

**COMMUNITY DEVELOPMENT AGENCY
OF LEXINGTON, NEBRASKA**

RESOLUTION #2015-16

(Amendment to Redevelopment Plan—South Lake Flats Project; Adams
Quarters Project; The Row Project)

**A RESOLUTION RECOMMENDING APPROVAL OF AN AMENDMENT
TO THE REDEVELOPMENT PLAN FOR REDEVELOPMENT AREA #5 AND
THREE COST-BENEFIT ANALYSES TO THE CITY COUNCIL OF LEXINGTON,
NEBRASKA.**

RECITALS

A. Pursuant to Resolution No. 07-12, the City of Lexington, Nebraska (“City”) adopted a redevelopment plan for Redevelopment Area #5 in the City (the “Redevelopment Plan”).

B. The Community Development Agency of Lexington, Nebraska (“CDA”), in furtherance of the purposes and pursuant to the provisions of the Community Development Law, Neb. Rev. Stat. §§ 18-2101 to 18-2154, as amended, (the “Act”) has prepared an amendment to the Redevelopment Plan in the form attached as Exhibit “A” (the “Redevelopment Plan Amendment”).

C. The Redevelopment Plan Amendment would create three redevelopment projects in Redevelopment Area #5 on property described in the Redevelopment Plan Amendment (the “Projects”).

D. The Projects would use Tax Increment Financing pursuant to Section 18-2747 of the Act to assist in paying for the costs of certain eligible public improvements authorized by the Act and more particularly set forth in the Redevelopment Plan.

E. The CDA, in accordance with § 18-2113 of the Act, has prepared three cost-benefit analyses, one for each project under the Redevelopment Plan Amendment, (collectively the “Cost-Benefit Analyses”), in the forms attached as Exhibit “B”; Exhibit “C”; and Exhibit “D”.

F. The CDA shall submit the Redevelopment Plan Amendment and the Cost-Benefit Analyses to the City Council and shall recommend approval of the Redevelopment Plan Amendment and the Cost-Benefit Analyses. The Cost-Benefit Analyses are in substantially finalized form but may be revised prior to the City Council public hearing in order to reach final form.

G. Prior to recommending the Redevelopment Plan Amendment and the Cost-Benefit Analyses to the City Council, the CDA shall submit the Redevelopment Plan Amendment to the Planning Commission of the City as required by Section 18-2112 of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the Community Development Agency of Lexington, Nebraska, as follows:

1. The Redevelopment Plan Amendment is in conformance with the general Comprehensive Plan of the City of Lexington.

2. The Redevelopment Plan Amendment will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations or conditions of blight, in the City of Lexington.

3. The Redevelopment Plan Amendment is in conformance with the Nebraska Community Development Law.

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

IN WITNESS WHEREOF, the undersigned Community Development Agency of Lexington, Nebraska, hereby passes and adopts this Resolution as of this 21st day of December, 2015.

COMMUNITY DEVELOPMENT AGENCY OF
LEXINGTON, NEBRASKA.

By: _____
Kory Cetak, Chairman

ATTEST:

Pamela Baruth, Secretary

EXHIBIT "A"

(Redevelopment Plan Amendment)

EXHIBIT “B”

(Cost Benefit Analysis—South Lake Flats Redevelopment Project)

**COMMUNITY DEVELOPMENT AGENCY
CITY OF LEXINGTON, NEBRASKA**
(South Lake Flats Redevelopment Project)

**COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the South Lake Flats Redevelopment Project (the “Project”), as described on the attached Exhibit A, which will utilize funds authorized by Neb. Rev. Stat. § 18-2147, can be summarized as follows:

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

a.	Base Project Area Valuation:	\$65,888.00
b.	Projected Completed Project Assessed Valuation:	\$4,410,027
c.	Projected Tax Increment Base (b. minus a.):	\$4,344,139
d.	Estimated Annual Projected Tax Shift:	\$67,494

Note: The Projected Tax shift 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 estimated tax levy for this analysis is 1.553669, which is the 2015 Dawson County tax levy.

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:

The Redeveloper anticipates expenditures of approximately \$_____ for acquisition, construction and installation of the Project and related and ancillary improvements. It is proposed that approximately \$673,750 of these expenditures will be financed with the proceeds of tax increment financing indebtedness, with the remaining balance to be paid by the Redeveloper. The projected sources of the TIF indebtedness will be refined in the Redevelopment Agreement for this Project. All expenditures financed by tax increment financing indebtedness shall be eligible public expenditures. It is not anticipated that the Project will have a material adverse impact on existing public infrastructure. The Project improvements will materially benefit other property in and around 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, it is intended to create a long term benefit and substantial increase in property taxes to the City and other local taxing jurisdictions.

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

The Project is the redevelopment of multifamily residential buildings. 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.

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:

While the impact of the Project on city-wide employment would be minimal, a strong residential presence is essential to the attraction, retainage, and expansion of nearby retail and commercial services and employment. The Project should increase the need for services and products from existing businesses in the area. The Project is not anticipated to impose a burden or have a negative impact on other local area employers.

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

The Project will increase much needed available housing opportunities in Lexington, Nebraska. The Project should have a positive impact on private sector businesses in the Redevelopment Area #5 and the City and should encourage additional private development in and around the Redevelopment Area. The additional housing opportunities will provide a substantial benefit to the City.

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

6. Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost benefit analysis, the benefits outweigh the costs of the proposed Project.

Approved by the Community Development Agency, City of Lexington this ___ day of _____, 2016.

_____, Chairman

_____, Secretary

EXHIBIT A

PROJECT INFORMATION

The Project consists of capturing the incremental tax revenue created on a portion of the site legally described as:

A portion of the East Half (E ½) of the Northeast Quarter (NE ¼) of Section Seven (7), Township Nine (9) North, Range 21 East, lying North of the DD 1, Lexington, Dawson County, Nebraska; except for a triangular tract in the Southeast corner, and except for the CED Addition.

The legal description of the project site will be determined after the subdivision of the above referenced parcel.

EXHIBIT “C”

(Cost Benefit Analysis—Adams Quarters Redevelopment Project)

**COMMUNITY DEVELOPMENT AGENCY
CITY OF LEXINGTON, NEBRASKA**
(Adams Quarters Redevelopment Project)

**COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the Adams Quarters Redevelopment Project (the “Project”), as described on the attached Exhibit A, which will utilize funds authorized by Neb. Rev. Stat. § 18-2147, can be summarized as follows:

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

a.	Base Project Area Valuation:	\$65,888
b.	Projected Completed Project Assessed Valuation:	\$826,880
c.	Projected Tax Increment Base (b. minus a.):	\$760,992
d.	Estimated Annual Projected Tax Shift:	\$11,823

Note: The Projected Tax shift 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 estimated tax levy for this analysis is 1.553669, which is the 2015 Dawson County tax levy.

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:

The Redeveloper anticipates expenditures of approximately \$_____ for acquisition, construction and installation of the Project and related and ancillary improvements. It is proposed that approximately \$118,025 of these expenditures will be financed with the proceeds of tax increment financing indebtedness, with the remaining balance to be paid by the Redeveloper. The projected sources of the TIF indebtedness will be refined in the Redevelopment Agreement for this Project. All expenditures financed by tax increment financing indebtedness shall be eligible public expenditures. It is not anticipated that the Project will have a material adverse impact on existing public infrastructure. The Project improvements will materially benefit other property in and around 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, it is intended to create a long term benefit and substantial increase in property taxes to the City and other local taxing jurisdictions.

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

The Project is the redevelopment of multifamily residential buildings. 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.

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:

While the impact of the Project on city-wide employment would be minimal, a strong residential presence is essential to the attraction, retainage, and expansion of nearby retail and commercial services and employment. The Project should increase the need for services and products from existing businesses in the area. The Project is not anticipated to impose a burden or have a negative impact on other local area employers.

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

The Project will increase much needed available housing opportunities in Lexington, Nebraska. The Project should have a positive impact on private sector businesses in the Redevelopment Area #5 and the City and should encourage additional private development in and around the Redevelopment Area. The additional housing opportunities will provide a substantial benefit to the City.

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

6. Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost benefit analysis, the benefits outweigh the costs of the proposed Project.

Approved by the Community Development Agency, City of Lexington this ___ day of _____, 2016.

_____, Chairman

_____, Secretary

EXHIBIT A

PROJECT INFORMATION

The Project consists of capturing the incremental tax revenue created on a portion of the site legally described as:

A portion of the East Half (E ½) of the Northeast Quarter (NE ¼) of Section Seven (7), Township Nine (9) North, Range 21 East, lying North of the DD 1, Lexington, Dawson County, Nebraska; except for a triangular tract in the Southeast corner, and except for the CED Addition.

The legal description of the project site will be determined after the subdivision of the above referenced parcel.

EXHIBIT “D”

(Cost Benefit Analysis—The Row Redevelopment Project)

4843-9690-8844, v. 2

**COMMUNITY DEVELOPMENT AGENCY
CITY OF LEXINGTON, NEBRASKA
(The Row Redevelopment Project)**

**COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for The Row Redevelopment Project (the "Project"), as described on the attached Exhibit A, which will utilize funds authorized by Neb. Rev. Stat. § 18-2147, can be summarized as follows:

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

a.	Base Project Area Valuation:	\$65,888
b.	Projected Completed Project Assessed Valuation:	\$1,240,320
c.	Projected Tax Increment Base (b. minus a.):	\$1,174,432
d.	Estimated Annual Projected Tax Shift:	\$18,247

Note: The Projected Tax shift 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 estimated tax levy for this analysis is 1.553669, which is the 2015 Dawson County tax levy.

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:

The Redeveloper anticipates expenditures of approximately \$_____ for acquisition, construction and installation of the Project and related and ancillary improvements. It is proposed that approximately \$182,148 of these expenditures will be financed with the proceeds of tax increment financing indebtedness, with the remaining balance to be paid by the Redeveloper. The projected sources of the TIF indebtedness will be refined in the Redevelopment Agreement for this Project. All expenditures financed by tax increment financing indebtedness shall be eligible public expenditures. It is not anticipated that the Project will have a material adverse impact on existing public infrastructure. The Project improvements will materially benefit other property in and around 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, it is intended to create a long term benefit and substantial increase in property taxes to the City and other local taxing jurisdictions.

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

The Project is the redevelopment of townhome residential buildings. 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.

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:

While the impact of the Project on city-wide employment would be minimal, a strong residential presence is essential to the attraction, retainage, and expansion of nearby retail and commercial services and employment. The Project should increase the need for services and products from existing businesses in the area. The Project is not anticipated to impose a burden or have a negative impact on other local area employers.

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

The Project will increase much needed available housing opportunities in Lexington, Nebraska. The Project should have a positive impact on private sector businesses in the Redevelopment Area #5 and the City and should encourage additional private development in and around the Redevelopment Area. The additional housing opportunities will provide a substantial benefit to the City.

There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project.

6. Cost Benefit Analysis Conclusion:

Based upon the findings presented in this cost benefit analysis, the benefits outweigh the costs of the proposed Project.

Approved by the Community Development Agency, City of Lexington this ___ day of _____, 2016.

_____, Chairman

_____, Secretary

EXHIBIT A

PROJECT INFORMATION

The Project consists of capturing the incremental tax revenue created on a portion of the site legally described as:

A portion of the East Half (E ½) of the Northeast Quarter (NE ¼) of Section Seven (7), Township Nine (9) North, Range 21 East, lying North of the DD 1, Lexington, Dawson County, Nebraska; except for a triangular tract in the Southeast corner, and except for the CED Addition.

The legal description of the project site will be determined after the subdivision of the above referenced parcel.