



CITY OF SCOTTSBLUFF
Scottsbluff City Hall Council Chambers
2525 Circle Drive, Scottsbluff, NE 69361
COMMUNITY REDEVELOPMENT AUTHORITY AGENDA

Regular Meeting
April 17, 2024
12:00 PM

1. **Roll Call**
2. **For public information, a copy of the Nebraska Open Meetings Act is posted in the back of the room on the south wall.**
3. **Notice of changes in the agenda by the City Manager** (Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless added under Item 4 of this agenda.)
4. **Citizens with business not scheduled on the agenda** (As required by state law, no matter may be considered under this item unless council determines that the matter requires emergency action.)
5. **Minutes**
 - a) Minutes Approval
 - b) Approval of 1/8/24 Meeting Minutes
6. **Presentations and Communications**
7. **Element Sports Summit Project**
 - a) Review of Application
 - b) Conduct Preliminary Cost Benefit Analysis
 - c) Consider and approve creation of Redevelopment Plan and submit Redevelopment Plan to Planning Commission for recommendation.
8. **Mall/Former K-Mart Site Project**
 - a) Review of Redevelopment Contract
 - b) Consider and approve resolution to (i) approve Redevelopment Contract; (ii) authorize

issuance of Tax Increment Financing Notes and Occupation Tax Revenue Bonds.

9. **Staff Reports**

- a) Staff Reports

10. **Other Business**

- a) Other Business

11. **Closed Session**

- a) Closed Session

12. **Schedule a Meeting**

- a) Schedule next meeting

13. **Adjournment**

Community Redevelopment Authority Minutes
Regular Scheduled Meeting
January 8th, 2024
Scottsbluff, Nebraska

The Community Redevelopment Authority for the City of Scottsbluff met in a regularly scheduled meeting on Monday, January 8th, 2024, at 12:00 p.m. in the Scottsbluff City Council Chambers at 2525 Circle Drive, Scottsbluff, Nebraska. A notice of the meeting had been published in the Star-Herald, a newspaper of general circulation in the City, on January 2nd, 2024. The notice stated the date, time, and location of the meeting, and that the meeting was open to the public, that anyone with a disability desiring reasonable accommodation to attend should contact City Hall. An agenda was kept current and available for public inspection at the Development Services office; provided, the Community Redevelopment Authority could modify the agenda at the meeting if the business determined that an emergency so required. A copy of the agenda was delivered to each Community Redevelopment Authority member.

Item 1: Chairman Bill Trumbull called the meeting to order at 11:58 a.m. Roll Call Consisted of the following members being present: Bill Trumbull, Mary Skiles, Katie Camacho, William Knapper, and newest board member Maricia Marquez. In attendance on behalf of the city were Economic Development Director Sharaya Toof, Finance Director Lane Kizzire, City Manager Kevin Spencer, and attorney John Selzer.

ITEM 2: Chairman Trumbull informed all of those in attendance of the Nebraska Open Meetings Act and a copy of such is posted above the bookcase in the back area of the City Council Chambers, for those interested parties.

ITEM 3: Acknowledgment of any changes in the agenda: No changes.

ITEM 4: Citizens with items not scheduled on regular agenda: None

Item 5: The minutes of the October 23rd, 2023 meeting were reviewed. **Conclusion:** Motion made by Camacho to accept the minutes, seconded by Skiles. "Yeas": Trumbull, Camacho, Skiles, Marquez. "Nays": None "Absent": None "Abstain": Knapper.

Item 7: Tax Increment Financing Mall and Former K-Mart Items 6 and 7 were switched around on the agenda due to Rock Step Capital's attorney Mike Baccon zooming into the meeting. Baccon explained the plan that he created on behalf of Rock Step stating that the new plan amends the former plan currently held on the mall. The new plan will cover the EEA tax and TIF for the mall and former K-Mart property. HE explained the need for both of these taxes in order to complete this project. He also voiced that Rock Step already has in line 3 large retailers and interest in the out lots to obtain the space. John Seltzer described the alignment in use with the comprehensive plan and the Redevelopment plan got a

positive recommendation from the Planning Commission. Next John explained the Cost Benefit Analysis with the tax shifts going from \$316,000 plus \$20,000 in interest at the mall site plus another 2-3 million at the K-Mart site shifted every year for 15 years from application. The application tax bond from sales brings the total to almost 10 million. Employment will increase to up to 50 FTEs with no impact on employment outside the area or on the school district with sales tax increases expected. Trumbull asked for a motion to approve the Redevelopment Plan, Confirm the Cost Benefit Analysis, to forward Planning Commission recommendation to Council, and forward recommend approval of the amended redevelopment plan to City Council. **Conclusion: Motion by Camacho and second by Skiles.**

Item 6: Tax Increment Financing—Reganis

John Selzer explained the Redevelopment Plan and said it was in line with the City's Comprehensive Plan and that the Planning Commission approved. He went over the Cost Benefit Analysis and explained the tax shifts with an estimated increase to 3.75 million from the \$527,045 it is at now taking into account the current levy. That would make the available TIF funds for this project projected at \$1,827,000. There is an estimated 32 FTE's to be moving from the current Reganis location to the new location. A concern was brought forth by committee member Knapper about the lighting of the car lot and if they would bother students that would be staying in the dorms adjacent to the lots to the East of the car lot. The committee agreed that the code needed to be checked and the information on it needed to be passed on to council. Trumbull asked for a motion to approve the redevelopment plan, resolution, and Cost Benefit Analysis to pass on to City Council. **Conclusion: Motioned by Knapper and seconded by Camacho.**

Item 8: Staff Reports Economic Development Director Sharaya Toof informed the committee of #18 and #19 Blight Studies to be completed and reviewed by staff with the adoption of those studies to be completed near spring. She also informed the committee of LB840 sunseting in 2025 with it coming up on the November 2024 ballot and asked the committee for their support in the grassroots campaign in the coming months.

Item 9: Other Business Maricia Marquez was introduced to the committee as its newest board member replacing Robert Franco.

Item 10: Closed Session No closed session

Item 11: Schedule a Meeting The next CRA meeting will depend on materials for the Mall and Former K-Mart to be collected. It was agreed that this would probably be sometime in March.

Item 12: Adjournment The meeting adjourned at 12:56. Motioned by Skiles, seconded by Knapper.

Tax Increment Financing (TIF) Guidelines and Application

City of Scottsbluff, Nebraska

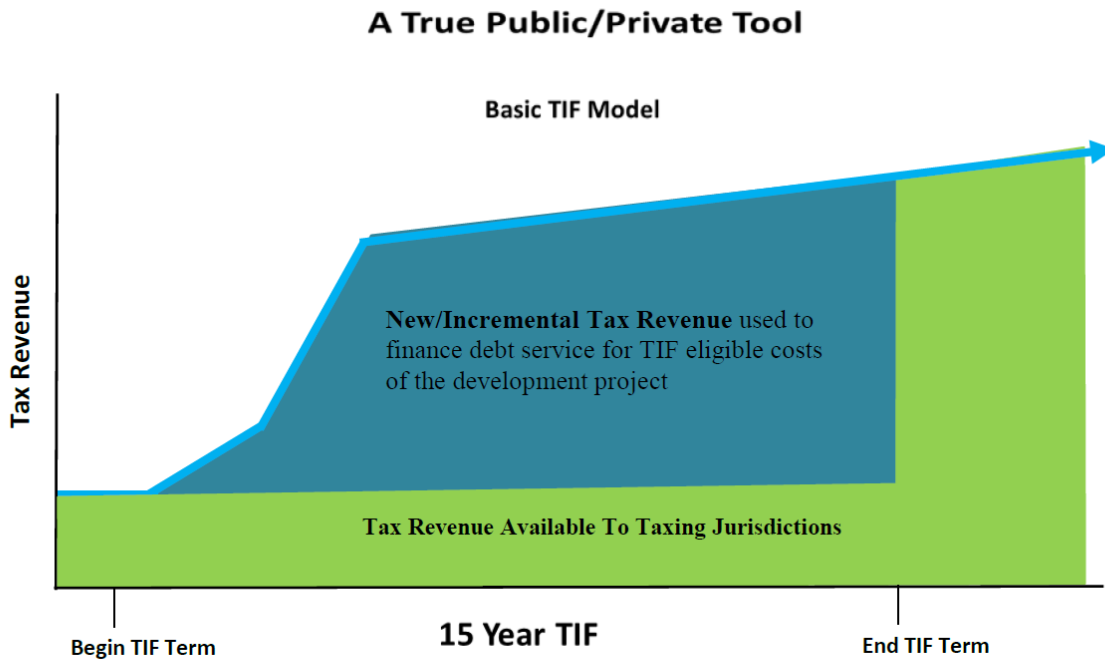
Revised June 2020



I. INTRODUCTION

The procedures below are used by the City of Scottsbluff City Council, Planning Commission, and Community Redevelopment Authority (“CRA”) for evaluating proposals requesting Tax Increment Financing (“TIF”) for projects within the City of Scottsbluff. These are guidelines only, and TIF applications, plans, and projects are subject to final approval by the City and the provisions of the Nebraska Community Development Law, as it may be amended from time to time.

Property located in a blighted and substandard area can be extremely expensive to develop. TIF encourages private investment in these areas by allowing the City to pledge, for up to 15 years, increases in property tax revenue resulting from the development to the payment of certain costs associated with the development. The chart below demonstrates the public and private benefits of TIF.



II. PROGRAM CRITERIA

1. The project must be located within an area that has been, or is eligible to be, designated as blighted and substandard as defined in the Community Development Law.
 - A.) If the proposed project is not within an area designated as blighted and substandard, the applicant may submit to the City of Scottsbluff a written request for a study to determine whether the area qualifies to be designated as blighted and substandard. Any study will be at the expense of the applicant.
 - B.) The qualification of an area as blighted and substandard does not automatically mean the City will designate the area as blighted and substandard. Making this designation remains in the sole and absolute discretion of the City Council.
2. The costs and benefits of the project must be in the long-term best interest of the community.
3. The project would not be economically feasible and would not occur in the blighted and substandard area without the use of TIF.
4. The project must further the objectives of the City's Comprehensive Plan.
5. The applicant must be able to show the financial ability to complete the project, including any public improvements, as presented. The financial ability can be contingent on TIF being granted. However, the applicant must understand that TIF typically only pays for a small portion of a project. The City assumes no responsibility for the payment of any TIF project expenses, except to the extent tax increment financing is granted. The City assumes no responsibility for selling or purchasing any TIF note or bond.
6. All TIF projects must comply with City codes and zoning ordinances.

III. TIF ELIGIBLE COSTS

The following are generally considered TIF eligible costs (but is not an exhaustive list):

1. Public improvements associated with the redevelopment project. Public improvements can be located on a redevelopment project site, directly adjacent to the redevelopment project site, or within the general vicinity of the redevelopment project site if those improvements are necessary for or associated with the project.
2. Acquisition costs of redevelopment project sites.
3. Site preparation, demolition, grading, and other pre-development work prior to construction of the project.
4. Architectural and engineering services related to the project as well as environmental services and studies.
5. Utility extensions.

6. Rehabilitation, major renovations, and retrofitting of structures within the redevelopment project area which exceed minimum building and design standards and prevent the recurrence of substandard and blighted conditions.
7. Public parking.
8. Costs associated with plan preparation and approval.

IV. APPLICATION/PLAN DEVELOPMENT

1. **Application Process:** The City Manager or Economic Development Director will be the applicant's primary point of contact for the project. All applications for TIF must be submitted to City Staff for review along with at \$250.00 application fee before the project is initially presented to the CRA. (See Appendix A.) The TIF application will be evaluated by City Staff, which may request further information from the applicant or require revisions to the application. After the TIF application is approved by City Staff, the applicant will be notified of the appropriate CRA meeting to attend to present the proposed TIF project.
2. **Preparation of a Redevelopment Project Plan:** The Redevelopment Plan has certain statutory requirements. City Staff can prepare the Plan with the assistance of the applicant. Alternately, the applicant can hire a qualified person to prepare the Plan and submit that plan to the City for consideration. If the applicant submits a Plan to the City staff, the City staff may require certain revisions to the Plan. If further information or revisions are required, the approval of the Plan may be delayed.

V. APPROVAL PROCESS

1. **Conceptual Approval of the Application/Redevelopment Plan by the CRA:** The TIF application or draft of the Redevelopment Plan is first submitted the CRA which will conduct a preliminary cost-benefit analysis. (See Appendix B.) The CRA will determine whether to conceptually approve the application or draft Plan. Conceptual approval of the application or Plan by the CRA does not guarantee the applicant that final approval of the Plan will be granted.
2. **Approval of the Redevelopment Plan:** After conceptual approval, the Plan is then referred to the Planning Commission for a public hearing and its recommendation as to whether the Plan is consistent with the goals set out in the City's Comprehensive Plan. Following the Planning Commission recommendation, the Plan is then submitted to the CRA for further review. The CRA will conduct an updated cost-benefit analysis and make a recommendation regarding the Plan to City Council. The Plan is then forwarded to City Council for a public hearing. Following the public hearing, City Council can approve a resolution adopting the Redevelopment Plan.
3. **Approval of the Redevelopment Agreement:** Following approval of the Redevelopment Plan, the CRA and the owner/developer must enter into a Redevelopment Agreement. The Agreement sets forth the responsibilities of both parties. The CRA may simultaneously authorize a TIF note. However, a TIF note will not be issued by the CRA until eligible project costs are incurred. Interest rates on TIF notes will be determined by the market at the time the note is issued.

VI. TIF FEE STRUCTURE

The fee structure for TIF projects are as follows:

1. An initial application fee of \$250.00 is due upon submission of the TIF application.
2. Upon conceptual approval of TIF application or draft Plan by the CRA, a processing fee based on the schedule below shall be remitted if the applicant wishes a Plan to be considered by the Planning Commission, CRA, and City Council. The processing fee is intended to cover the City's costs and expenses in creating and/or reviewing the Plan and cost-benefit analysis and running the Plan through the appropriate approval process.

If the processing fee has not been paid for a period of six (6) months after notification of conceptual approval, the application shall be deemed abandoned and the application fee forfeited. The processing fee schedule is as follows:

- If the estimated TIF proceeds available for the Project are \$50,000.00 to \$75,000.00, the processing fee shall be equal to 5% of the estimated TIF proceeds, and the processing fee will also cover the administrative fee.
 - If the estimated TIF proceeds available for the Project are \$75,000.01 to \$100,000.00, the processing fee shall be equal to 8% of the estimated TIF proceeds, and the processing fee will also cover the administrative fee.
 - If the estimated TIF proceeds available for the Project are over \$100,000.00, the processing fee shall be the greater of (a) \$5,000.00 or (b) 1% of the estimated TIF proceeds. This processing fee will be in addition to the administrative fee set forth below.
3. Upon approval of the Redevelopment Plan and Redevelopment Agreement, the person or organization receiving the TIF Proceeds estimated to be over \$100,000.00 shall pay an administrative fee of \$5,000. The administrative fee is intended to cover the City's costs and expenses of administering the TIF note during its life.

Below are examples of the fees due to the City for particular projects:

Estimated TIF Proceeds	Application Fee	Processing Fee	Administrative Fee	Total
\$50,000.00	\$250.00	\$2,500.00 (5%)	Included in Processing Fee	\$2,750.00
\$75,000.00	\$250.00	\$3,750.00 (5%)	Included in Processing Fee	\$4,000.00
\$80,000.00	\$250.00	\$6,400.00 (8%)	Included in Processing Fee	\$6,650.00
\$100,000.00	\$250.00	\$8,000.00 (8%)	Included in Processing Fee	\$8,250.00
\$110,000.00	\$250.00	\$5,000.00 (minimum)	\$5,000.00	\$10,250.00
\$350,000.00	\$250.00	\$5,000.00 (minimum)	\$5,000.00	\$10,250.00
\$500,000.00	\$250.00	\$5,000.00 (1%)	\$5,000.00	\$10,250.00
\$600,000.00	\$250.00	\$6,000.00 (1%)	\$5,000.00	\$11,250.00
\$1,000,000.00	\$250.00	\$10,000.00 (1%)	\$5,000.00	\$15,250.00

VII. DISCLAIMER

These guidelines contain general guidance only and shall not be deemed a contract or promise by the City or any of its departments to provide TIF proceeds or any services outlined above. Any timeline given by the City or its representative shall be deemed an approximation only and while developers may use these timelines for planning purposes, they should not rely on such timelines, nor shall the City, the CRA, the Planning Commission, or any of their respective officers, agents, employees, and representatives be liable for not strictly adhering to any deadline set forth or implied. The City, by and through the City Manager, reserves the right to reasonably alter these policies or equitably adjust the fee charged in connection with any project if, in the City Manager's discretion such alterations or adjustments are in the best interest of the City. Nothing in these guidelines, including the payment of any fees, shall guarantee TIF to any person or entity. The receipt of TIF is subject to the developer meeting all statutory and local requirements of TIF and the approval of the City.

APPENDIX A

APPLICATION FOR TAX INCREMENT FINANCING

Please note that the following application must be typed prior to submission to the City of Scottsbluff. You should attach additional pages when necessary. The applicant(s) or a designated representative may be asked to be present at the Community Redevelopment Authority (CRA), Planning Commission, and City Council meetings to answer any questions related to the project. Proper notice of all meetings will be given to applicants by City Staff. **Failure to complete any of these application requirements may result in ineligibility for or delay of approval of Tax Increment Financing.**

1. Please state, the name, address, telephone number and email address of the Redeveloper(s) (the applicant). If the Redeveloper is a business entity, please include the name of the designated representative of the business and the position title.

Bruner Bunch, LLC: Deidra Bruner, 3302 Verbena Pl, Scottsbluff, NE 69361

mdjnjjn@gmail.com

2. Please describe the property to be redeveloped (the “Project Site”) by address, legal description, or, if necessary, general location. Please include all parcel numbers included in the Project Site. These can be obtained from the Scotts Bluff County Assessor website: <http://www.scottsbluffcounty.org/assessor/assessor-disclaimer-do.html>. Please attach a map of the Project Site if available.

Triple Peaks subdivision; Section 24 Township 22 North

3. Please describe the existing uses and condition of the Project Site.

The current use and condition of the project site is a corn field that has been recently harvested.

4. If you do not currently own the Project Site, please explain your plan for acquiring the Project Site, including whether you have a current agreement to acquire the Project Site.

As of November 17, 2023, I own the property of the project site under the Bruner Bunch LLC.

5. Please describe the Redevelopment Plan on the Project Site. In your description, please address (please include your answers in an attached document):

- A. Proposed land uses after redevelopment (please attach a land use plan if available).
- B. The necessity of and plan to demolish or remove structures.
- C. Land coverage and building intensities in the Project Site after redevelopment (please attach a site plan if available).
- D. Standards of population densities in the Project Site expected after redevelopment.
- E. A statement of any proposed changes to zoning, street layouts, building codes, or ordinances.
- F. A statement of any planned subdivision to the Project Site.
- G. A statement of additional public facilities and utilities required to support the Project Site after redevelopment.
- H. Employment within the Project Site before and after redevelopment.
- I. Any other information you deem relevant.

6. Please itemize your estimated project costs (please attach copies of bids or estimates to support estimated project costs):

A. Land Acquisition (if applicable):	\$ 2,000,000.00
B. Site Development (itemize):	\$ See attached
C. Building Cost:	\$ 8,000,000.00
D. Architectural & Engineering Fees:	\$ See attached
E. Legal Fees:	\$
F. Financing Costs:	\$
G. Broker Costs:	\$
H. Contingencies:	\$
I. Other (itemize):	\$
TOTAL	\$ 13,184,132.00

7. Please list the names and addresses of all known architects, engineers, and contractors who will be involved with the Project.

Jack Baker; Baker & Associates, 120 E 16th Street, Scottsbluff, NE 69361

Adam Reed; Paul Reed Construction, 2970 10th Street, Gering, NE 69341

8. Please itemize the following regarding the valuation of the Project Site:

- A. Total estimated assessed valuation of Real Property at completion:
- B. Latest property valuation (from R.E. Tax Statement):

9. Please itemize your projected sources of financing for the Project (please include a construction pro forma if available):

A. Equity:	\$ 2,000,000.00
B. Bank Loan:	\$ 4,000,000.00
C. Tax Increment Financing:	\$ 2,500,000.00
D. Other (itemize):	\$ \$4,000,000.00
TOTAL	\$ 12,500,000.00

10. Please set forth your Project schedule.

- A. Expected acquisition date (if applicable):
- B. Demolition start date (if applicable):
- C. Construction start date: Summer 2024
- D. Construction completion date: Fall 2025
- E. If project is phased:

Year _____ % Complete

Year _____ % Complete

11. Please name any other municipality wherein you, or other entities the applicant has been involved with, has completed developments within the last five years.

12. Tax Increment Financing Request:

A. Describe amount and purpose for which Tax Increment Financing is required:

Public Improvements, site development and other eligible fees

B. Statement of necessity for use of Tax Increment Financing:

With the help of the Tax Increment Financing, this project will create endless economic and cultural opportunities through additional tourism, travel, hotel, restaurants, and more by bringing people from surrounding areas for events and activities. Our out-of-town guests will need accommodations, meal establishments and shopping experiences that Scottsbluff provides. This project will also provide an environment that promotes personal, social, economic, business growth, health, and incentives.

It will aid in social and economic stability through a timeless value system.

Without TIF, this project would not be feasible. It's one thing to build the actual structure. Building a facility with the additional costs of site preparations, architectural services, engineering services, environmental services, utility extensions, and a parking lot makes this project unattainable.

The very threads of a community is caring about and for people. I want this project to be a definition and reflection of what it means to come together and make something good for this area. A community of people that sees the value in making something happen that otherwise wouldn't exist. This facility will create a magnetic draw for all ages for generations to come. Without TIF, this will not be possible.

C. Have you filed or do you intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act for a project located or to be located within the Project Site?

_____ Yes X No

D. If your answer to the previous question 12.C is “Yes,” does such application include, or will such application include, as one of the tax incentives, a refund of the City’s local option sales tax revenue?

_____ Yes _____ No


E. If your answer to question 12.C is “Yes,” has the application been approved under the Nebraska Advantage Act?

_____ Yes _____ No

I certify that the facts and estimates set forth in this application for Tax Increment Financing (TIF) are true and accurate to the best of my knowledge. I understand that false statements on this application shall be considered sufficient cause for ineligibility.

I understand that the City may request additional information it deems relevant and that submitting this application does not guarantee a grant of TIF. All TIF grants are conditional upon (1) approval by the appropriate City authorities and (2) the execution of a contract between you and the CRA.

I agree to maintain all project related receipts for a period of five (5) years beginning at final payment of Tax Increment Financing for audit purposes.

Deidra K. Bruner		3-22-2024
Applicant Name	Signature	Date

Applicant Name	Signature	Date
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APPENDIX B

COMMUNITY REDEVELOPMENT AUTHORITY, CITY OF SCOTTSBLUFF, NEBRASKA
[NAME OF PROJECT]
COST-BENEFIT ANALYSIS
(Pursuant to Neb. Rev. Stat. § 18-2113)

A. Project Sources/Use of Funds: An estimated \$_____ of TIF Revenues are available for this Project. This public investment will leverage approximately \$_____ in private sector investment; a private investment of almost \$_____ for every TIF dollar invested. Below is a breakdown of estimated costs and expenses of the Project and the use of funds for each:

<u>Description</u>	<u>TIF Funds (eligible)</u>	<u>Private Funds</u>	<u>Total</u>
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B. Tax Revenues and Tax Shifts Resulting from the Division of Taxes.

C. Public Infrastructure and Community Public Service Needs Impacts and Local Tax Impacts Arising from Project Approval.

D. Impacts on Employers and Employees of Firms Locating or Expanding Within the Boundaries of the Redevelopment Project Area.

E. Impacts on other Employers and Employees within the City and immediate area located outside the Redevelopment Project Area.

F. Impacts on Student Populations of School Districts within the City.

G. Other Impacts.

Approved by the Community Redevelopment Authority, City of Scottsbluff
on _____

Chair

Secretary

Description	Takeoff Quantity	Grand Total Price	Grand Total Amount
Mobilization	1.00 ls	100,568.68 /ls	100,569
Water Main	2,706.00 lf	110.61 /lf	299,306
Hydrants	5.00 ea	13,881.95 /ea	69,410
Connect to Existing	2.00 ea	3,586.71 /ea	7,173
Fittings	6.00 ea	1,897.11 /ea	11,383
8" Sanitary Main	1,627.00 lf	114.40 /lf	186,124
Sanitary Manhole	6.00 ea	13,055.71 /ea	78,334
18" Storm Sewer	338.00 lf	163.92 /lf	55,405
6' Culvert	86.00 lf	716.46 /lf	61,615
8" PCC	70,915.00 sf	17.58 /sf	1,246,649
30" PCC Curb & Gutter	4,484.00 lf	70.03 /lf	314,010
5" PCC	19,493.00 sf	22.33 /sf	435,327
Topsoil R&R	33,000.00 sy	2.12 /sy	69,800
Earthwork	8,000.00 cy	11.13 /cy	89,028
Base Bid			3,024,132

Fee Summary

	<u>Total Charge</u>	<u>Typical Fee - Similar Project</u>	<u>Discount/Donation</u>
Platting & Survey	\$ 11,116.00	\$ 25,000.00	\$ (13,884.00)
Building Design Concept	\$ -	\$ 10,000.00	\$ (10,000.00)
Building Final Design	\$ 225,000.00	\$ 400,000.00	\$ (175,000.00)
Water/Sewer/Street Design Const. Admin & Testing	\$ 160,000.00	\$ 200,000.00	\$ (40,000.00)

Redevelopment Contract

This Redevelopment Contract is entered into on _____, 2024 among the Community Redevelopment Authority of the City of Scottsbluff, Nebraska (the “Authority”), the City of Scottsbluff, Nebraska (the “City”), Rockstep Scottsbluff LLC, a Texas Limited Liability Company (“Rockstep”), and Scottsbluff KM Redevelopment, LLC, a Delaware limited liability company (“KM”).

Recitals:

- A. The City Council has declared the Site (defined below) blighted and substandard as defined in the Nebraska Community Development Law, NEB REV. STAT. § 18-2101 et seq. (the “Act”).
- B. After a positive recommendation by the Planning Commission, the Authority and City Council approved and adopted the Amended Redevelopment Plan for the Former Monument Mall, now Uptown Mall, Rehabilitation and Former K Mart Site Rehabilitation (the “Plan”). The Plan is incorporated into this Redevelopment Contract by this reference.
- C. By adoption of the Plan, the City Council and Authority have designated the Site as an Enhanced Employment Area according to the Act, and such designation is ratified by this Contract.
- D. This Redevelopment Contract amends and restates the Redevelopment Contract dated June 1, 2015 between the City, the Community Development Agency of the City of Scottsbluff, and Rockstep (the “2015 Contract”).
- E. This Redevelopment Contract has been prepared according to the Act in order to implement the Plan.
- F. This Redevelopment Contract is entered into by the Authority and City to provide financing for an approved redevelopment project.

In consideration of these recitals, which are material to and made a part of this Contract, the covenants herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows.

1. Definitions. The following terms in this Contract have the following definitions.

- a. “Contract” means this Redevelopment Contract and all amendments, modifications, and extensions.
- b. “EEA Revenues” means the occupation tax revenues generated according to the Occupation Tax Ordinance, less any administrative expenses as provided in the Occupation Tax Ordinance.
- c. “Holder(s)” means the registered owner or owners of the Indebtedness issued by the Authority.
- d. "Indebtedness" means any bonds, notes, loans, and advances of money or other indebtedness, incurred by the Authority according to this Contract or the 2015 Contract to provide financing for the Project Costs. The Indebtedness will consist of one or more Tax Increment Financing Notes (“TIF Indebtedness”) and one or more Occupation Tax Revenue Bonds (“EEA Indebtedness”). Currently, Tax Increment Development Revenue Bond (Scottsbluff Monument Mall Rehabilitation Project, Series 2015 (the “2015 TIF Bond”) and Occupation Tax Revenue Bond (Scottsbluff Monument Mall Project), Series 2015B (the “2015 EEA Bond”) are issued and outstanding.

- e. "Occupation Tax Ordinance" means the City Ordinance No. 4327 authorizing the levy, collection, and enforcement of the occupation tax imposed on the Site according to the Act. The Occupation Tax Ordinance is being adopted by the City in conjunction with its approval of this Contract. The Occupation Tax Ordinance will supersede City Ordinance No. 4159 which was passed on May 18, 2015 (the "2015 Ordinance"). The Occupation Tax Ordinance will increase the applicable occupation tax from 0.5% to 2.0% and expand the occupation tax to the KM Site.
 - f. "Project" means the Project as described in the Plan.
 - g. "Project Costs" means the costs for those activities described on Schedule B and reimbursable to Redeveloper under the Act. The amount of the Project Costs will be the amount the Redeveloper actually incurs for such activities, and the estimates on Schedule B are provided for budgeting purposes only.
 - h. "Public Improvements" include, without limiting the generality of the description for public improvements, all improvements related to the Project required by the City to be completed, which may be on City property or in the City right of way or relating to City services, utilities, or infrastructure.
 - i. "Redeveloper" means Rockstep and KM. A reference to the Redeveloper means each Redeveloper, severally, and Rockstep and KM, jointly, unless the context otherwise clearly requires, as further explained in subsection 1(k) below.
 - j. "Resolution" means any resolution of the Authority authorizing the issuance of Indebtedness or approving this Contract.
 - k. "Site" means the real estate described on Schedule A together with all buildings, improvements and fixtures located thereon and portions of the adjacent public right of way and property as contemplated to be used under the Plan or as otherwise related to the Project. Schedule A divides the Site between the "Rockstep Site" and the "KM Site." Rockstep owns the Rockstep Site and KM owns the KM Site; the use of the terms "Redeveloper" and "Site" in this Contract should be interpreted accordingly.
 - l. "TIF Revenues" means that portion of the ad valorem real estate taxes generated by the Project on the Site and allocated to the Authority according to NEB. REV. STAT. § 18-2147(1)(b).
2. **2015 Contract:** This Contract amends and restates the 2015 Contract. However, this Contract shall not result in the cancellation of any indebtedness issued according to the 2015 Contract, except as expressly provided in this Contract or unless otherwise agreed by parties.
3. **Representations and Warrants of the Redeveloper:** The Redeveloper represents and warrants that:
- a. The execution and delivery of this Contract and the consummation of the transactions contemplated under this Contract will not conflict with or constitute a breach of or default under any contract to which Redeveloper is a party or by which it is bound.
 - b. There is no litigation pending and to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the Project or this Contract.
 - c. The Project as set forth in the Plan would not be economically feasible or occur in the project area without tax increment financing.

- d. The Project will result in at least ten new employees on the Site and a new investment on the Site of at least \$500,000.00.
- e. Redeveloper will only use funds granted by the Authority for the purposes set forth in the Act.
- f. Redeveloper acknowledges that interest on the Indebtedness is not tax-exempt interest under state or Federal law.
- g. Redeveloper acknowledges that the Indebtedness, including any note or bond, is not registered under the Securities Act of 1933, as amended, and that the Authority and City are not presently required to register under Section 12 of the Securities and Exchange Act of 1934. Redeveloper recognizes that if the Redeveloper may wish to sell or resell any Indebtedness as held by it, there may not be any available current business and financial information about the Authority, the City, or the Project. Redeveloper acknowledges that no trading market presently exists or is ever expected to exist for the Indebtedness. The Redeveloper acknowledges that it may need to bear the risks of an investment in the Indebtedness for an indefinite period of time, since any sale prior to maturity of the Indebtedness may not be possible or may be at a price below that which the Redeveloper is paying for the Indebtedness.
- h. Redeveloper has conducted its own investigation and has undertaken the responsibility to verify the accuracy and completeness and truth of any statement made or omitted to be made concerning any of the material facts relating to the Indebtedness and the Project and related transactions
- i. Any acquisition of Indebtedness by Redeveloper will be for its own account for investment and not with a view for resale or distribution, except that the Redeveloper may assign the Indebtedness to the Redeveloper's lender, provided that such lender shall first acknowledge the Redeveloper's investor related representations substantially the same as set forth in Section 3 of this Contract. The Redeveloper has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment represented by the purchase of the Indebtedness, has financial resources sufficient to sustain the risks related to holding the Indebtedness, and is aware of the intended use of the proceeds and the risks involved therein.
- j. Redeveloper has been offered an opportunity to ask questions of and receive answers from the City and Authority concerning the terms and conditions of the Indebtedness and to obtain any additional information on the status of the Project and to obtain any additional financial information and documentation necessary to supplement or clarify the information provided to the Redeveloper.
- k. Redeveloper understands the liability of the Authority and City is limited to the TIF Revenues and EEA Revenues received by the Authority with respect to the Project available to pay the Indebtedness (as applicable) and the Redeveloper shall look exclusively thereto for the payment on the Indebtedness.
- l. The Redeveloper acknowledges that the Indebtedness has been set based on estimates and assumptions, all of which may vary substantially and materially, including (i) expectations as to the completion of construction and valuations suggested by the Redeveloper; (ii) certain costs of the Project to be incurred by the Redeveloper; and (iii) sales projections that may occur on the Site. Redeveloper acknowledges that TIF Revenues and EEA Revenues may be altered or eliminated entirely based on future decisions of the Nebraska Legislature or the voters of the State of Nebraska or by future court decisions.

- m. No broker, dealer, or municipal securities dealer will participate in the sale or purchase of Indebtedness. The Indebtedness is not subject to any of the requirements of Rule 15c2-12 of the Securities and Exchange Commission requiring the providing of certain information upon issuance and certain additional information on a periodic basis.
- n. The Redeveloper understands that THE INDEBTEDNESS IS A LIMITED OBLIGATION OF THE AUTHORITY AND IS NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONIES RECEIVED OR TO BE RECEIVED FROM TAXATION, OTHER THAN TIF REVENUES OR EEA REVENUES AS DESCRIBED IN THIS CONTRACT.
- o. The Indebtedness does not constitute a debt within the meaning of any constitutional, statutory, or charter limitation upon the creation of general obligation indebtedness of the Authority or City and does not impose any general liability upon the Authority or City. No official of the Authority or City nor any person executing the Indebtedness shall be liable personally by reason of its issuance.

4. Obligations of Redeveloper. In addition to the Redeveloper's other obligations in this Contract, the Redeveloper agrees to the following:

- a. Redeveloper has delivered to the City and Authority documents as required by the Authority showing who has authority to sign the Contract and related documents on behalf of the Redeveloper. The City and Authority may rely on such documents unless they are revoked and replaced in writing by the Redeveloper.
- b. Redeveloper will with reasonable diligence pursue and implement the Project. Redeveloper is responsible for obtaining all permits and approvals necessary to construct the Project. Until construction of the Project is complete, Redeveloper will report the progress of the Project to the Authority and City. Redeveloper will furnish to the City a Certificate of Completion upon full completion of the Project.
- c. At any time, whether before or after commencement of the Project, the Authority may require any or all of the following:
 - i. That any general contractor chosen by the Redeveloper or the Redeveloper itself obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations naming the Authority and/or City as additional insureds.
 - ii. That any contractor chosen by the Redeveloper or the Redeveloper itself purchase and maintain property insurance upon the Project to the full insurable value thereof which insure against the perils of fire and extended coverage, includes "All Risk" insurance for physical loss or damage, and insures all stored materials.
 - iii. That the contractor or the Redeveloper, as the case may be, furnish the Authority with a Certificate of Insurance evidencing policies as may be required above and providing that the Authority be given prior written notice in the event of cancellation of or material change in any of any of the policies.

- iv. That the Redeveloper furnish or cause to be furnished to the Authority security consistent with policies established by the City for other development projects to guarantee the completion of the Public Improvements related to the Project. Any security furnished by the Redeveloper may be required to be up to the amount of the actual cost of the Public Improvements. It is contemplated that the Redeveloper will enter into one or more contracts for the construction of the Public Improvements. The actual cost of the Public Improvements will be determined by the provisions of such contract. If any required security furnished by the Redeveloper is a bond or letter of credit, the bond or letter of credit shall provide that upon demand by the Authority, the Authority shall be paid all sums which will enable the Authority to complete the Public Improvements. If security required by the Authority is insufficient to complete the Public Improvements, the Redeveloper will remain directly liable to the Authority for the balance. The Authority may, at its option, assess all or any part of the amounts owed for the Public Improvements and not covered by the bond or letter of credit and not paid for by Redeveloper.
- v. That the Redeveloper furnish or cause to be furnished to the Authority or City, a payment bond in the amount of the Public Improvements with a corporate surety authorized to do business in the State of Nebraska and approved by the Authority or City, conditioned upon the Redeveloper at all times making payment of all amounts lawfully due to all persons supplying or furnishing the Redeveloper, the Redeveloper's contractor or its subcontractors with labor, materials, equipment, or supplies for the Public Improvements and indemnifying and saving harmless the Authority or City to the extent any payments under this Contract which the Authority or City may be required to make under law. The Authority or City may allow, in lieu of this surety bond, a cash bond in the amount determined by the Authority or City, to be held by the Authority or City for the purposes set forth in this subsection. The cash bond shall be refunded to the Redeveloper upon the completion of the applicable Public Improvements and the Authority's or City's receipt of evidence, satisfactory to the Authority or City, that all persons having performed labor or furnished materials, equipment, or supplies for such Public Improvements have been fully paid.
- d. Redeveloper shall timely pay all costs, expenses, fees, charges and other amounts associated with the Project.
- e. The location, size and layout and construction of the Public Improvements shall be according to (i) plans and specifications approved in writing by the City in advance of commencement of construction, which approval will not be unreasonably withheld, (ii) all ordinances and codes adopted by the City in effect at the time that the Public Improvements are constructed, and (iii) any other agreement related to the Public Improvements between the Redeveloper and the City. This Contract does not replace or supersede the need for the Redeveloper to obtain other agreements, consents, permits, licenses from the City related to the Public Improvements or other improvements as may be required by the City for the type of work to be performed.
- f. The Redeveloper will hold the Indebtedness or arrange for the purchase of the Indebtedness in a private placement satisfactory to the Authority. The Authority and City shall have no obligation to sell the Indebtedness.
- g. The Redeveloper will pay the Authority the fees in the amounts and at the times as set forth on Schedule C.
- h. The Redeveloper shall retain copies of all documents and records associated with the Plan and Project received or generated by the Redeveloper and make such documents available to the City and Authority, upon request, for at least three years after the end of the last fiscal year in which ad valorem real estate taxes are divided for the Project.

- 5. Issuance of Indebtedness.** The following provisions apply separately to the TIF Indebtedness and EEA Indebtedness, and these provisions should be interpreted accordingly.
- a. The Authority will authorize the issuance of the Indebtedness, subject to such terms and conditions set forth in this Contract and the Resolution. The maximum amount of the Indebtedness is limited to the sum of all applicable Project Costs incurred by the Redeveloper. No Indebtedness will be issued until Redeveloper has become obligated for a portion of the Project Costs.
 - b. The interest rate of the Indebtedness will be the Wall Street Journal Prime Rate (as of the date of issuance), plus 1%, or as agreed upon by the Redeveloper and the Authority.
 - c. The Authority shall create a fund to collect and hold the TIF Revenues and EEA Revenues. Such fund shall be used for no other purpose other than to pay the applicable Indebtedness.
 - d. The Authority will make a grant to the Redeveloper, up to the amount of the Indebtedness, to pay the Redeveloper for the Project Costs actually incurred by the Redeveloper, subject to the limitations set forth in this Contract. The Indebtedness and the grant shall not exceed the amount of Project Costs as certified according to Section 6(a) of this Contract or the amount as provided in the Plan. The Authority shall have no obligation to provide grant funds from any source other than the funds actually received by the Authority for the purchase price paid to the Authority for the Indebtedness. Upon the request of the Redeveloper, the purchase price of the Indebtedness shall be offset against the grant described herein.
 - e. Upon the issuance of any new TIF Indebtedness according to this Contract that is secured by TIF Revenues derived from any portion of the Rockstep Site, the 2015 TIF Bond will be cancelled by Rockstep and returned to the Authority.
- 6. Cost Certification and Disbursement of Funds.** Proceeds of the Indebtedness shall be advanced and disbursed in the manner set forth below:
- a. The Redeveloper may submit to the Authority a grant disbursement request (the “Disbursement Request”) executed by an authorized representative of the Redeveloper. The Disbursement Request shall: (i) certify the actual Project Costs incurred by the Redeveloper in the completion of such portion of the Project and (ii) include documentation to the Authority’s satisfaction that such Project Costs have been incurred and all other requirements under this Contract relating to the work have been met. All Disbursement Requests are subject to review and approval by the Authority. Determinations by the Authority whether costs included in the Disbursement Request are properly included as Project Costs as defined in this Contract shall be made in the sole discretion of the Authority and shall be conclusive and binding on the Redeveloper.
 - b. The Authority shall inform the Holder in writing of the amount of the Disbursement Request allocated to the Indebtedness for reimbursable Project Costs under this Contract. Upon notification from the Authority, the Holder (if other than the Redeveloper) may make deposits to the Authority in such amount necessary to pay the Project Costs set forth in the Disbursement Request. Such amounts shall be proceeds of the Indebtedness to be granted to the Redeveloper under Section 5(d) of this Contract. If the Redeveloper is the Holder, the grant to the Redeveloper shall be offset by the increase in the principal balance of the Indebtedness by the amount of the Project Costs of the approved Disbursement Request.

7. **TIF Revenues:** The Authority pledges the TIF Revenues derived from the Site as security for and to provide payment of the TIF Indebtedness. No other funds of the City or Authority secure or will be paid toward the TIF Indebtedness. The Authority will pay the Holder of the TIF Indebtedness the TIF Revenues according to the terms of the TIF Indebtedness and this Contract. Any shortfall in TIF Revenues to pay the TIF Indebtedness shall be borne entirely by the Redeveloper and Holder without recourse of any kind against the Authority or the City.

The TIF Indebtedness will be paid with priority based on the order of issuance. If more than one tax increment financing notes are issued at the same time, then the TIF Revenues will be paid toward such notes in priority or proportion as agreed to by the Authority, KM, and Rockstep at the time such TIF Indebtedness is issued.

TIF Revenues will be derived from the Site as follows:

- a. Any ad valorem real estate tax on the Site (or any portion of the Site as determined by Redeveloper) for the benefit of any public body may be divided for a period of fifteen (15) years.
- b. The Site may be developed in phases over an extended period. Redeveloper will decide, from time to time, when to begin the division of real estate taxes on a particular tax parcel within the Site (each a "TIF Site"). When Redeveloper determines that it would like to begin the division of real estate taxes on a particular tax parcel, Redeveloper will notify the Authority of (i) the tax parcel and (ii) the effective date of the division of the real estate taxes on such parcel. Redeveloper and the Authority will then execute an amendment of this Contract to specify such terms (a "TIF Site Designation Amendment"). The City Manager, as Secretary of the Authority, may execute each TIF Site Designation Amendment without further approval of the Authority or City.
- c. The ad valorem real estate taxes on a TIF Site will be divided as follows:
 - i. That portion of the ad valorem real estate tax on the TIF Site which is produced by levy at the rate fixed each year by or for each public body upon the "redevelopment project valuation" (as defined in the Act) shall be paid into the funds of each such public body in the same proportion as all other taxes collected by or for the bodies; and
 - ii. That portion of the ad valorem real estate tax on the TIF Site in excess of such amount, if any, shall be allocated to, is pledged to, and, when collected, paid into a special fund of the Authority to pay the principal of, the interest on, and any premium due in connection with the Indebtedness. When such Indebtedness, including interest and premium due have been paid, the Authority shall notify the County Assessor and County Treasurer and all ad valorem real estate taxes upon the TIF Site shall be paid into the funds of the respective public bodies; and
 - iii. Any interest and penalties due for delinquent taxes shall be paid in the funds of each public body in the same proportion as are all other taxes collected by or for the public body.
- d. Within 30 days after a TIF Site Designation Amendment is executed, the Authority will file with the County Assessor a notice for dividing the ad valorem real estate tax on the TIF Site, as described in Section 18-2147(6) of the Act.
- e. Before any real estate taxes are divided on a TIF Site within the Rockstep Site according to this Contract, the Authority will cancel the current notice to divide taxes on the Rockstep Site.

- 8. EEA Revenues:** The Authority and the City agree to impose an occupation tax on the Site according to the Occupation Tax Ordinance. The Authority pledges the EEA Revenues derived from the Site as security for and to provide payment of the EEA Indebtedness. No other funds of the City or Authority secure or will be paid toward the EEA Indebtedness. The Authority will pay the Holder of the EEA Indebtedness the EEA Revenues according to the terms of the EEA Indebtedness and this Contract. Any shortfall in EEA Revenues to pay the EEA Indebtedness shall be borne entirely by the Redeveloper and Holder without recourse of any kind against the Authority or the City. The EEA Revenues will be paid in the following priority:

First Priority: The 2015 EEA Bond.

Second Priority: EEA Indebtedness issued after the date of this Contract will be paid with priority based on the order of issuance. If more than one occupation tax bonds are issued at the same time, then the EEA Revenues will be paid toward such bonds in priority or proportion as agreed to by the Authority, KM, and Rockstep at the time the such EEA Indebtedness is issued.

- 9. Redeveloper's Obligations While the Indebtedness is Outstanding.** While any Indebtedness is outstanding, Redeveloper shall:

- a. Not protest a taxable valuation of the Site so as to reduce the taxable valuation;
- b. Not convey the Site or structures thereon to any entity which would be exempt from paying real estate taxes, except any Public Improvements to be transferred to the City;
- c. Not apply to the Scotts Bluff County Assessor for any structures on the Site to be taxed separately from the land of the Site;
- d. Maintain insurance for the full value of the structures on the Site and in the event of casualty, apply such insurance proceeds to completing or repairing the Project;
- e. Pay or cause to be paid all real estate taxes and assessments levied on the Site prior to the time they become delinquent;
- f. Maintain the Site in good repair and in a safe and clean condition;
- g. Provide progress reports and any relevant financial records regarding the Project to the City or Authority upon request; and
- h. Include the restrictions in this Section 9 in any subsequent sale, assignment, sale-leaseback or other transfer of the Site or any portion thereof. If such restrictions are included, the Redeveloper shall not otherwise be responsible for the action or inaction of third parties if these covenants are breached by third parties and the Redeveloper no longer owns the Site.

- 10. Environmental Conditions.** In the development of the Site, the Redeveloper and its contractors shall not violate any applicable laws, ordinances and regulations relating to industrial hygiene or environmental protection (collectively referred to herein as "Environmental Laws"), and not do anything to introduce to the Site substances deemed to be hazardous or toxic under any Environmental Laws.

- 11. Indemnity.** To the fullest extent permitted by law, the Redeveloper shall indemnify, defend, and hold harmless the Authority and City from and against all claims, damages, losses, fines, assessments, and expenses, including, but not limited to, attorneys' fees (collectively, "Losses"), arising out of or resulting from (a) the negligent or intentional acts or omissions of the Redeveloper, any of Redeveloper's contractors or subcontractors, or anyone directly employed by any of them, or anyone for whose acts any of them may be liable or (b) the noncompliance with this Contract. The Redeveloper also agrees to indemnify and hold the City and Authority harmless for any claims for amounts which are the responsibility of the Redeveloper charged by persons or entities providing labor or materials for the Project. Notwithstanding the foregoing, in no event shall Redeveloper be required to indemnify, defend, or hold harmless the Authority or City for Losses to the extent such Losses are caused by the active negligent or intentional acts or omissions of the Authority or City.
- 12. Nondiscrimination.** The Redeveloper shall not, in the performance of this Contract and the Project, discriminate against any employee or applicant for employment because of race, religion, gender, color, national origin, ancestry, disability, familial status, or receipt of public assistance.
- 13. Immigration Status.** Redeveloper agrees that all of its contractors providing services on the Site will utilize the federal immigration verification system, as defined in NEB. REV. STAT. § 4-114 to determine the work eligibility status of new employees physically performing services on the Project.
- 14. Conflicts of Interest.** No officer, employee, or agent of the Authority shall have any personal interest in this Contract, whether such interest is direct or indirect.
- 15. Assignment.** The Redeveloper may not assign its rights under this Contract without prior written consent of the Authority, which consent shall not be unreasonably withheld.
- 16. Covenants Running with the Land.** This Contract shall be binding upon the Redeveloper's successors and assigns, and shall run with the Site. The Authority and City will record this Contract or a memorandum of this Contract in the Scotts Bluff County Office of the Register of Deeds, to be indexed against the Site.
- 17. Status of Parties.** The Authority and City are not and shall not be regarded as partners, joint venturers, or other jointly acting parties with the Redeveloper for any purpose whatsoever, and the undertakings and agreements on the part of the Authority and City are provided solely according to the provisions of the Act and for the governmental purposes of promoting and encouraging redevelopment in blighted and substandard areas.
- 18. Approvals by the Authority and City.** Whenever, under the terms of this Contract, the Authority or City has agreed that it will take an action or cause an action to be taken and applicable statutes require public notice and a hearing or other procedures relating to approval, the terms and conditions of this Contract shall be understood as subject to such requirements.

19. Default. In the event of any default of this Contract, the defaulting party shall, upon written notice from the other party proceed immediately to cure the default and such shall be cured within 30 days after the defaulting party's receipt of such notice or such longer time as may be allowed by the party giving notice. Any default which, by its nature, cannot be cured in the time allowed may be cured if curing is commenced within the time allowed and diligently pursued to completion thereafter. If the default is not timely cured, the non-defaulting party may pursue any remedy available to it at law or equity, including specific performance. In addition, in the event of a default by the Redeveloper which is not timely cured as set forth above, then the Authority and City may suspend its performance under this Contract or rescind or terminate this Contract. Neither party shall be deemed to be in default of their respective obligations in the event of delay in the performance of such obligations due to causes beyond such party's reasonable control and without its fault including, but not limited to acts of God, acts of the public enemy, acts of the Federal government, fires, floods, epidemics, pandemics, quarantine, strikes, freight embargos, or delays of contractors due to such causes. In the event of any such delay, the party being delayed shall give prompt notice to the other party and the time for performance of the obligation being delayed shall be equitably extended.

20. Notices and Demands. Any notice, demand, or other communication under this Contract by either party shall be sufficiently given or delivered if it is sent by certified mail, postage prepaid, return receipt requested, or delivered personally as follows:

If to Rockstep: Rockstep Scottsbluff LLC
Attn: _____

If to KM: Scottsbluff KM Redevelopment, LLC
Attn: _____

If to Authority: Scottsbluff Community Development Authority
Attn: City Manager
2525 Circle Drive
Scottsbluff, NE 69361

If to City: City of Scottsbluff
Attn: City Manager
2525 Circle Drive
Scottsbluff, NE 69361

A party may give notice of a change in contact information in the manner specified above. Other methods of notice will be sufficient if the sender can show the date of receipt by the intended recipient.

21. Complete Contract. This Contract represents the complete understanding between the parties concerning the subject matter of this Contract, and no other promises or agreements relating to the subject matter of this Contract shall be binding unless they are made in writing and authorized and executed by the parties to be bound by the amendment. *Provided that*, the terms of any Resolution passed by the Authority or City related to the Indebtedness are made a part of and incorporated into this Contract.

22. Governing Law. Nebraska law will govern the construction of and the performance under this Contract.

23. Schedules. All schedules referenced in this Contract are part of this Contract.

24. Intent. This Contract is entered into by the Authority and City to provide financing for an approved redevelopment project.

25. Counterparts. This Contract may be signed in one or more counterparts.

[The signature page is the next page]

**Community Redevelopment Authority
of the City of Scottsbluff, Nebraska**

By: _____
William Trumbull, Chair

**Rockstep Scottsbluff LLC, a Texas
Limited Liability Company**

By: _____
[Name, Title]

City of Scottsbluff, Nebraska

By: _____
Jeanne McKerrigan, Mayor

**Scottsbluff KM Redevelopment, LLC,
a Delaware Limited Liability Company**

By: _____
[Name, Title]

State of Nebraska; County of Scotts Bluff) ss.

This Redevelopment Contract was acknowledged before me on _____, 2024 by William Trumbull, Chair on behalf of the Community Redevelopment Authority of the City of Scottsbluff, Nebraska.

Notary Public

State of Nebraska; County of Scotts Bluff) ss.

This Redevelopment Contract was acknowledged before me on _____, 2024 by Jeanne McKerrigan, Mayor on behalf of the City of Scottsbluff, Nebraska.

Notary Public

State of _____; County of _____) ss.

This Redevelopment Contract was acknowledged before me on _____, 2024 by _____ [name], _____ [title] on behalf of Rockstep Scottsbluff LLC, a Texas Limited Liability Company.

Notary Public

State of _____; County of _____) ss.

This Redevelopment Contract was acknowledged before me on _____, 2024 by _____ [name], _____ [title] on behalf of Scottsbluff KM Redevelopment, LLC, a Delaware Limited Liability Company.

Notary Public

Schedule A
The Site

Rockstep Site:

Lot 3, Block 3, Third Replat of Lots 3 and 4, Block 3, Northeast Second Addition Replat No. 2, an Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska (2302 Frontage Road, Scottsbluff, NE)

Lot 2, Block 3, Northeast Second Addition Replat No. 2, an Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska (2410 Frontage Road, Scottsbluff, NE)

KM Site

Lots 1 and 2, Block 1, Subdivision of Block 1, Northeast Second Addition Replat No. 1, an Addition to the City of Scottsbluff, Scotts Bluff County, Nebraska (804 and 802 East 27th Street)

Schedule B
Estimated Project Costs

Uptown Mall TIF Expenditures		Uptown Mall TIF Bond	
Building rehab	\$ 316,000.00		
Total Uptown TIF Expenditures	\$ 316,000.00	\$	316,000.00
Uptown Mall EEA		Uptown Mall EEA Bond	
Building rehab:			
Tenant imp; roof; HVAC	\$ 5,344,950.00		
Parking lot	\$ 1,000,000.00		
Lighting	\$ 250,000.00		
Landscaping & signage	\$ 200,000.00		
Arch/Promotion	\$ 800,000.00		
Total EEA	\$ 7,594,950.00	\$	7,590,000.00
Former K Mart TIF Expenditures		Former K Mart TIF Bond	
Site acquisition reimbursement	\$ 2,470,000.00	\$	2,050,000.00
Former K Mart EEA Expenditures		Former K Mart EEA Bond	
Site preparation/subdivision	\$ 2,040,000.00		
Demolition	\$ 300,000.00		
Building rehabilitation	\$ 12,063,000.00		
Pad sites construction	\$ 3,050,000.00		
Total EEA Expenditures	\$ 17,453,000.00	\$	2,400,000.00

Expenses may shift between categories without further approval.
Direct payment to tenants for tenant improvements are authorized rehabilitation expenditures.

Schedule C
Fees

Processing Fees: Reimbursement of City's and Authority's attorney's fees related to: Plan review and approval; Occupation Tax Ordinance review and approval; Contract drafting and approval; Indebtedness drafting, approval, and issuance; and Disbursement Request review and approval. The Processing Fees are payable at each issuance of Indebtedness and each approval of a Disbursement Request.

TIF Administrative Fee: \$5,000.00. The TIF Administrative Fee is payable at the issuance of the TIF Indebtedness.

EEA Administrative Fee: The EEA Administrative Fee is collected according to the Occupation Tax Ordinance.