

COMMUNITY DEVELOPMENT AGENCY PROCEEDINGS

April 23, 2025

The Community Development Agency of the City of David City, Nebraska, convened in open public session at 7:46 p.m. in the meeting room of the City Office at 490 "E" Street, David City, Nebraska. The Public had been advised of the meeting by posting of notice in four public places (City Office, US Post Office, Butler County Courthouse and Hruska Public Library). The Community Development Agency members acknowledged advance notice of the meeting. The advance notice to the Public, and Community Development Agency members conveyed the availability of the agenda, which was kept continuously current in the office of the Secretary and was available for public inspection on the City's website. No new items were added to the agenda during the twenty-four hours immediately prior to the opening of the meeting.

Present for the meeting were: Community Development Agency Members—Jessica Miller, Kevin Woita, Keith Marvin, Bruce Meysenburg, Jim Angell, Rick Holland, Jeremy Abel, Community Development Agency Secretary Tami Comte, City Administrator Intern Raiko Martinez, and City Attorney David Levy.

Also present were: Account Clerk Rachel Kahnk, Police Chief Marla Schnell, Kendall Perry, Bob Kobza with Kobza Ag and Home, Andrew Willis with Cline Williams.

Chairman Jessica Miller informed the public of the "Open Meetings Act" posted on the west wall of the meeting room and asked those present to please silence their cell phones. She also asked anyone addressing the Agency to introduce themselves.

CDA member Keith Marvin made a motion to approve the minutes of the March 12, 2025 meeting of the CDA. CDA Member Jim Angell seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Jessica Miller: Yea, Kevin Woita: Yea
Yea: 7, Nay: 0

CDA member Keith Marvin made a motion to approve Resolution No. 2-2025 CDA rescinding Resolution No. 1-2025 CDA, in relation to the second phase of the GDC Properties Redevelopment Project. CDA Member Jessica Miller seconded the motion. The motion carried. Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Jessica Miller: Yea, Kevin Woita: Yea
Yea: 7, Nay: 0

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RESOLUTION NO. 2-2025 CDA

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF DAVID CITY, NEBRASKA, RESCINDING RESOLUTION NO. 2025-1, RELATING TO THE PREVIOUSLY-PROPOSED SECOND PHASE OF A REDEVELOPMENT PROJECT UNDERTAKEN BY GDC PROPERTIES, LLC, AS SET FORTH IN THE "REDEVELOPMENT PLAN FOR GDC PROPERTIES, LLC, REDEVELOPMENT PROJECT".

WHEREAS, the Mayor and City Council of the City of David City, Nebraska (the "City"), previously approved a redevelopment plan entitled, "Redevelopment Plan for GDC Properties, LLC, Redevelopment Project" (the "Plan"); and

WHEREAS, on March 12, 2025, the Community Development Agency of the City of David City, Nebraska (the "Agency") adopted Resolution No. 2025-1, approving that certain proposed form of "Redevelopment Agreement" by and between Agency and GDC Properties, LLC (the "Redeveloper"), with respect to the second phase of the redevelopment project set forth in the Plan ("Phase Two"); and

WHEREAS, Agency and Redeveloper acknowledge and agree that they did not execute the Redevelopment Agreement, nor did the Agency execute or issue that certain TIF Note, as described and defined in CDA Resolution No. 2025-1, in favor of Redeveloper; and

WHEREAS, Redeveloper has advised the Agency that Phase Two, as previously presented, is no longer feasible and will not occur at this time; and

WHEREAS, in accordance with the foregoing, the Agency finds it is in the best interest to rescind CDA Resolution No. 2025-1 and declare the unexecuted Redevelopment Agreement null and void.

NOW, THEREFORE, BE IT RESOLVED, by the Agency, as follows:

Section 1. The Agency hereby rescinds and declares void ab initio Resolution No. 2025-1 in its entirety.

Section 2. The Agency Chairperson and Secretary, on behalf of the Agency, or any one of them, are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the intent of this Resolution.

Section 3. This Resolution shall be in force and take effect from and after its adoption, as provided by law.

INTRODUCED BY _____

PASSED AND ADOPTED THIS 23RD DAY OF APRIL, 2025.

CHAIRPERSON

ATTEST:

SECRETARY

CDA member Keith Marvin made a motion to approve Resolution No. 3-2025, a redevelopment contract for the revised second phase of the GDC Properties Redevelopment Project. CDA Member Jim Angell seconded the motion. The motion carried.

Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Jessica Miller: Yea, Kevin Woita: Yea
Yea: 7, Nay: 0

RESOLUTION NO. 3-2025 CDA

A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF DAVID CITY, NEBRASKA, APPROVING A REDEVELOPMENT AGREEMENT FOR THE SECOND PHASE OF A REDEVELOPMENT PROJECT UNDERTAKEN BY GDC PROPERTIES, LLC, AS SET FORTH IN THE "REDEVELOPMENT PLAN FOR GDC PROPERTIES, LLC, REDEVELOPMENT PROJECT"; AND AUTHORIZING ISSUANCE OF ITS TAX INCREMENT FINANCING PROMISSORY NOTE PURSUANT TO THE TERMS OF THE REDEVELOPMENT AGREEMENT.

WHEREAS, the Mayor and City Council of the City of David City, Nebraska (the "City"), previously approved a redevelopment plan entitled, "Redevelopment Plan for GDC Properties, LLC, Redevelopment Project" (the "Plan"); and

WHEREAS, the Community Development Agency of the City of David City, Nebraska (the "Agency"), has for its consideration, attached hereto and incorporated herein as Exhibit A, a proposed form of the redevelopment agreement by and between GDC Properties, LLC ("Redeveloper"), as redeveloper, and the Agency, with respect to the second phase of the redevelopment project specified in the Plan (the "Redevelopment Agreement").

NOW, THEREFORE, BE IT RESOLVED, by the Agency, as follows:

Section 1. That the Redevelopment Agreement by and between the Agency and the Redeveloper, in the form presented, is hereby acknowledged and approved. The Agency Chairperson and Secretary are hereby authorized to execute said Redevelopment Agreement in substantially the form presented but with such changes as they shall deem appropriate or necessary. The execution and delivery by the Agency Chairperson of the Redevelopment Agreement, or any such documents, instruments, agreements or certifications relating to such matters contained in the Redevelopment Agreement, shall conclusively establish their authority with respect thereto and the authorization and approval thereof.

Section 2. That following the expiration of thirty (30) days from the Agency's adoption of this Resolution, the Agency is hereby authorized to issue its tax increment financing promissory note, in the principal amount of \$1,000,000, at a 6.00% rate of interest per annum, in accordance with the Redevelopment Agreement, and in substantially the same form as that set forth in Exhibit

B (the "TIF Note"), attached hereto and incorporated herein, but with such changes as the Agency deems appropriate or necessary.

Section 3. That the TIF Note shall be executed on behalf of the Agency by its Chairperson and Secretary, and shall be delivered to Redeveloper or its designee in consideration of the Redeveloper's expenditures under and pursuant to the Redevelopment Agreement which are eligible for reimbursement from tax increment financing.

Section 4. That the holder of the TIF Note shall have a first-priority lien interest on all payments allocated to the TIF Note, pursuant to and in conformance with the terms of the Redevelopment Agreement and TIF Note.

Section 5. That the Agency's administration of the TIF Note shall be governed by the terms of the Nebraska Community Development Law, this Resolution, the TIF Note, and the Redevelopment Agreement, and in the event of any conflict between the foregoing, such conflict shall be determined in accordance with the above priority.

Section 6. That interest on the TIF Note shall be subject to taxation for both federal and Nebraska state income taxes, as and to the extent provided by law, and no information report shall be filed with the Internal Revenue Service under Section 149(e) of the Internal Revenue Code.

Section 7. The Agency Chairperson and Secretary, on behalf of the Agency, or any one of them, are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Resolution and the Redevelopment Agreement.

Section 8. This Resolution shall be in force and take effect from and after its adoption as provided by law.

INTRODUCED BY _____

PASSED AND ADOPTED THIS 23RD DAY OF APRIL, 2025.

CHAIRPERSON

ATTEST:

SECRETARY

EXHIBIT A
Form of Redevelopment Agreement

(See attached)

EXHIBIT B
TIF Note

(See Attached)

THIS PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "'33 ACT") AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE '33 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE '33 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE CITY OF DAVID CITY, NEBRASKA, PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE CITY OF DAVID CITY, NEBRASKA, TO THE EFFECT THAT REGISTRATION UNDER THE '33 ACT IS NOT REQUIRED.

TAX INCREMENT FINANCING PROMISSORY NOTE
(GDC Properties Redevelopment Project – Phase Two)

\$1,000,000.00
2025

FOR VALUE RECEIVED, the undersigned, Community Development Agency of the City of David City, Nebraska (hereinafter known as "Agency"), promises to pay _____ ("Holder"), and/or its assigns, the principal sum of One Million and No/100 Dollars (\$1,000,000.00), together with interest thereon at the rate of 6.00% per annum, accruing as of the "Effective Date" (as defined in the Redevelopment Agreement), in accordance with the terms of that certain Redevelopment Agreement dated _____, 20__ (the "Redevelopment Agreement"), as between the Agency and Holder, until excess ad valorem taxes generated in the "Project Site" (as defined in the Redevelopment Agreement) may no longer be divided and collected for payment on this Tax Increment Financing Promissory Note (this "Note") under the Nebraska Community Development Law, sections 18-2101 et seq. (the "Act"), or until this Note is paid in full, whichever occurs first. The principal balance and interest thereon shall be due and payable on this Note as and at such time as any excess ad valorem taxes generated in the Project Site are collected by the Agency and available for the retirement of this debt.

All terms of the Redevelopment Agreement authorizing the issuance of this Note are hereby incorporated and adopted by this Note as if specifically set forth herein. To the extent the terms of this Note conflict with the Redevelopment Agreement, the terms of this Note shall control.

The Agency may prepay the principal amount outstanding in whole or in part, without penalty or the prior consent of the Holder.

In the event the monies collected and held in that special fund established under Section 18-2147 of the Act and pursuant to the Redevelopment Agreement are insufficient to pay in full all amounts due and owing after all excess ad valorem taxes generated by the Project Site, as set forth in the Redevelopment Agreement, have been collected by the Agency and paid, within a reasonable time after becoming available, towards the retirement of the amounts due hereunder, then the Holder shall unconditionally waive any unpaid portion of the principal and interest due hereon.

A PORTION OF THE PRINCIPAL AMOUNT OF THIS NOTE MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT OF THE AGENCY. THE HOLDER OR ANY TRANSFEREE OR ASSIGNEE OF SUCH HOLDER MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT

HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED BY THE RECORDS OF THE AGENCY.

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

No delay or omission on the part of the Holder in exercising any remedy, right or option under this Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion.

Any notice provided for in this Note to the Agency or the Holder shall be in writing and shall be given by regular mail to the Holder or Agency, at the address(es) provided in the Redevelopment Agreement, or at such other address as either party may designate by notice in writing.

This Note shall be governed by and construed in accordance with the Laws of the State of Nebraska. All payments hereunder shall be payable in lawful money of the United States of America and shall be legal tender for public and private debts at the time of payment.

[Signatures Follow]

IN WITNESS WHEREOF, the Chairperson and Secretary of the Agency have caused this Note to be executed on behalf of the Agency, all as of the Dated Date shown below.

Dated this ____ day of _____, 20__.

COMMUNITY DEVELOPMENT AGENCY OF THE
CITY OF DAVID CITY, NEBRASKA

ATTEST:

By: (Sample – Do Not Sign)
Chairperson (Mayor)

(Sample – Do Not Sign)
Secretary (City Clerk)

Andrew Willis, with Cline Williams, introduced himself and stated that the developer would like to revisit the street into the subdivision. He stated that Dollar General is not currently planning to build in David City but they are hoping if they can get the street, they will decide to come back.

The CDA members discussed the street access and were open to the possibility of street access off of the highway.

Bob Kobza, with Kobza Ag and Home, introduced himself and gave an update on Northland Subdivision. He stated that fourteen lots are still available.

Kendall Perry introduced himself and stated that he is building in Northland Subdivision. He has had a townhome for sale for six months and it is still for sale. Perry asked the CDA members if they would allow him to rent the townhouses until they are sold.

The CDA members asked that the Third amendments to the covenants be added to the May 14, 2025 CDA agenda.

CDA member Jessica Miller made a motion to adjourn. CDA Member Keith Marvin seconded the motion. The motion carried and Chairman Jessica Miller declared the meeting adjourned at 8:25 p.m.

Jeremy Abel: Yea, Jim Angell: Yea, Rick Holland: Yea, Keith Marvin: Yea, Bruce Meysenburg: Yea, Jessica Miller: Yea, Kevin Woita: Yea
Yea: 7, Nay: 0

Secretary Tami L. Comte