

**COMMUNITY DEVELOPMENT AGENCY
LEXINGTON NEBRASKA
March 18, 2024**

A Regular Meeting of the Community Development Agency was held Monday, March 18, 2024, at Lexington City Hall, located at 406 East 7th Street, Lexington, Nebraska at 5:30 p.m. Members present were Chris Denker, Kory Cetak, Jason Fagot, John Fagot, Steve Smith, Gail Hall, and Seth McFarland. City Officials present were City Manager Joe Peplitsch, Assistant City Manager Dennis Burnside, and City Attorney Brian Copley. The press was represented by Clipper-Herald.

NOTICE: Notice of the meeting was given in advance notice, thereof by publication in the Lexington Clipper-Herald, the designated method for giving notice, as shown by the Affidavit of Publication attached to these Minutes. The proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public. All items presented and discussed on the agenda were available for public inspection.

CALL TO ORDER: The Meeting was called to order by Chair McFarland who informed the public that the Open Meetings Act is posted in the Council Chambers at the Lexington City Hall, located at 406 E. 7th Street, Lexington, Nebraska.

MINUTES – REGULAR MEETING 2-19-2024: Minutes of the Regular meeting held Monday, February 19, 2024, were presented for consideration. Moved by Smith, seconded by Hall, to approve the minutes as presented. Roll call. Voting “aye” were Denker, John Fagot, Jason Fagot, Cetak, Hall, Smith, McFarland. Motion carried.

PLAN AMENDMENT: Peplitsch reviewed a redevelopment plan in Redevelopment Area #1, Hank’s C Store Project. He stated the proposed project is for the construction of a convenience store, parking area, and gasoline facilities. The redevelopers request TIF assistance for purchase of the property in the Auto Haus Subdivision. Resolution No. 2024-03 was presented. Following discussion, moved by Smith, seconded by Denker, to approve Resolution No. 2024-03. Roll call. Voting “aye” were John Fagot, Jason Fagot, Cetak, Hall, Denker, Smith, McFarland. Motion carried.

RESOLUTION NO. 2024-03

RESOLUTION FORWARDING A REDEVELOPMENT PLAN OF THE CITY OF LEXINGTON, NEBRASKA TO THE PLANNING COMMISSION OF THE CITY OF LEXINGTON FOR PURPOSES OF HOLDING A PUBLIC HEARING THEREON AND FOR ITS REVIEW AND RECOMMENDATION REGARDING SAID PLAN’S CONFORMITY WITH THE COMPREHENSIVE PLAN OF THE CITY OF LEXINGTON

BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA:

Recitals:

a. The Mayor and Council of the City of Lexington, Nebraska (the “City”), upon the recommendation of the Planning Commission of the City of Lexington, Nebraska (the “**Planning Commission**”), and in compliance with all public notice requirements imposed by the Community Development Law, Chapter 18, Article 21, Reissue Revised Statutes of Nebraska, as

amended (the “Act”), duly declared the redevelopment area legally described on **Exhibit A** attached hereto (the “**Redevelopment Project Area**”) to be blighted and substandard and in need of redevelopment; and

b. TSTB, LLC, (the “**Redeveloper**”) has submitted a proposed redevelopment Plan that seeks assistance in the form of tax increment financing to the Agency; and

c. Pursuant to and in furtherance of the Act, the City of Lexington Redevelopment Plan for Hank’s C Store (the “**Redevelopment Plan**”) has been prepared and submitted to the Community Development Agency of Lexington, Nebraska, (the “**Agency**”) by the Redeveloper, a copy of which is on file in the office of the Lexington City Clerk, and is incorporated herein by this reference, for the purpose of redeveloping the Redevelopment Project Area; and

d. Pursuant to §18-2112 of the Act, the Agency, prior to recommending the Redevelopment Plan to the City, must refer the Redevelopment Plan to the Planning Commission of the City for a public hearing pursuant to the Act and for its review and recommendation as to its conformity to the general plan for the development of the City as a whole:

Resolved that:

1. The Agency has reviewed the Redevelopment Plan.
2. The Agency hereby refers the Redevelopment Plan to the Planning Commission of the City for a public hearing thereon and for its review and recommendations as to the Redevelopment Plan’s conformity to the general plan for the development of the City as a whole.
3. All prior resolutions of the Agency in conflict with the terms and provisions of this resolution are hereby expressly repealed to the extent of such conflicts.

PASSED AND APPROVED on March 18, 2024.

PLAN AMENDMENT: Peplitsch presented Resolution No. 2024-04 to approve and adopt an amendment to Redevelopment Area #1 in the City of Lexington NE, Lexington HIE Project. Following discussion, moved by Jason Fagot, seconded by John Fagot, to approve Resolution No. 2024-04. Roll call. Voting “aye” were Hall, Cetak, Denker, Smith, John Fagot, Jason Fagot, McFarland. Motion carried.

RESOLUTION NO. 2024-04

(Amendment to Redevelopment Plan and Cost Benefit Analysis—Lexington HIE Redevelopment Project)

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA, APPROVING AND ADOPTING AN AMENDMENT TO REDEVELOPMENT PLAN #1 IN THE CITY OF LEXINGTON, NEBRASKA AND COST-BENEFIT ANALYSIS FOR THE LEXINGTON HIE REDEVELOPMENT PROJECT.

RECITALS

A. The Redevelopment Plan for Redevelopment Area #1 (the “Redevelopment Plan”), which covers certain portions of the City of Lexington, Nebraska that have been declared blighted and substandard and in need of redevelopment (the “Redevelopment Area”), was adopted by the City Council of the City of Lexington on April 8, 2003, pursuant to Resolution 03-03.

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 18-2157, as amended (the “Act”) has prepared the Amendment to the Redevelopment Plan for the Lexington HIE Redevelopment Project (the “Project”), which is attached hereto as Exhibit “A” and incorporated by this reference (the “Amendment”).

C. The Project would use tax increment financing from a specified project site pursuant to Section 18-2147 of the Act to assist in paying for the costs incurred by the Redeveloper to construct the eligible public improvements for the Project.

D. The CDA, as required under Section 18-2113(2) of the Act, has conducted a Cost-Benefit Analysis for the Project, which is attached as Exhibit “B” to the Amendment.

E. On February 19, 2024, a meeting of the CDA was held at the Lexington City Council Chambers, 406 E. 7th Street in Lexington, Nebraska in order to determine whether the Amendment and the Cost-Benefit Analysis should be approved.

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

1. The Amendment will, in accordance with the present and future needs of the City, 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.

2. The Amendment is feasible and is in conformance with the general plan for development of the City of Lexington as a whole, as set forth in the City of Lexington Comprehensive Plan, as amended.

3. The costs and benefits of the Project, including the costs and benefits to other affected political subdivisions, the economy of the City of Lexington, and the demand for public and private services are in the long-term best interest of the City of Lexington.

4. The Project Site, as defined in the Amendment, is within the Redevelopment Area.

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

BE IT FURTHER RESOLVED, pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the CDA hereby approves and adopts the Cost-Benefit Analysis as the cost-benefit analysis for the Project.

BE IT FURTHER RESOLVED, pursuant to the provisions of the Act and in light of the foregoing findings and determinations, the CDA hereby adopts the Amendment and recommends that the City Council of the City of Lexington, Nebraska approve the Amendment.

Dated this 18th day of March, 2024.

REDEVELOPMENT AGREEMENT: Peplitsch presented Resolution No. 2024-05 authorizing and approving a redevelopment agreement for the Lexington HIE Redevelopment Project. Following discussion, moved by John Fagot, seconded by Smith, to approve Resolution No. 2024-05. Roll call. Voting “aye” were Denker, Cetak, Hall, Jason Fagot, Smith, John Fagot, McFarland. Motion carried.

RESOLUTION #2024-05

(Redevelopment Agreement – Lexington HIE Redevelopment Project)

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA, AUTHORIZING AND APPROVING A REDEVELOPMENT AGREEMENT FOR THE LEXINGTON HIE REDEVELOPMENT PROJECT UTILIZING TAX INCREMENT FINANCING; AND TAKING OTHER ACTIONS REQUIRED OR PERMITTED UNDER THE COMMUNITY DEVELOPMENT LAW.

WHEREAS, the Redevelopment Plan for Redevelopment Area #1 (the “Redevelopment Plan”), which covers certain portions of the City of Lexington, Nebraska that have been declared blighted and substandard and in need of redevelopment (the “Redevelopment Area”), was adopted by the City Council of the City of Lexington on April 8, 2003, pursuant to Resolution 03-03.

WHEREAS, the CDA, in furtherance of the purposes and pursuant to the provisions of the Community Development Law, Neb. Rev. Stat. §§ 18-2101 to 18-2157, as amended (the “Act”) has approved the Amendment to the Redevelopment Plan (the “Amendment”) to create and implement the Lexington HIE Redevelopment Project (“Project”) in the Redevelopment Area;

WHEREAS, the CDA has prepared a redevelopment agreement for the Project, a copy of which is attached hereto as Exhibit “A” and incorporated by this reference (the “Redevelopment Agreement”);

WHEREAS, on February 19, 2024, the CDA passed a resolution providing notice to the City Council of its intent to enter into the Redevelopment Agreement and delivered said resolution to the City Council;

WHEREAS, the Project would use tax increment financing pursuant to Section 18-2147 of the Act to assist in paying for the cost of certain eligible public improvements authorized by the Act and identified in the Amendment and the Redevelopment Agreement;

NOW THEREFORE BE IT RESOLVED, the CDA hereby approves the Redevelopment Agreement and authorizes the Chairperson of the CDA to execute and enter into the Redevelopment Agreement, with such changes, modifications, additions, and deletions that are necessary or appropriate, for and on behalf of the CDA.

BE IT FURTHER RESOLVED, the CDA hereby authorizes the Chairperson of the CDA to take all actions contemplated and required in the Redevelopment Agreement including, without limitation, the issuance of TIF Indebtedness authorized pursuant to 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 CDA or the City.

BE IT FURTHER RESOLVED, the foregoing resolutions are subject to and contingent upon the City Council of the City of Lexington's approval and adoption of the Amendment, and if the City Council does not approve and adopt the Amendment, the resolutions contained herein shall be void and of no effect.

Dated this 18th day of March, 2024.

ROUNDTABLE DISCUSSION: Pepplitsch gave an update on current and future projects.

ADJOURNMENT: There being no further business to discuss, Chair McFarland declared the meeting adjourned.

Respectfully submitted,
Pamela Baruth
CDA Secretary