the project must be completed by November 8, 2019. Grant funds will not be paid until the project is commenced. If the City has not received correspondence in that time frame, the funds will be reallocated. I agree to leave the completed project in its approved design and colors for a period of five (5) years from the date of completion. If changed before the end of five (5) years, I agree to pay back the funded amount.

Signature of Property Owner

Signature of Business Owner (if applicable)

Printed Name & Title of Property Owner

Printed Name & Title of Business Owner

Date

Date

Release and Hold Harmless Agreement

Release executed on this _____ day of _____, _____,
by (Property Owner) _____ and
(Business owner if applicable) _____, of
(Street Address) _____, City of Seward, State
of Nebraska, referred to as Releaser(s).

In consideration of being granted monies for restoration, modifications, or other physical changes to the property located at the above address, the Releaser(s), understands that they are solely responsible for providing their own contractors, paying their contractors, to assure that those contractors are fully insured and licensed, and have obtained all necessary permits in accordance with all pertinent regulations. The Releaser(s) waives, releases, discharges, and agrees to indemnify the City of Seward (or entities under the City's umbrella), for loss or damage, and claims or damages therefore, on account of any work that has been performed in accordance with City or State guidelines.

Releaser(s) agrees that this release, waiver, and indemnity agreement is intended to be as broad and inclusive as permitted by the laws of the State of Nebraska and that if any portion of the agreement is held invalid, it is agreed that the balance shall; notwithstanding, continue in full legal force and effect.

Releaser's obligation and duties hereunder shall in no manner be limited or restricted by the maintaining of any insurance coverage related to the above referenced event.

This release contains the entire agreement between the parties to this agreement and the terms of this release are contractual and are not a mere recital.

Signature of Property Owner

Signature of Business owner (if applicable)

Printed Name & Title of Property Owner

Printed Name & Title of Business Owner

Date

Date

Attestation of U.S. Citizenship

For the purpose of complying with Neb.Rev.Stat. §§4-108 through 4-114, I attest as follows:

____ I am a citizen of the United States

-OR-

____ I am a qualified alien under the Federal Immigration and Nationality Act, my immigration status and alien number are as follows:

_____, and I agree to provide a copy of my USCIS documentation upon request.

I hereby attest that my response and the information provided on this form and any related application for public benefits are true, complete and accurate and I understand that this information may be used to verify my lawful presence in the United States.

Printed Name:

| | | |
|-------|--------|------|
| First | Middle | Last |
|-------|--------|------|

Signature:

Date:

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DAVIS-BACON LABOR STANDARD

Contractor's Guide

Section I – The Basics

1-1 The Wage Decision.

All Community Development Block grant (CDBG) Contractors must comply with the Prevailing Wage Requirements. Davis-Bacon labor standards stipulate the wage payment requirements for Carpenters, Electricians, Plumbers, Roofers, Laborers, and other construction work classifications. The Davis-Bacon wage decision that applies to the project contains a schedule of work classifications and wage rates that must be followed.

- a. **The work classification and wage rates.** A Davis-Bacon wage decision is simply a listing of different work classifications and the minimum wage rates that must be paid to anyone performing work in those classifications. A Project Wage Rate Sheet will be provided with prevailing wages and fringe benefits.
- b. **Posting the wage decision.** If you are the prime contractor, you will be responsible for posting a copy of the Project Wage Rate Sheet and a copy of the DOL Davis-Bacon poster titled Employee Rights under the Davis-Bacon Act (Form WH-1321) at the job site in a place that is easily accessible to all of the construction workers employed at the project and where the wage decision and poster won't be destroyed by wind or rain, etc.

1-2 Additional “Trade” Classifications and Wage Rates.

What if the work classification you need isn't on the wage decision? Please contact Trey Ertmer, Grant Administrator at the SENDD, phone (402) 475-2560.

1-3 Certified Payroll Reports.

You will need to submit a weekly certified payroll report (CPR) beginning with the first week that your company works on the project and for every week afterward until your firm has completed its work. It is recommended to number the payroll reports beginning with #1 and to clearly mark your last payroll for the project “Final.”

- a. **Payroll formats.** Please use DOL's WH-347, Payroll. You may access a fillable version of the WH-347 online at HUD Clips (HUD Forms and Publications):
<https://www.dol.gov/whd/forms/wh347.pdf>
- b. **Payroll certifications.** The weekly payrolls are called certified because each payroll is signed and contains language certifying that the information is true and correct. Please make sure to include the signed second sheet.

- c. **“No Work” payrolls.** “No work” payrolls may be submitted whenever there is a temporary break in your work on the project, for example, if your firm is not working on the project but will be returning to the job in a couple of weeks. However, if you know that your firm will not be working on the project for an extended period of time, please send a short note to the Grant Administrator, Trey Ertmer, to let him know about the break in work and to give an approximate date when you will return to the project. If you number payrolls consecutively or if you send a note, you do not need to send “no work” payrolls.
- d. **Payroll retention.** Every contractor must keep a complete set of their own payrolls and other basic records such as employee addresses and full SSNs, time cards, tax records, evidence of fringe benefit payments, for a Davis-Bacon project for at least three (3) years.
- e. **Payroll inspections.** In addition to submitting payrolls to the Grant Administrator, every contractor must make their copy of the payrolls and other basic records available for review or copying to any authorized representative.
- f. **Please feel free to contact the Grant Administrator with any questions while preparing the Form WH-347.**

Section II – Payroll Reviews

1-4 **Compliance Reviews.**

- a. **On-site interviews.** Every employer must make their employees available for interview at the job site with the Grant Administrator or other agency representative. The interviews are confidential and the employee will be asked about the kind of work they perform and their rate of pay. Every effort will be made to ensure that these interviews cause as little disruption as possible to the on-going work. The interviewer will record the interview information, on a form HUD-11, record of Employee Interview, and forward the interviews to the Grant Administrator.
- b. **Project payroll reviews.** The Grant Administrator will compare the information on the interview forms to the corresponding payrolls to ensure that the workers are properly listed on the payrolls for the days and hours worked on the job site, work classification and rate of pay. The Grant Administrator will also review the payroll submissions to make certain that the payrolls are complete and signed; that employees are paid no less than the wage rate for the work classification shown; and all other documentation as may be required.

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"General Decision Number: NE20200061 02/14/2020

Superseded General Decision Number: NE20190061

State: Nebraska

Construction Type: Building
 BUILDING CONSTRUCTION INCLUDING WORK ON INDUSTRIAL SITES

County: Seward County in Nebraska.

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.80 for calendar year 2020 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.80 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2020. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a)(1)(ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

| Modification Number | Publication Date |
|---------------------|------------------|
| 0 | 01/03/2020 |
| 1 | 02/14/2020 |

CARP0427-002 06/01/2017

| | Rates | Fringes |
|--|----------|---------|
| CARPENTER (Including Acoustical Ceiling Installation)..... | \$ 25.91 | 13.15 |

ELEC0265-003 09/02/2019

| | Rates | Fringes |
|-------------|----------|---------|
| ELECTRICIAN | | |
| Zone 1..... | \$ 29.12 | 13.13 |
| Zone 2..... | \$ 29.42 | 13.15 |
| Zone 3..... | \$ 29.72 | 13.18 |
| Zone 4..... | \$ 30.12 | 13.21 |

ZONE DEFINITIONS:

Zone 1: 0 to 35 miles from the main Post Office in Lincoln
 Zone 2: 36 to 50 miles from the main Post Office in Lincoln
 Zone 3: 51 to 75 miles from the main Post Office in Lincoln
 Zone 4: 76 miles and over from the main Post Office in Lincoln

* ELEV0028-001 01/01/2020

| | Rates | Fringes |
|------------------------|----------|------------|
| ELEVATOR MECHANIC..... | \$ 45.94 | 34.765+a+b |

FOOTNOTE:

- a. Vacation Pay: 8% for persons with 5 or more years of service, 6% for persons with less than 5 years of service.
 b. Paid Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

ENGI0571-004 10/01/2013

| | Rates | Fringes |
|-------------------------|----------|---------|
| OPERATOR: Crane..... | \$ 27.08 | 10.69 |
| OPERATOR: Forklift..... | \$ 21.70 | 10.69 |

IRON0021-002 06/01/2019

| | Rates | Fringes |
|-----------------------------|----------|---------|
| IRONWORKER, STRUCTURAL..... | \$ 30.69 | 17.24 |

LABO1140-003 06/01/2017

| | Rates | Fringes |
|--|----------|---------|
| LABORER (Mason Tender, Brick & Hod)..... | \$ 21.69 | 9.40 |

PLUM0464-007 05/27/2018

| | Rates | Fringes |
|--|----------|---------|
| PIPEFITTER (Including HVAC Pipe Installation)..... | \$ 36.64 | 17.56 |

SHEE0003-002 07/01/2015

| | Rates | Fringes |
|--|----------|---------|
| SHEET METAL WORKER (Excludes Installation of HVAC Duct)..... | \$ 32.89 | 14.93 |

SUNE2011-035 10/27/2011

| | Rates | Fringes |
|-----------------------------------|----------|---------|
| BRICKLAYER..... | \$ 24.44 | 0.00 |
| CARPENTER..... | \$ 18.48 | 1.78 |
| CEMENT MASON/CONCRETE FINISHER... | \$ 15.77 | 2.06 |

| | | |
|--|----------|------|
| ELECTRICIAN (Alarm Installation)..... | \$ 19.68 | 4.12 |
| ELECTRICIAN (Low Voltage Wiring)..... | \$ 20.15 | 4.84 |
| FORM WORKER..... | \$ 14.97 | 2.06 |
| LABORER: Common or General..... | \$ 12.11 | 0.00 |
| OPERATOR: Backhoe/Excavator/Trackhoe..... | \$ 20.68 | 4.93 |
| OPERATOR: Bobcat/Skid Steer/Skid Loader..... | \$ 21.72 | 2.10 |
| OPERATOR: Loader..... | \$ 19.27 | 4.00 |
| PAINTER: Brush, Roller and Spray..... | \$ 14.26 | 0.00 |
| PLUMBER, Excludes HVAC Pipe Installation..... | \$ 22.92 | 6.00 |
| ROOFER..... | \$ 13.57 | 0.77 |
| SHEET METAL WORKER (HVAC Duct Installation Only)..... | \$ 21.89 | 6.30 |
| TRUCK DRIVER, Includes Dump and Tandem Truck..... | \$ 14.09 | 2.49 |

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

=====

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of

each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

END OF GENERAL DECISION"

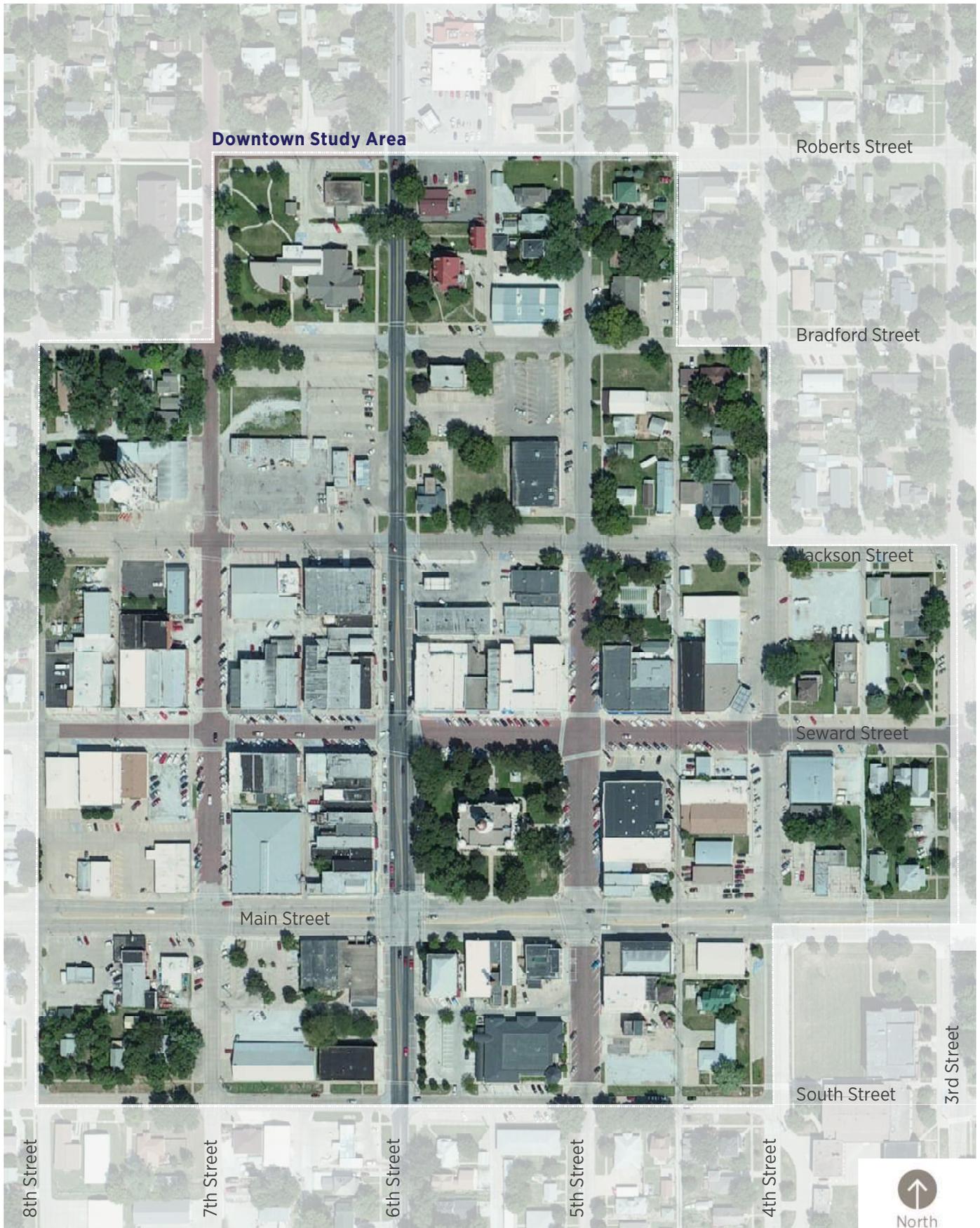


Figure 1.1: Downtown Study Area

Historic Building Preservation Recommendations / Process

The role of the City/DTR Committee that follows the program guidelines is to preserve and re-develop a sense of place and community pride. Their role is to preserve the historic character of buildings within the Downtown District and provide guidelines for visual continuity in the appearance of the downtown. The goal of the program is to assist in the creation of a cohesive, cost effective, and vibrant downtown district and if applicable to restore, improve, or create historic architectural features to facades of buildings.

This document outlines acceptable practices and standards for rehabilitation and renovation of projects. The guidelines lessen the subjective nature of the granting process and give the City/DTR Committee and applicants criteria by which to make informed decisions.

These recommendations concentrate on the historical architecture and appearance of the building. They do not supersede applicable state and local building codes and regulations. The City/Design Committee reserves the right to deviate from these recommendations and the program guidelines to protect the community investment and approve the best qualified applicant possible.

Below is a list of five (5) guiding principles that summarizes the best practices for historic building preservation.

1. Do no harm.
2. Repair rather than replace.
3. Preserve character-defining features.
4. Use same or appropriate materials.
5. Use gentlest and least invasive methods possible.

These principles and guidelines summarize widely-accepted preservation practices described in further detail in the Secretary of Interior's Standards for Rehabilitation (Appendix A).

An outline of the façade grant application process.

1. Review Program Guidelines
2. Historical research / Building analysis
3. Exploratory Investigation
4. Contact Grantor/DTR Committee, if necessary
5. Prepare Application
6. Grantor/DTR Committee perform an initial review of application
7. Upon preliminary approval by the DTR committee, applications are forwarded to SENDD for a Tier II Environmental Review
8. After clearance from both the Tier II Environmental Review and the State Historic Preservation Office the DTR Committee will make a recommendation to the City Council for Final Approval
9. The City and Applicant will enter into a loan agreement.
10. SENDD will meet with the applicant and contractors to review Davis-Bacon (Labor Standards) and ensure the contractor(s) understand their responsibilities. SENDD will preform Davis-Bacon interviews, and will meet with applicant and contractor upon completion of the project for a final inspection.

Historical Research

Before beginning any rehabilitation project, thorough historical research must be conducted to provide sufficient documentation for the changes. Knowing the building's architectural background will give the necessary information to determine which features to preserve through repair, which to recreate, and which to remove altogether. It is this documentation the City/DTR Committee will refer to when helping an owner develop the design of the alterations. The City/DTR Committee recommends beginning this step early to allow sufficient time for the design and application process.

Photographs are a very important piece of documentation that can clearly show a building's historic features. Information on a building's construction history may be found in the County Recorder's office (<https://seward.gisworkshop.com/>). The National Register of Historic Places Inventory may also have information such as the name of structure, address, wall material, over-all shape, dimensions (if known), number of stories, roof type, interesting exterior features, date of construction, alterations, style (if applicable), and known architect/builder:

<https://npgallery.nps.gov/NRHP/GetAsset/cb559a0a-54d0-4f91-ac75-09eb90552b06?branding=NRHP>

For further information, SHPO encourages applicants to contact their office at (402) 471-4787.

Building Analysis

With information about the building's historical appearance, examine the building's current façade. Commercial buildings such as those in the downtown district can be subdivided into three (3) parts: the storefront, the upper stories, and the cornice (Figure 1). Most downtown buildings consist of a storefront and only one upper story, although a few three-story buildings may remain.

The storefront elements consist of an entrance (often recessed), display windows, a bulkhead under the display windows, transom windows over the storefront, and sometimes a sign board, fascia sign or additional cornice. The majority of commercial buildings have either an awning or canopy providing protection for pedestrians. The first floor also may contain an entrance to the upper floors. Later buildings may lack several elements of traditional storefronts such as transom windows, or decorative details.

Upper floors are characterized by smaller window openings that repeat on each floor. These windows may vary in size, type, and decoration but usually are the same for each floor. Other facade details may be present on the upper level facades such as brick banding, corbelling, metal grilles or decorative panels.

The cornice decorates the top of the building and may be made of metal, masonry, or wood. Some decorative cornices project from the building while an ornamental band delineates others. The top of the wall may have a patterned brick band or may have a coping of brick, concrete, or metal.

Evaluate which of the building's character defining features still remain, which have been destroyed, and which are merely covered by modern additions or renovations.

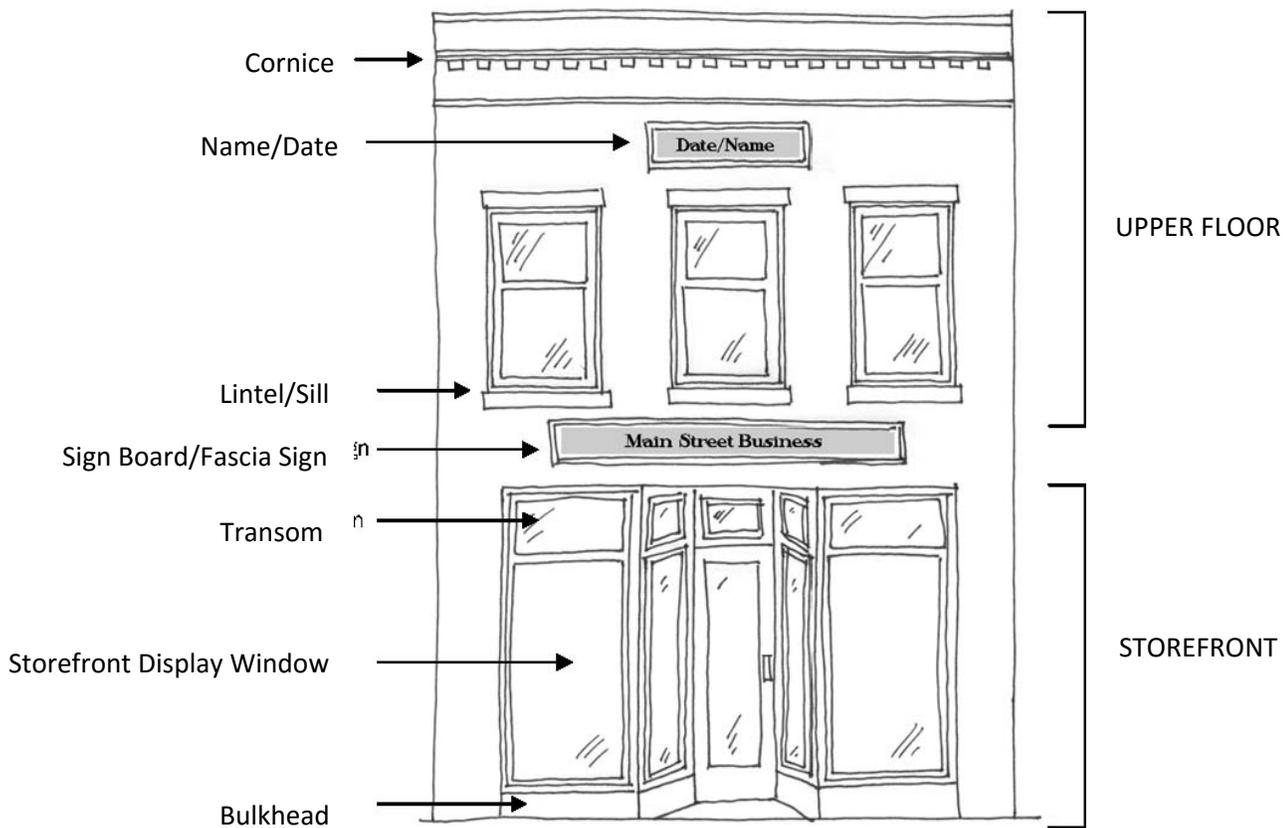


Figure 1. Typical Commercial Building Features

Exploratory Investigation

On commercial buildings, modern materials may have been applied over the original facades. To determine the integrity of the historic materials, a small, inconspicuous area should be uncovered. In many instances, the materials and features are preserved and intact. Other times, the modern materials have trapped moisture and accelerated the rot or decomposition. This exploratory investigation provides the owner with important information on the amount of repair or replacement the project will require. This cost of this exploratory work is not covered in the façade grant monies.

Review Program Guidelines

Façade grant applicants should make themselves familiar with the program guidelines described in this document. They outline the eligible improvements and processes that need to be followed. Although these recommendations describe some of the best practices, the City/DTR Committee will work with each owner to develop a plan that preserves and highlights the historic character of that building. Together the guidelines are a standard for which the Downtown Community strives.

Prepare Application

Once the applicant has finalized the scope of their project or façade design, the applicant should begin to gather necessary application materials. Complete application materials are included in the program guidelines under **V. Supporting Data Checklist**. From the design plan, the applicant should create a detailed scope of work describing nature of the work to be done. This scope should be presented to contractors to solicit at least two detailed bid estimates for all major project components. Other elements included in the application are a project budget and timeline to keep the project running smoothly and on task.

City/DTR Committee Review of Application and Award

The applicant will submit the application to the DTR Committee. Satisfactory applications that meet all the grant criteria and applicable design guidelines will be considered for final decision on grant awards. A satisfactory review of the project and application by the DTR Committee staff does not guarantee an applicant will receive a grant.

Community Development Block Grant

Seward DTR Façade Improvement / Commercial Rehab Program

Seward submitted an application to undertake community development activities authorized under the Housing and Community Development Act of 1974 and its corresponding federal regulations. Projects funding under the Community Development Block Grant (CDBG) must meet a national objective. Seward is fulfilling the national objective of eliminating slum and blighted areas (SBA). The City of Seward as a Grantee must also meet CDBG Regulations and Uniform Administrative Requirements.

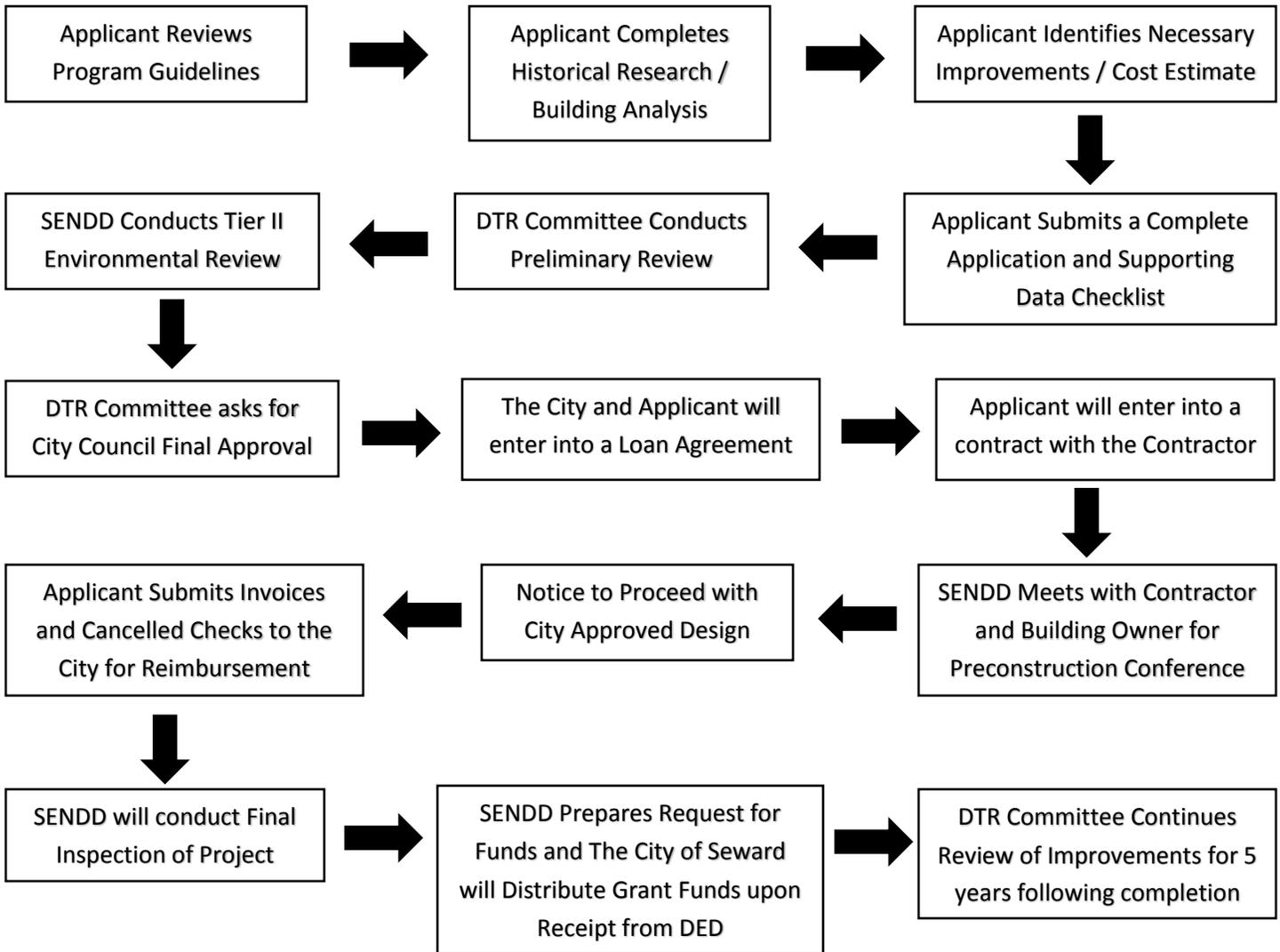
The purpose of Seward's Downtown Revitalization Program is to improve downtown buildings by restoring, renovating, replacing, or reconstructing facades, structural repairs, exterior building repairs, and internal code compliance. Further program details and eligible improvements are outlined in the City's Program Guidelines.

Key Points to Follow:

- Improvements must be in accordance with historic preservation. Having a designated historic district provides access to grants, tax incentives, and assistance with preservation. Building owners can do whatever they want to their building when there are no Federal dollars involved. Through the Federal CDBG program, any changes/improvements made to the building must be reviewed by the State Historic Preservation Office (SHPO). SHPO encourages applicants to contact them with questions early in the planning stages to clarify expectations before plans are finalized.
- Participants in the programs must follow the City's approved Program Guidelines. These guidelines outline eligible projects, requirements, priorities, timelines, and program design. Please contact Greg Butcher or a member of the DTR Committee with questions regarding potential projects, the application process, and questions related to the program.
- Projects involving code compliance such as electrical, structural, and ADA accessibility are subject to an inspection and documentation through the City of Seward. Applications submitted for "interior rehabilitation" may be subject to review by the Department of Economic Development prior to approval by the City. Please contact Ed Gonzalez if you are considering a project involving code compliance or if you have any questions related to city regulations.
- All contractors are required to have a Data Universal Number System (DUNS) number and must be registered on the System for Award Management (SAM) prior to signing a contract with the applicant. A DUNS number can be obtained by calling the request line, and contractors can register for SAM's at sam.gov. Quentin Farley at the Nebraska Business Development Center is a great resource for contractors needed assistance with this process.
- Upon City Council approval, business owners and the contractors involved with the project will meet with SENDD staff to conduct a preconstruction conference to ensure the contractors comply with Davis-Bacon requirements. After completion of all required documents the CDBG Administrator will issue a Notice to Proceed. Trey Ertmer will serve as the program contact for questions related to Labor Standards or contractor requirements.

Please Note: ABSOLUTELY NO WORK CAN BEGIN until applicant receives ORDER TO PROCEED from the City of Seward.

Flowchart:



Contacts:

Historic Preservation:

State Historical Preservation Office
Jill Dolberg, Review and Compliance Coordinator
402-471-4773

Downtown Revitalization Program:

City of Seward
Greg Butcher, City Administrator
402-643-2928

Code Compliance:

City of Seward, Building and Inspection Department
Tim Dworak, Building/Zoning & Code Enforcement Director
402-643-4000 (ext. 3)

SAM Registration / Duns #:

Nebraska Business Development Center
Quentin Farley, Consultant
402-472-1177

Davis-Bacon Labor Standards /

Construction Management:
Southeast Nebraska Development District
Trey Ertmer, Program Contact
402-475-2560

CITY ADMINISTRATORS REPORT – 3/17/20

- Assisted on a number of economic development projects.
- Continued to work on a number of agreements and documents related to Scoular project.
- Reviewed and worked with Golf Shop Manager, Golf Committee and Mayor on City's Application for Liquor License.
- Worked with SENDD on EDA Grant Opportunity for the Wastewater Treatment Plant, presented to Committee in Lincoln on potential project.
- Continued to work with FEMA on projects.
- Worked on a number of items to transition as former City Engineer Jake Vasa resigned.
- Reviewed and coordinated with Planning and Zoning a new platted property north of Walmart.
- Reviewed 4 TIF applications and attended the P&Z meeting on March 9th.
- Worked on Easement issue with John Heath for the Rail Campus.
- Worked extensively with Olsson, IES, Gray Construction, and Scoular on the schedule and plans for finishing the substation project.
- Reviewed status of all DTR project with Trey (SENDD) and Suzanne. Reviewed application process for final round.
- Work on pandemic plan with department heads, school district, Memorial Heath Care, and Four Corners Health Department.
- Attended employee pension plan meetings.
- Held Target Goal Meetings with Department Heads.
- Reviewed and drafted the subdivision improvement agreement for the Walmart North Addition.

The departments are working on the following projects to name a few:

Police Department

- Attended 1st responders' veterans in crisis training.

Clerk's Office

- Shared Coronavirus (COVID-19) posters and posted in public places in City Hall.
- Completed Wage/Benefit Comparability Survey for City of McCook.
- General Employees and Police Pension Committee annual meeting.

Water/Wastewater Department

- Technician out to program 2nd street to scada system and update radio.
- Spring sewer jetting has started, ongoing the rest of the summer.
- Meeting with Owen to go over options and locations for new water tower and SW3 well replacement.
- Touring Crete wastewater treatment plant.

Parks and Rec/Cemetery/Golf/Pool

- Getting water turned on and fields ready to play and practice on.
- Golf course opened weekend of March 7th.

Electric Department

- Working on Scoular project.
- Working on reclosure programming.
- South 2nd Street pole replacement.
- Order SCADA material for substation.

Street Department

- Assist with Walker Road closure for helicopter work/deliver of HVAC units for Scoular.
- Grind stumps by Hwy 15 south of town.
- Work on new flood levee gauge.

Library

- Becky Baker will speak at the Junior Women's Club meeting on 3/10/20.
- Planning National Library Week events.

Building Inspection/Planning Department

- Attended Planning Commission meeting on March 9th.
- Reviewing a number of plats and house plans.
- Worked on Building and Codes violation report.
- Worked with Dairy Queen on permit fees and plans.

Engineering

- Interviewing and accepting applications for City Engineer candidates.
- Jake Vasa continues to work on projects under the approved contract.

Finance Department

- Prepare payroll with Julie assisting this week to cross-train.
- Prepare March 15th bond payment.