

MCCOOK CITY COUNCIL

REGULAR MEETING

Monday, March 16, 2020
5:30 PM - City Council Chambers

Call to Order and Roll Call.

Open Meetings Act Announcement.

Rationale:

**A copy of the Open Meetings Act is posted by the entrance to the Council Chambers and is available for public review.*

Invocation - McCook Ministerial Association - Jeff Kelley, United Methodist Church.

Rationale:

The McCook Ministerial Association -
Pledge of Allegiance.

Items.

1. Citizen's Comments.

Rationale:

2. **The Council welcomes your input. You may address the Council at this time on items that are not on tonight's agenda. According to Nebraska Open Meeting Laws no action may be taken by Council.*

3. *At the appropriate time during the meeting, citizens wishing to comment on tonight's Agenda items will be given an opportunity.*

4. Announcements & Recognitions.

5. Public Hearings.

A. Public Hearing - Regarding the Redevelopment Plan for the Blackwood Enterprises Redevelopment Project as to its conformity with the general plan for the development of the City as a whole.

1. Adjourn the Public Hearing.

B. Meeting of the Community Development Agency.

1. Call to Order and Roll Call.
 2. Open Meetings Act Announcement.
Rationale: Mayor Gonzales announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review.
 3. Adopt Resolution No. CDA 2020-01 approving an amendment to the Redevelopment Plan for the City of McCook, to the City Council, and adopting a Cost Benefit Analysis for the Blackwood Enterprises Redevelopment Project.
 4. Recess as a Community Development Agency.
- C. Adopt Resolution No. 2020-03 approving an amendment of the Redevelopment Plan of the City of McCook, Nebraska, including the Blackwood Enterprises Redevelopment Project.
1. Recess as a City Council.
- D. Approve Resolution No. CDA 2020-02 authorizing and approving a Redevelopment Agreement including the use of Tax Increment Financing for the Blackwood Enterprises Redevelopment Project, and taking other actions required or permitted under the Community Development Law.
1. Adjourn the McCook Community Development Agency.
- E. Adopt Resolution No. 2020-04 approving the form of the Redevelopment Agreement for the Blackwood Enterprises Redevelopment Project and authorizing the Community Development Agency to enter into said agreement.
- F. Public Hearing - A report from the Economic Development Plan Citizen's Advisory Review Committee regarding meeting held January 27, 2020.
1. Adjourn the Public Hearing.
- G. Receive and file the minutes of the October 28, 2019 Economic Development Plan Citizen's Advisory Review Committee meeting.
6. Consent Agenda.
Rationale:
 7. **The Consent Agenda is approved on one motion. Any item listed on the Consent Agenda may, by the request of any single Council member of public in attendance, be considered as a separate item under the Regular Agenda.*
- A. Approve the minutes of the March 2, 2020 regular City Council meeting.

- B. Approve the application for a Special Designated Liquor License submitted by JBN, Inc., dba Hi Times Liquor Mart 1, Liquor License #DK-100025, for a wedding reception to be held at the McCook Municipal Auditorium, 302 West 5th Street, on April 18, 2020 from 12:00 P.M. to 1:00 A.M.
 - C. Approve the bid specifications for one (1) new 30' x 40' metal garage for the Cemetery Department and set the date to receive bids as April 7, 2020 at 2:00 P.M.
 - D. Approve the request from Stacy Priebe to utilize city streets and walking trails for the 2020 Republican River Fitness Series Run for UV Relay on April 18, 2020.
 - E. Award the bid for 2020 Armor Coating Project to Figgins Construction of Red Cloud, Nebraska in the amount of \$3.93 per gallon, that being the lowest best bid.
 - F. Receive and file the minutes of the March 9, 2020 Planning Commission meeting.
 - G. Receive and file the claims for the month of February 2020 as published March 10, 2020.
 - H. Receive and file the Financial Report for the period ending February 29, 2020.
8. Regular Agenda.
- A. Approve the LB840 Economic Development Revolving Loan Fund Program loan for Early Morning Cackle Spirit Shop/Bottle Shop in the amount of \$55,700, with the condition precedent that the Board of Directors of the McCook Economic Development Corporation approve the loan.
 - B. Consider on its third and final reading Ordinance No. 2020-2998 adopting the official Extraterritorial Jurisdiction Zoning Map for the City of McCook, with the condition that Red Willow County adopt a zoning map to harmonize Red Willow County's zoning jurisdiction with the City of McCook's Extraterritorial Jurisdiction.
 - 1. Chairperson asks Clerk to read Ordinance by title.
 - Rationale:** The Chairpersons asks the Clerk to read Ordinance No. 2020-2998 by title.
 - 2. Consider approval of Ordinance No. 2020-2998 upon its third and final reading.
 - 3. Chairperson declaration after vote, if approved.
 - 1. Ordinance No. 2020-2998 is declared lawfully passed and adopted upon publication as required by law.
 - Rationale:** Chairperson states for the record that Ordinance No. 2020-

2998 is declared lawfully passed and adopted upon publication as required by law.

C. Adopt Resolution No. 2020-05 approving an Interlocal Agreement between the City of McCook and Red Willow County for the continued provision of building inspection and permitting services for Calabria Subdivision.

D. Consider Ordinance No. 2020-3000 on its third and final reading, adding Section 130.33 to the City of McCook Code of Ordinances and amending Section 130.99 of the City of McCook Code of Ordinances, Chapter 130: General Offenses.

1. Chairperson asks Clerk to read Ordinance by title.

Rationale: The Chairpersons asks the Clerk to read Ordinance No. 2020-3000 by title.

2. Consider approval of Ordinance No. 2020-3000 upon its third and final reading.

3. Chairperson declaration after vote and passage, if approved.

1. Ordinance No. 2020-3000 is declared lawfully passed and adopted upon publication as required by law.

Rationale: Chairperson states for the record that Ordinance No. 2020-3000 is declared lawfully passed and adopted upon publication as required by law.

E. Consider on its third and final reading Ordinance No. 2020-2999 repealing Section 90.24; amending Sections 90.08, 90.20, 90.22, 90.23, 90.30, and 90.99; and adding 90.33, 90.34, 90.35, 90.36, and 90.37, to the City of McCook Code of Ordinances and amending Section 130.99 of the City of McCook Code of Ordinances, Chapter 90: Animals.

1. Chairperson asks Clerk to read Ordinance by title.

Rationale: The Chairpersons asks the Clerk to read Ordinance No. 2020-2999 by title.

2. Consider approval of Ordinance No. 2020-2999 upon its third and final reading.

3. Chairperson declaration after vote and passage, if approved.

1. Ordinance No. 2020-2999 is declared lawfully passed and adopted upon publication as required by law.

Rationale: Chairperson states for the record that Ordinance No. 2020-2999 is declared lawfully passed and adopted upon publication as required by law.

F. Consider Ordinance No. 2020-3001 amending Chapter 38: Fee Schedule - Appendix H: Animal Impoundment and Boarding Fees of the City of McCook Code of Ordinances upon its second reading.

1. Chairperson asks Clerk to read Ordinance by title.

Rationale: The Chairpersons asks the Clerk to read Ordinance No. 2020-3001 by title.

2. Consider approval of Ordinance No. 2020-3001 upon its second reading.

1. Council may consider statutory rule requiring reading on three separate occasions be suspended. Motion to suspend the rule must be adopted by three-fourths of the Council.

Rationale: This motion is to suspend the rule, it must be adopted by three-fourths of the Council.

2. Final passage of Ordinance No. 2020-3001.

3. Chairperson declaration after vote and passage, if approved under suspension of the rule.

1. Ordinance No. 2020-3001 is declared lawfully passed and adopted upon publication as required by law.

Rationale: Chairperson states for the record that Ordinance No. 2020-3001 is declared lawfully passed and adopted upon publication as required by law.

G. Consider on its second reading Ordinance No. 2020-3002 amending 95.03 and 95.35, and repealing 95.05 to the City of McCook Code of Ordinances, Chapter 95: Nuisance; Health and Sanitation.

1. Chairperson asks Clerk to read Ordinance by title.

Rationale: The Chairpersons asks the Clerk to read Ordinance No. 2020-3002 by title.

2. Consider approval of Ordinance No. 2020-3002 upon its second reading.

H. Consider on its second reading Ordinance No. 2020-3003 amending Section 130.32: Abandoned Automobiles, to the City of McCook Code of Ordinances.

1. Chairperson asks Clerk to read Ordinance by title.

Rationale: The Chairpersons asks the Clerk to read Ordinance No. 2020-3003 by title.

2. Consider approval of Ordinance No. 2020-3003 upon its second reading.

I. Consider on its second reading Ordinance No. 2020-3004 amending Section 33.03: Proposed Budget Statement; Hearing; Adoption; Certification of Tax Amount, of the City of McCook Code of Ordinances.

1. Chairperson asks Clerk to read Ordinance by title.

Rationale: The Chairpersons asks the Clerk to read Ordinance No. 2020-3004 by title.

2. Consider approval of Ordinance No. 2020-3004 upon its second reading.

J. Council Comments.

Adjournment.

**CITY MANAGER'S REPORT
MARCH 16, 2020 MCCOOK CITY COUNCIL MEETING**

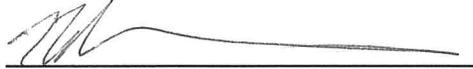
3.A
ITEM NO. 3.A Public Hearing - Regarding a Redevelopment Plan for the Blackwood Enterprises Redevelopment Project.

BACKGROUND:

Blackwood Enterprises, L.L.C. is proposing a Redevelopment Project that falls under the Nebraska Community Development Law. As a project that falls under the Nebraska Community Development Law, the State of Nebraska requires a public hearing to be held to discuss the Redevelopment Plan associated with the proposed project. The proposed project contemplates improving a building located at 520 West B Street. The Redevelopment Plan addresses how the project will comply with the City of McCook's Comprehensive Plan and the State of Nebraska's Community Redevelopment Law. The Redevelopment Plan includes a Cost Benefit Analysis that outlines the anticipated financial results of the project.

A public hearing was held regarding the Redevelopment Plan at the Planning Commission level. The Planning Commission unanimously recommended approval of the Plan. That said, there were some concerns regarding parking. The developer will need to address parking as the Plan is uncertain as to what mix of businesses will be housed in the building.

APPROVALS:



March 12, 2020

Nathan A. Schneider, City Manager



March 12, 2020

Lea Ann Doak, City Clerk

EXHIBIT #1

PAGE(S) - 1

NOTICE OF PUBLIC HEARING

Public notice is hereby given by the Planning Commission that a public hearing will be held at 5:15 p.m. on Monday, March 9, 2020, in the City Council Chambers at the McCook Municipal Center, 505 W C Street, McCook, Nebraska. An agenda for such meeting, kept continuously current, is available for public inspection at the office of the City Clerk, 505 West C Street, McCook, NE 69001.

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

The property that is the subject of this notice and of the public hearings is located in 520 West B Street, in the City of McCook, Nebraska and legally described as follows:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999.

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

-s- Lea Ann Doak, City Clerk

Publish: February 21, 2020 and February 28, 2020

EXHIBIT #2

PAGE(S) - 1

**REDEVELOPMENT PLAN FOR THE
BLACKWOOD ENTERPRISES REDEVELOPMENT PROJECT
IN THE CITY OF MCCOOK, NEBRASKA**

Introduction

The City of McCook, Nebraska ("City") has undertaken a plan of redevelopment within a certain redevelopment area in the City identified as Redevelopment Area #3 (the "Redevelopment Area"). The Redevelopment Area was declared blighted and substandard in January, 2013. A Blight and Substandard Study and General Redevelopment Plan for the Redevelopment Area was prepared in January, 2013 by Hanna:Keelan Associates, P.C., and adopted by the City in January, 2013. The General Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City. This Redevelopment Plan is a project-specific amendment to the General Redevelopment Plan and shall serve as the guide for the implementation of redevelopment activities on the Project Site, as defined herein, which is located in the Redevelopment Area.

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

The purpose of this Redevelopment Plan is to identify specific property within the redevelopment area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site located at 520 West B Street, in the City of McCook, Nebraska, and legally described on the attached and incorporated Exhibit "A" (the "Project Site").

The Project Site

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

Description of the Project

The project under consideration will consist of the renovation, rehabilitation, and exterior enhancements of the commercial building on the Project Site and associated

improvements on the Project Site to create retail/commercial space (the “Project”). The existing building on the Project Site was built in 1950 and is no longer suitable for modern business due to its age and obsolescence. A recent photograph of the Project Site is set forth below:



This existing building on the Project Site is currently vacant and requires substantial upgrades and improvements to attract tenants. The building has a concrete block exterior, so a substantial portion of the Project will consist of façade enhancements to the building to give it a modern appearance. This Project is intended to create retail/commercial space for multiple small businesses to occupy and provide them an opportunity to grow their businesses.

Blackwood Enterprises, L.L.C., a Nebraska limited liability company (the “Redeveloper”), has submitted a proposal for the Project and the redevelopment of the Project Site. The redevelopment of the Project Site pursuant to this Redevelopment Plan will eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the General Redevelopment Plan.

As part of the Project, the CDA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: land acquisition, demolition, architectural fees, utility improvements, landscaping, façade enhancements, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Preliminary site plans are attached hereto as Exhibit “B” and incorporated herein by this reference. The CDA acknowledges that these plans are preliminary in nature and subject to change, but has included the current information submitted by Redeveloper. Redeveloper intends to commence construction in 2020 (as soon as the Project is approved) and complete construction in 2020. The base year for the Project is anticipated to be 2020 and the effective date for the division of taxes shall be January 1, 2021.

Tax Increment Financing

The CDA contemplates the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of TIF Indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("Base Tax Amount"); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for Project Site will be set forth in the redevelopment agreement. It is anticipated that the CDA will issue one TIF note for the entire Project. Notwithstanding any provision herein to the contrary, all incremental tax revenues resulting from the Project shall only be divided and allocated for no more than the applicable 15-year increment period provided by the Act.

The base value is of the Project Site is \$135,000. Pursuant to the Red Willow County Assessor's preliminary appraisal of the proposed project on January 9, 2020, the projected completed valuation of the Project is \$1,139,857. The preliminary appraisal is not binding and is based upon the information and assumptions provided to the Assessor. The CDA does not make any representations to the final value of any Project, but has used the value of the preliminary appraisal as the estimated completed valuation of the Project.

Based upon the anticipated completed valuation of \$1,139,857 and a 5.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$200,000. Redeveloper estimates that the total Project costs shall be approximately \$647,875. Redeveloper shall also be responsible for the CDA's administrative fee and the City's cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$493,900 TIF-eligible expenditures. The estimated TIF uses is set forth below:

CDA Administrative Fee	\$6,000
Cost of Issuance	TBD
Land Acquisition	\$250,000
Demolition	\$11,500
Architectural Fees	\$5,000
Water Main Improvements	\$2,500
Sanitary Sewer Improvements	\$4,800
Electrical Improvements	\$8,900
Natural Gas Improvements	\$4,700
Street Improvements	\$3,100
Landscaping	\$4,200
Façade Enhancements	\$193,200
Total estimated TIF uses:	\$493,900

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. Attached hereto as Exhibit “C” and incorporated herein by this reference is a consideration of the statutory elements under the Nebraska Community Development Law.

Cost-Benefit Analysis

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

Comprehensive Plan

Several goals of the McCook, Nebraska Comprehensive Plan 2013–2023 (the “McCook Comprehensive Plan”) will be furthered by this Project, including but not limited to:

EDUCATION AND COMMUNITY/ECONOMIC DEVELOPMENT

Goal 2: Economic Development. Utilize the McCook Comprehensive Plan as an economic development resource and guide to maximize economic opportunities for all residents. Foster an increase in diversified employment and business types in McCook.

Action Step 3: Focus efforts of diversified businesses and employment opportunities to expand existing and attract new companies. Expand the availability of retail commerce development sites and available storefronts for rent or purchase to attract non-local businesses. . . .

GOAL 3: Community Development. Community development practices should strive to both stabilize and improve the local McCook economy and quality of life. Proper renovation, adaptive reuse and additions of existing buildings, as well as new

construction activities should be components of locally available incentives to attract residents, businesses and industries.

Action Step 1: Encourage local reinvestment in McCook by both the public and private sectors. Provide infrastructure and needed amenities to support future growth of commercial, industrial and residential areas. Remove dilapidated buildings and promote building rehabilitation on structures that are considered cost-effective for such activity. Commercial building rehabilitation projects could include façade restoration, window and awning replacement, improved accessibility and signage. . . .

Action Step 3: Utilize all available public programs of financing in funding development and redevelopment programs. . . .

Action Step 4: Provide public improvements to older residential neighborhoods, as well as Downtown McCook, in need of street and sidewalk resurfacing, landscaping, street trees and improved utility mains. Downtown façade improvements, a public gathering/festival square and additional public parking are needed to support the development of additional specialty retail businesses.

Action Step 7: Promote community sustainability and quality of life in McCook as being a great place to live, work, raise a family and retire

Goal 4: Community Redevelopment Planning and Implementation. Focus on improving structures, utility mains and public facilities throughout McCook. Utilize various funding local, State and Federal funding sources to achieve various redevelopment goals in McCook.

Action Step 1: Utilize Tax Increment Financing (TIF) in designated “Redevelopment Areas” as a method of funding structural rehabilitation activities for commercial buildings. These activities could include façade renovation, utility and street improvements and mixed use developments.
. . . .

Additionally, the following elements are identified in the McCook Comprehensive Plan as priority redevelopment activities associated with commercial development:

- Update and enforce minimum building codes to prevent vacant buildings from deteriorating.
- Encourage property and business owners to utilize the provisions of Tax Increment Financing as both a development and redevelopment tool in Downtown McCook and along the commercial highway corridors.
- Maintain and improve the aesthetic appearance of Community

- Encourage the development of additional specialty retail businesses, especially those catering to the needs of residents of McCook, as well as those of visitors and travelers to the Community.
- Encourage residents to start their own businesses through entrepreneur programs supported in incubator malls or building spaces that have large areas for multiple, individual businesses.
- Support successful home based businesses that have outgrown the “home,” and/or incubator mall, and are in need of permanent commercial or industrial locations.

The existing land use map and future land use map from the McCook Comprehensive Plan are included for reference in this Redevelopment Plan. The future land use of the site is designated for commercial use, so the Project conforms to the future land use designation of the Project Site.

Note: This section is not a comprehensive analysis of the Project's conformance with the McCook Comprehensive Plan, but is meant to highlight and summarize the key points on this topic.

Additional Project Information from Redeveloper

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

EXISTING LAND USE MAP
CORPORATE LIMITS
MCCOOK, NEBRASKA

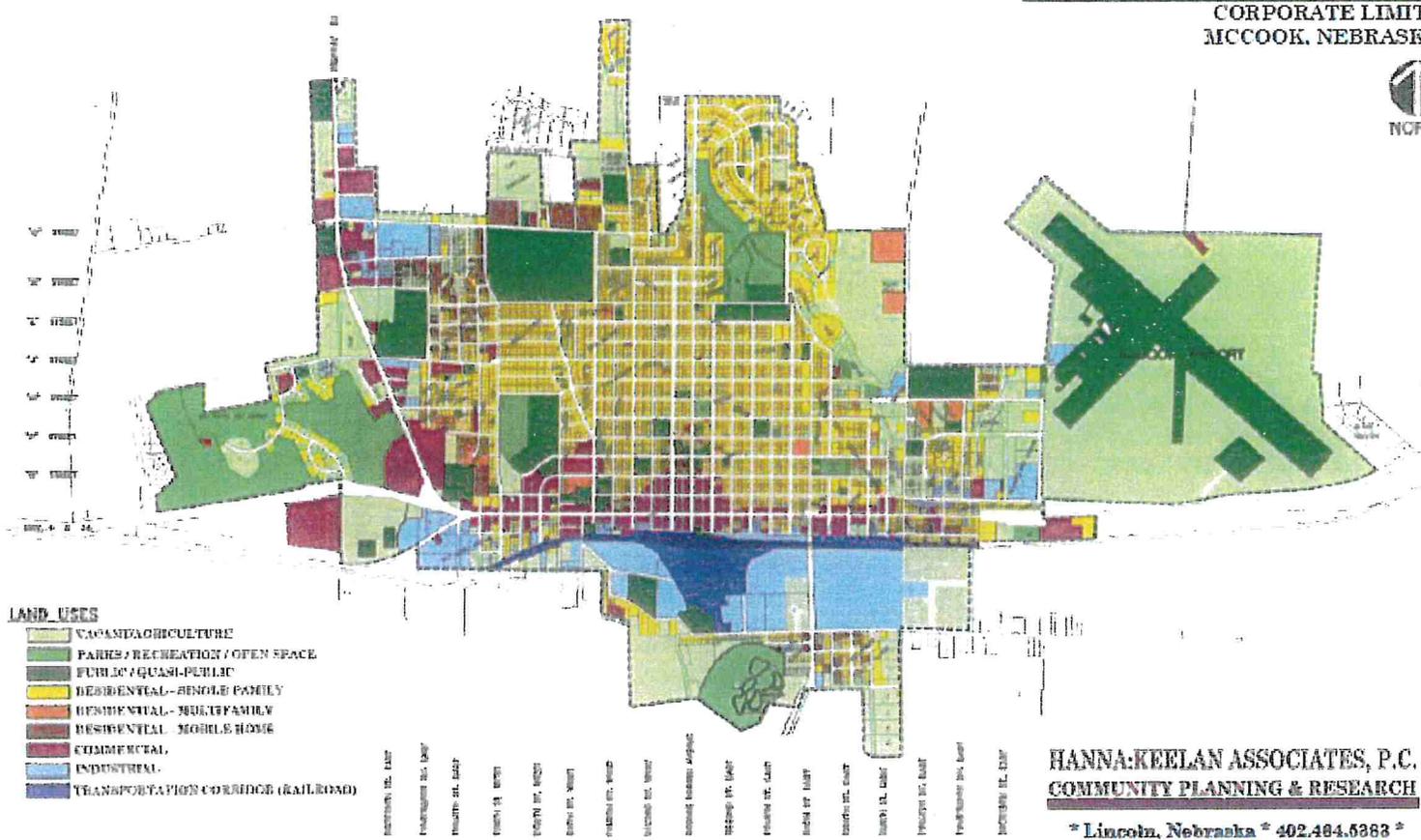
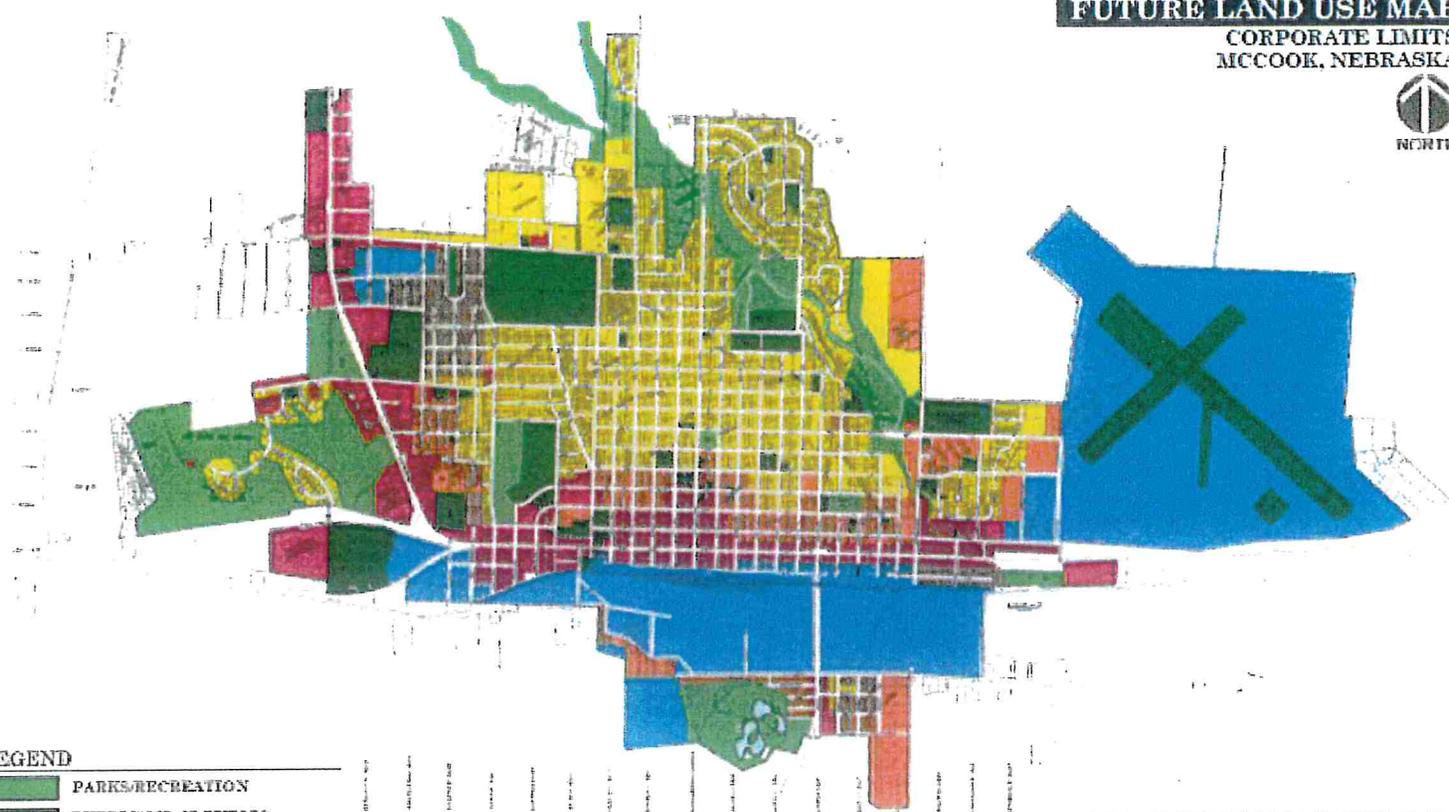


ILLUSTRATION 4.2

**FUTURE LAND USE MAP
CORPORATE LIMITS
MCCOOK, NEBRASKA**



- LEGEND**
- PARKS/RECREATION
 - PUBLIC/QUASI-PUBLIC
 - SINGLE FAMILY RESIDENTIAL
 - MULTIFAMILY RESIDENTIAL
 - MOBILE HOME RESIDENTIAL
 - COMMERCIAL
 - INDUSTRIAL
 - RAILROAD CORRIDOR
 - CORPORATE LIMIT LINE

HANNA-KEELAN ASSOCIATES, P.C.
COMMUNITY PLANNING & RESEARCH
* Lincoln, Nebraska * 402.464.5383 *

ILLUSTRATION 4.4

EXHIBIT "A"
Legal Description of the Project Site

The property is legally described as follows:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999.

The general location of the Project Site is depicted below:

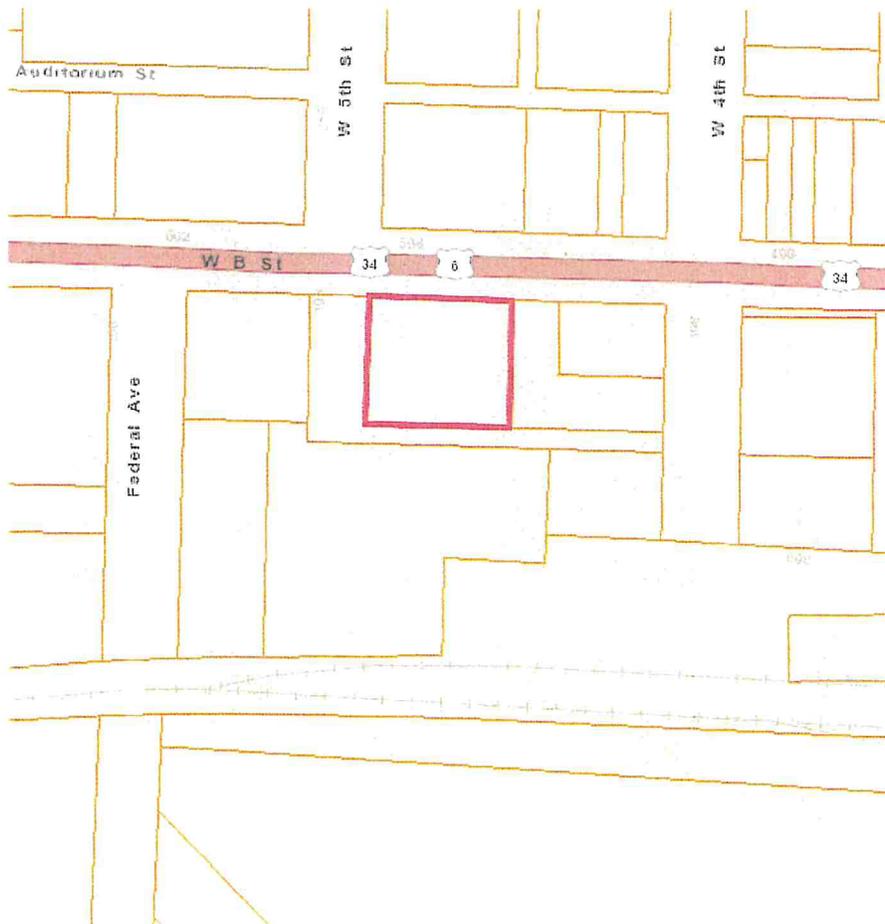


Exhibit "C"
Statutory Elements

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper owns the Project Site.

B. Population Density

The proposed Project on the Project Site is a commercial project, involving the renovation and rehabilitation of the commercial building on the Project Site. The Project will not significantly affect population density in the project area.

C. Land Coverage

The Project will consist of the renovation and rehabilitation of the existing building on the Project Site. The building is 9,820 square feet and the footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of McCook.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The existing infrastructure is anticipated to be sufficient for the intended uses of the Project Site upon completion of the Project.

E. Parking

Redeveloper acknowledges the need for additional parking. However, the exact parking requirements cannot be determined because the final mix of businesses has yet to be determined. The exact parking requirements will be determined based on actual use of the building, and Redeveloper shall be responsible for obtaining any permits and meeting all zoning requirements.

F. Zoning, Building Code, and Ordinances

The Project Site is currently zoned in the Business Commercial zoning district. The Project is a permitted use in the existing zoning district for the Project Site. No additional zoning, building code, or ordinance changes will be necessary for the Project.

Exhibit "D"
Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)

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

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

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

a.	Redevelopment Project Valuation:	\$135,000
b.	Projected Completed Project Assessed Valuation:	\$1,139,857
c.	Projected Tax Increment Base:	\$1,004,857
d.	Estimated Tax Levy:	1.911555
e.	Annual Projected Tax Shift:	\$19,200

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

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

a. Public infrastructure improvements and impacts:

No substantial effects are anticipated on the public infrastructure and community public service needs. The Project anticipates expenditures of up to \$28,200 on public infrastructure improvements, including approximately \$24,000 for utility improvements. Redeveloper acknowledges that off-street parking on the Project Site is scarce, and Redeveloper may be required to acquire, lease or construct additional public parking. No other public infrastructure improvements are anticipated to be necessary based on this Project, and the Project will not have a material adverse effect on any community public services.

Redeveloper anticipates expenditures of approximately \$647,875 for the Project. It is anticipated that approximately \$200,000 of the public improvements will be financed with the proceeds of the TIF generated by the private improvements on the

Project Site. The projected uses of the TIF Indebtedness, which will be refined in the Redevelopment Agreement for this Project, are set forth in the Redevelopment Plan for the Project. All expenditures financed by the TIF Indebtedness shall be eligible under the Community Redevelopment Law.

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

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate tax growth for the City. The Project will be a commercial space, and the businesses leasing and operating on the Project Site should generate immediate sales tax and personal property tax revenue that would otherwise not be produced. The Project will also require and pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

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

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will create new retail/commercial space, which should expand existing and attract new businesses. The Project should have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project because the Project is intended to ameliorate conditions of blight that might otherwise deter businesses from locating or expanding in the area.

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

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project should encourage business owners to locate and/or relocate along the "B" Street (Highway 6/34) Corridor, which will allow for further growth of the community. There should also be additional consumer traffic to the City, which should benefit other businesses.

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

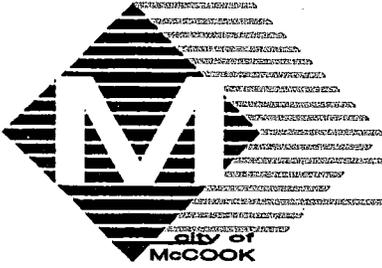
It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City.

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

It is anticipated that the Project will create and/or retain jobs in the City by expanding existing and attracting new businesses. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project. Redeveloper has identified a need for small retail spaces in the City and this Project shall fill that need, but the lease rates will not be feasible for small businesses without the use of TIF to help finance some of the public improvements.

7. Summary of Findings:

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



P.O. BOX 1059 · 505 West C Street · McCook, NE 69001 · PHONE (308) 345-2022 · FAX (308) 345-1461

February 28, 2020

CERTIFIED MAIL

McCook Community College
President
1205 East 3rd
McCook, NE 69001

NOTICE OF PUBLIC HEARINGS

Public notice is hereby given by the Planning Commission that a public hearing will be held at 5:15 p.m. on Monday, March 9, 2020, in the City Council Chambers at the McCook Municipal Center, 505 W C Street, McCook, Nebraska. An agenda for such meeting, kept continuously current, is available for public inspection at the off of the City Clerk, 505 West C Street, McCook NE 69001.

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

The property that is the subject of this notice and of the public hearings is located in 520 West B Street, in the City of McCook, Nebraska and legally described as follows:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999.

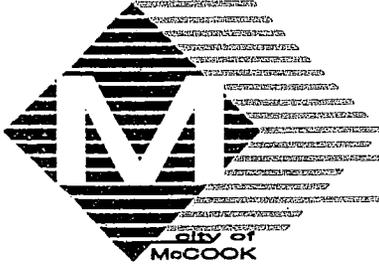
All interested parties shall be afforded at the public hearing a reasonable opportunity to express their views regarding the proposed redevelopment plan. A map of the redevelopment area and a copy of the cost-benefit analysis shall be maintained at the office of the City Clerk.

Respectfully,

Lea Ann Doak
City Clerk

EXHIBIT #4

PAGE(S) - 5



P.O. BOX 1059 · 505 West C Street · McCOOK, NE 69001 · PHONE (308) 345-2022 · FAX (308) 345-1461

February 28, 2020

CERTIFIED MAIL

Board President
McCook School District
600 West 7th
McCook, NE 69001

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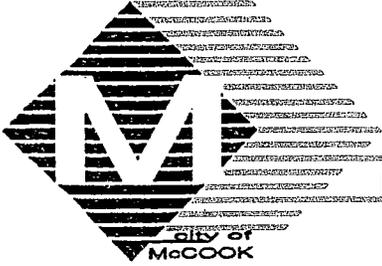
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Respectfully,

Lea Ann Doak
City Clerk



P.O. BOX 1059 · 505 West C Street · McCOOK, NE 69001 · PHONE (308) 345-2022 · FAX (308) 345-1461

February 28, 2020

CERTIFIED MAIL

Chairman of the Board
Red Willow County Commissioners
502 Norris Avenue
McCook, NE 69001

NOTICE OF PUBLIC HEARINGS

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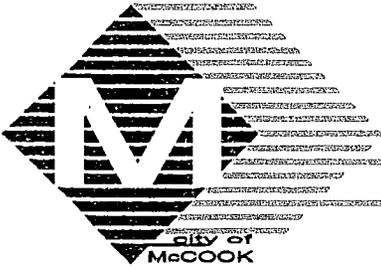
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Respectfully,

Lea Ann Doak
City Clerk



P.O. BOX 1059 · 505 West C Street · McCOOK, NE 69001 · PHONE (308) 345-2022 · FAX (308) 345-1461

February 28, 2020

CERTIFIED MAIL

Chairman of the Board
Middle Republican NRD
222 Center Ave
PO Box 47
Curtis, NE 690025-0047

NOTICE OF PUBLIC HEARINGS

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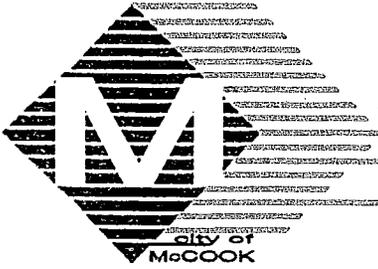
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Respectfully,

Lea Ann Doak
City Clerk



P.O. BOX 1059 • 505 West C Street • McCOOK, NE 69001 • PHONE (308) 345-2022 • FAX (308) 345-1461

February 28, 2020

CERTIFIED MAIL

Chairman of the Board
Educational Service Unit No 15
344 Main
PO Box 398
Trenton, NE 69044

NOTICE OF PUBLIC HEARINGS

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

Respectfully,

Lea Ann Doak
City Clerk

McCook Planning Commission
March 9, 2020
5:15 PM Central

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:15 o'clock P.M. in the City Council Chambers.

Present: Chair Vosburg; Vice Chair Hilker; Commissioners Bradley (arrived 5:18 P.M.), Davidson, Dueland, Lyons, McDowell, Stevens, Graham.

Absent: Commissioner Friehe.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on March 5, 2020, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to all members of the Planning Commission. Availability of the agenda was communicated in the advance notice. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Chair Vosburg announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review.

1. Approve the minutes of the February 10, 2020 regular Planning Commission meeting.

Motion to approve the minutes of the February 10, 2020 regular Planning Commission meeting. This motion, made by McDowell and seconded by Dueland, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA
YEA: 8, NAY: 0, ABSENT: 2

2. Public Hearings and Regular Agenda.

2.A. Public Hearing - Regarding the Redevelopment Plan for the Blackwood Enterprises Redevelopment Project as to its conformity with the general plan for the development of the City as a whole.

Motion to recess as a Planning Commission and convene a public hearing for the purpose of receiving public comment with respect to the proposed Redevelopment Plan for the Blackwood Enterprises Redevelopment Project as to its conformity with the general plan for the development of the City as a whole, with the City Attorney to act as hearing officer. This motion, made by Vosburg and seconded by Stevens, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA
YEA: 8, NAY: 0, ABSENT: 2

The City Attorney received into evidence Exhibit #1 - City Manager's Report prepared for the March 9,

EXHIBIT #5

PAGE(S) - 2

2020 Planning Commission meeting (2 pages), Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - proposed Resolution No. PC2020-01 (3 pages); Exhibit #4 - Redevelopment Plan for the Blackwood Enterprises Redevelopment Project (14 pages); and Exhibit #5 - copies of notice of public hearing mailed by certified mail to the required taxing jurisdictions (5 pages).

City Manager Schneider reviewed the information presented in Exhibit #1 and the proposed Redevelopment Plan in Exhibit #4. He stressed that the developer must address the parking requirements before a building permit could be issued. He needs to identify what use the building will be used for, so that staff can determine the number of parking spaces.

Commissioner discussion included what percentage of this project will be used for TIF, noting that it seems higher than previous projects; whose responsibility is it to determine if the required but - for test is met; how the Annual Projected Tax Shift of \$19,200 was calculated; the need to be consistent in the process so that we can say yes to future projects; why the hurry?, proceeding before the developer knows what the development will be; concerns regarding lack of parking; overall, the commissioners were in support of the project.

Andy Long, McCook Economic Development Director, spoke in support of the request.

Motion to adjourn the public hearing and to reconvene as a Planning Commission. This motion, made by Vosburg and seconded by McDowell, passed.

Vosburg: YEA, Hilker: YEA, Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA

YEA: 9, NAY: 0, ABSENT: 1

2.B. Approve Resolution No. PC2020-01 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Blackwood Enterprises Redevelopment Project.

Motion to approve Resolution No. PC2020-01 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Blackwood Enterprises Redevelopment Project. This motion, made by Kurt and seconded by McDowell, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA

YEA: 8, NAY: 0, ABSENT: 2

Adjournment.

With no further business, Chair Vosburg declared the Planning Commission meeting adjourned at 6:10 P.M.

Lea Ann Doak, Recording Secretary

CITY MANAGER'S REPORT

MARCH 16, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING

3.B.

ITEM NO. ___ Recommend approval of Resolution No. CDA 2020-01 to the McCook City Council which approves a Redevelopment Plan of the City of McCook, Nebraska; approves a Redevelopment Project of the City of McCook, Nebraska; and approves the related actions for the purpose of the development of the 2020 Blackwood Enterprises Redevelopment Project.

BACKGROUND:

This item is required by the State of Nebraska for Tax Increment Financed (TIF) projects per the Nebraska Community Development Law. The CDA must approve a resolution approving a Redevelopment Plan to the City Council for the Blackwood Enterprises Redevelopment Project.

The proposed project calls for the renovation, rehabilitation, and exterior enhancements of a commercial building located at 520 West B Street. The developer wants to improve the site to create retail/commercial space. The existing building on the project site was built in 1950 and is no longer suitable for modern business due to its age and obsolescence. The existing building is currently vacant and requires substantial upgrades and improvements to attract tenants. The developer estimates the total project costs will be \$647,875. The developer is requesting the use of TIF to assist with the project.

In a nutshell, if the project site were to be improved, the estimated assessed valuation would be \$1,139,857. The current base value is \$135,000, which said sum would continue to be utilized as the valuation for tax allotments to the local taxing entities. The estimated difference between the two values (ie. \$1,004,857), would be available for TIF indebtedness repayment. At an estimated tax levy of 1.911555, the annual projected taxes available for TIF eligible debt repayment would be \$19,200. With a 5% interest rate for the TIF note, the project would yield TIF indebtedness in the amount of approximately \$200,000. A promissory note in the principal amount of \$200,000 would be issued to denote Blackwood Enterprises obligations.

TIF can only be used for eligible expenses. Examples of eligible expenses can be found on page 4 of the Redevelopment Plan. Blackwood Enterprises estimates that the project will include \$493,900 of TIF eligible expenses, which will more than cover the \$200,000 promissory note. In addition to the TIF note, the developer estimates private investment in the amount of \$447,875. This means that for every \$1 of tax increment financing, the developer will privately spend \$3.24.

As with every redevelopment project, the project site must meet the community goals established in McCook's Comprehensive Plan, as well as meeting State statutory requirements. With respect to McCook's Comprehensive Plan, Blackwood Enterprises' proposed project would promote economic development, improve the quality of our community, and affirm our pledge to utilize TIF as a method of funding structural rehabilitation activities. With respect to State considerations, the project would not adversely impact population density, would meet our zoning regulations, and would comply with the City's zoning requirements. The only concern at this time is parking. The developer acknowledges the need for additional parking. However, the exact parking requirements cannot be determined because the final mix of businesses hasn't been determined. The exact parking requirements will be determined

based on actual use of the building, and the developer will be responsible for meeting the City's requirements. It is our intent for the developer to be present at the meeting to discuss his plans.

At the Planning Commission meeting, the primary concern was parking. The project site itself consists of the building, with little area for parking development. The developer is attempting to address the parking issue by purchasing or leasing adjacent land. Parking is an instrumental part of the project. It is incumbent on the developer to address the issue. If the Council desires, the Redevelopment Plan can be postponed until the developer comes up with a parking plan. On the flip side, the Council can proceed with approving the Redevelopment Plan as it is the responsibility of the developer to address the parking issues.

APPROVALS:



March 12, 2020

Nathan A. Schneider, City Manager



March 12, 2020

Lea Ann Doak, City Clerk

**COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA**

RESOLUTION NO. CDA 2020-01

(Redevelopment Plan Amendment – Blackwood Enterprises Redevelopment Project)

A RESOLUTION RECOMMENDING APPROVAL OF AN AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE CITY OF MCCOOK, NEBRASKA, TO THE CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA AND ADOPTING A COST BENEFIT ANALYSIS FOR THE REDEVELOPMENT PROJECT IN THE REDEVELOPMENT PLAN.

RECITALS

- A. The City of McCook, Nebraska (“City”) adopted a redevelopment plan for certain portions of the City (the “Redevelopment Plan”).
- B. The Community Development Agency of the City of McCook (“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” (“Redevelopment Plan Amendment”).
- C. The Redevelopment Plan Amendment would create a redevelopment project in the redevelopment area on property described in the Redevelopment Plan Amendment identified as the Blackwood Enterprises Redevelopment Project (the “Project”).
- D. The Project 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 Amendment.
- E. The CDA is required under Section 18-2113(2) of the Act to conduct a cost benefit analysis for a redevelopment project which will use Tax Increment Financing.
- F. The CDA has conducted a cost benefit analysis for the Project, and said cost benefit analysis is attached to the Redevelopment Plan Amendment as Exhibit “D” (the “Project Cost Benefit Analysis”).
- G. The CDA has determined that the Project would not occur in the Redevelopment Area and could not be financed or constructed but for the use of Tax Increment Financing.
- H. Statements of the proposed method and estimated cost of the acquisition and preparation for redevelopment of the redevelopment project area and the estimated proceeds or revenue from its disposal to redevelopers, the proposed method of financing the redevelopment project, and a feasible method proposed for the relocation of families to be displaced from the redevelopment project area, if applicable, are set forth in the Redevelopment Plan Amendment and the Project Cost Benefit Analysis.

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

1. The cost and benefits set forth in the Project Cost Benefit Analysis have been found to be in the long-term best interest of the City.
2. The CDA hereby approves the Project Cost Benefit Analysis as the cost benefit analysis of the Project.

BE IT FURTHER RESOLVED, by the CDA, as follows:

1. The Redevelopment Plan Amendment is in conformance with the general Comprehensive Plan of the City of McCook.
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 McCook.
3. The Redevelopment Plan Amendment is in conformance with the Act.
4. The Project would not be economically feasible and would not occur in the Redevelopment Area without the use of Tax Increment Financing.
5. The CDA hereby approves the Redevelopment Plan Amendment and recommends approval and adoption by the City Council of the City of McCook.

IN WITNESS WHEREOF, the CDA hereby passes and adopts this Resolution as of this 16th day of March 2020.

COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
MCCOOK, NEBRASKA

Michael D. Gonzales, Chairman

ATTEST:

Lea Ann Doak, Secretary

EXHIBIT "A"
Redevelopment Plan Amendment

Exhibit "A"

**REDEVELOPMENT PLAN FOR THE
BLACKWOOD ENTERPRISES REDEVELOPMENT PROJECT
IN THE CITY OF MCCOOK, NEBRASKA**

Introduction

The City of McCook, Nebraska ("City") has undertaken a plan of redevelopment within a certain redevelopment area in the City identified as Redevelopment Area #3 (the "Redevelopment Area"). The Redevelopment Area was declared blighted and substandard in January, 2013. A Blight and Substandard Study and General Redevelopment Plan for the Redevelopment Area was prepared in January, 2013 by Hanna:Keelan Associates, P.C., and adopted by the City in January, 2013. The General Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City. This Redevelopment Plan is a project-specific amendment to the General Redevelopment Plan and shall serve as the guide for the implementation of redevelopment activities on the Project Site, as defined herein, which is located in the Redevelopment Area.

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

The purpose of this Redevelopment Plan is to identify specific property within the redevelopment area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site located at 520 West B Street, in the City of McCook, Nebraska, and legally described on the attached and incorporated Exhibit "A" (the "Project Site").

The Project Site

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

Description of the Project

The project under consideration will consist of the renovation, rehabilitation, and exterior enhancements of the commercial building on the Project Site and associated

improvements on the Project Site to create retail/commercial space (the “Project”). The existing building on the Project Site was built in 1950 and is no longer suitable for modern business due to its age and obsolescence. A recent photograph of the Project Site is set forth below:



This existing building on the Project Site is currently vacant and requires substantial upgrades and improvements to attract tenants. The building has a concrete block exterior, so a substantial portion of the Project will consist of façade enhancements to the building to give it a modern appearance. This Project is intended to create retail/commercial space for multiple small businesses to occupy and provide them an opportunity to grow their businesses.

Blackwood Enterprises, L.L.C., a Nebraska limited liability company (the “Redeveloper”), has submitted a proposal for the Project and the redevelopment of the Project Site. The redevelopment of the Project Site pursuant to this Redevelopment Plan will eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the General Redevelopment Plan.

As part of the Project, the CDA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: land acquisition, demolition, architectural fees, utility improvements, landscaping, façade enhancements, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Preliminary site plans are attached hereto as Exhibit “B” and incorporated herein by this reference. The CDA acknowledges that these plans are preliminary in nature and subject to change, but has included the current information submitted by Redeveloper. Redeveloper intends to commence construction in 2020 (as soon as the Project is approved) and complete construction in 2020. The base year for the Project is anticipated to be 2020 and the effective date for the division of taxes shall be January 1, 2021.

Tax Increment Financing

The CDA contemplates the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of TIF Indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("Base Tax Amount"); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for Project Site will be set forth in the redevelopment agreement. It is anticipated that the CDA will issue one TIF note for the entire Project. Notwithstanding any provision herein to the contrary, all incremental tax revenues resulting from the Project shall only be divided and allocated for no more than the applicable 15-year increment period provided by the Act.

The base value is of the Project Site is \$135,000. Pursuant to the Red Willow County Assessor's preliminary appraisal of the proposed project on January 9, 2020, the projected completed valuation of the Project is \$1,139,857. The preliminary appraisal is not binding and is based upon the information and assumptions provided to the Assessor. The CDA does not make any representations to the final value of any Project, but has used the value of the preliminary appraisal as the estimated completed valuation of the Project.

Based upon the anticipated completed valuation of \$1,139,857 and a 5.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$200,000. Redeveloper estimates that the total Project costs shall be approximately \$647,875. Redeveloper shall also be responsible for the CDA's administrative fee and the City's cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$493,900 TIF-eligible expenditures. The estimated TIF uses is set forth below:

CDA Administrative Fee	\$6,000
Cost of Issuance	TBD
Land Acquisition	\$250,000
Demolition	\$11,500
Architectural Fees	\$5,000
Water Main Improvements	\$2,500
Sanitary Sewer Improvements	\$4,800
Electrical Improvements	\$8,900
Natural Gas Improvements	\$4,700
Street Improvements	\$3,100
Landscaping	\$4,200
Façade Enhancements	\$193,200
<hr/>	
Total estimated TIF uses:	\$493,900

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. Attached hereto as Exhibit “C” and incorporated herein by this reference is a consideration of the statutory elements under the Nebraska Community Development Law.

Cost-Benefit Analysis

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

Comprehensive Plan

Several goals of the McCook, Nebraska Comprehensive Plan 2013–2023 (the “McCook Comprehensive Plan”) will be furthered by this Project, including but not limited to:

EDUCATION AND COMMUNITY/ECONOMIC DEVELOPMENT

Goal 2: Economic Development. Utilize the McCook Comprehensive Plan as an economic development resource and guide to maximize economic opportunities for all residents. Foster an increase in diversified employment and business types in McCook.

Action Step 3: Focus efforts of diversified businesses and employment opportunities to expand existing and attract new companies. Expand the availability of retail commerce development sites and available storefronts for rent or purchase to attract non-local businesses. . . .

GOAL 3: Community Development. Community development practices should strive to both stabilize and improve the local McCook economy and quality of life. Proper renovation, adaptive reuse and additions of existing buildings, as well as new

construction activities should be components of locally available incentives to attract residents, businesses and industries.

Action Step 1: Encourage local reinvestment in McCook by both the public and private sectors. Provide infrastructure and needed amenities to support future growth of commercial, industrial and residential areas. Remove dilapidated buildings and promote building rehabilitation on structures that are considered cost-effective for such activity. Commercial building rehabilitation projects could include façade restoration, window and awning replacement, improved accessibility and signage. . . .

Action Step 3: Utilize all available public programs of financing in funding development and redevelopment programs. . . .

Action Step 4: Provide public improvements to older residential neighborhoods, as well as Downtown McCook, in need of street and sidewalk resurfacing, landscaping, street trees and improved utility mains. Downtown façade improvements, a public gathering/festival square and additional public parking are needed to support the development of additional specialty retail businesses.

Action Step 7: Promote community sustainability and quality of life in McCook as being a great place to live, work, raise a family and retire

Goal 4: Community Redevelopment Planning and Implementation. Focus on improving structures, utility mains and public facilities throughout McCook. Utilize various funding local, State and Federal funding sources to achieve various redevelopment goals in McCook.

Action Step 1: Utilize Tax Increment Financing (TIF) in designated “Redevelopment Areas” as a method of funding structural rehabilitation activities for commercial buildings. These activities could include façade renovation, utility and street improvements and mixed use developments. . . .

Additionally, the following elements are identified in the McCook Comprehensive Plan as priority redevelopment activities associated with commercial development:

- Update and enforce minimum building codes to prevent vacant buildings from deteriorating.
- Encourage property and business owners to utilize the provisions of Tax Increment Financing as both a development and redevelopment tool in Downtown McCook and along the commercial highway corridors.
- Maintain and improve the aesthetic appearance of Community

- Encourage the development of additional specialty retail businesses, especially those catering to the needs of residents of McCook, as well as those of visitors and travelers to the Community.
- Encourage residents to start their own businesses through entrepreneur programs supported in incubator malls or building spaces that have large areas for multiple, individual businesses.
- Support successful home based businesses that have outgrown the “home,” and/or incubator mall, and are in need of permanent commercial or industrial locations.

The existing land use map and future land use map from the McCook Comprehensive Plan are included for reference in this Redevelopment Plan. The future land use of the site is designated for commercial use, so the Project conforms to the future land use designation of the Project Site.

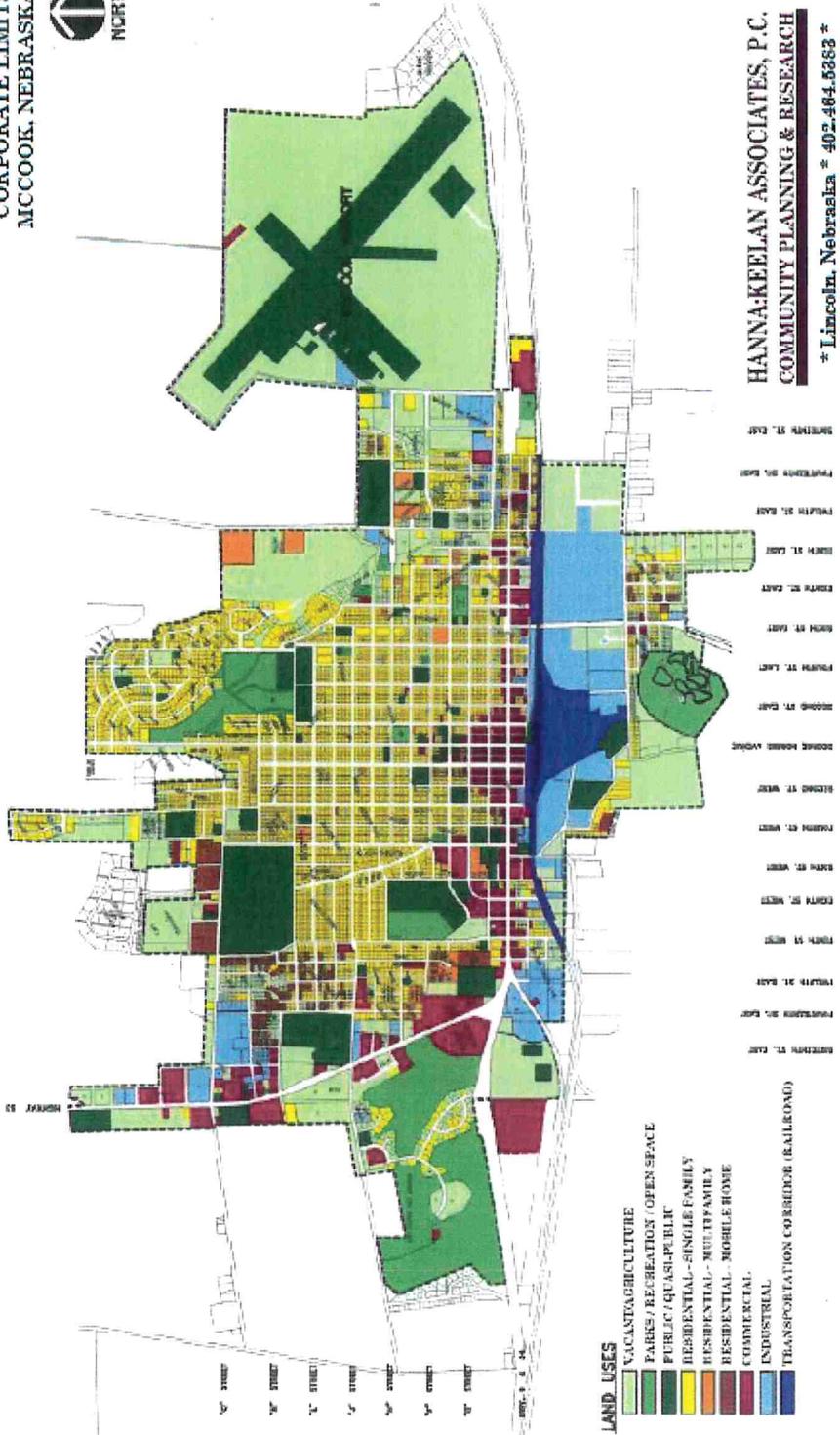
Note: This section is not a comprehensive analysis of the Project’s conformance with the McCook Comprehensive Plan, but is meant to highlight and summarize the key points on this topic.

Additional Project Information from Redeveloper

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

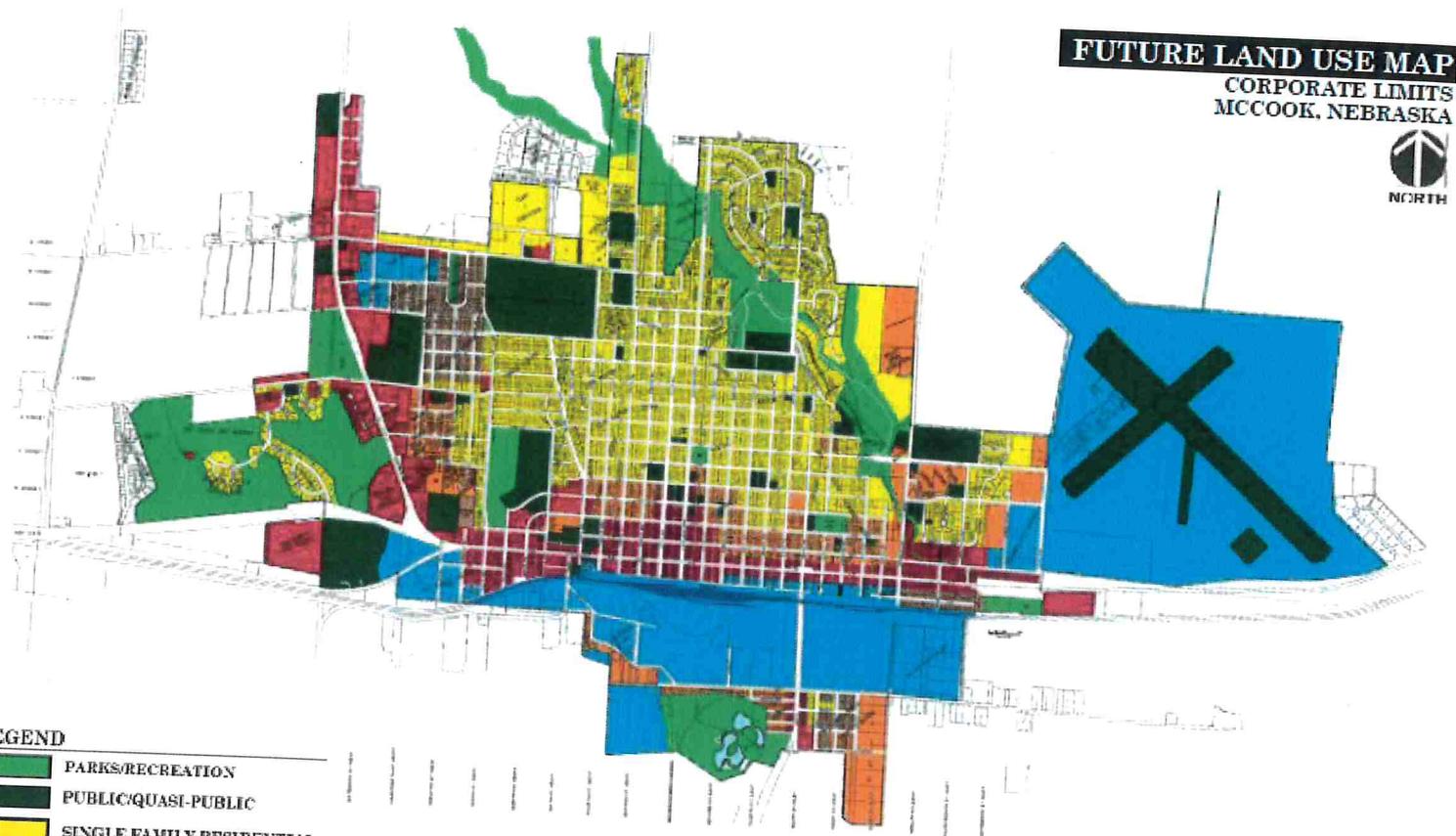
EXISTING LAND USE MAP

CORPORATE LIMITS
MCCOOK, NEBRASKA



HANNA-KEELAN ASSOCIATES, P.C.
 COMMUNITY PLANNING & RESEARCH
 * Lincoln, Nebraska * 402.464.5383 *

ILLUSTRATION 4.2



HANNA:KEELAN ASSOCIATES, P.C.
COMMUNITY PLANNING & RESEARCH
* Lincoln, Nebraska * 402.464.5363 *

ILLUSTRATION 4.4

EXHIBIT "A"
Legal Description of the Project Site

The property is legally described as follows:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999.

The general location of the Project Site is depicted below:

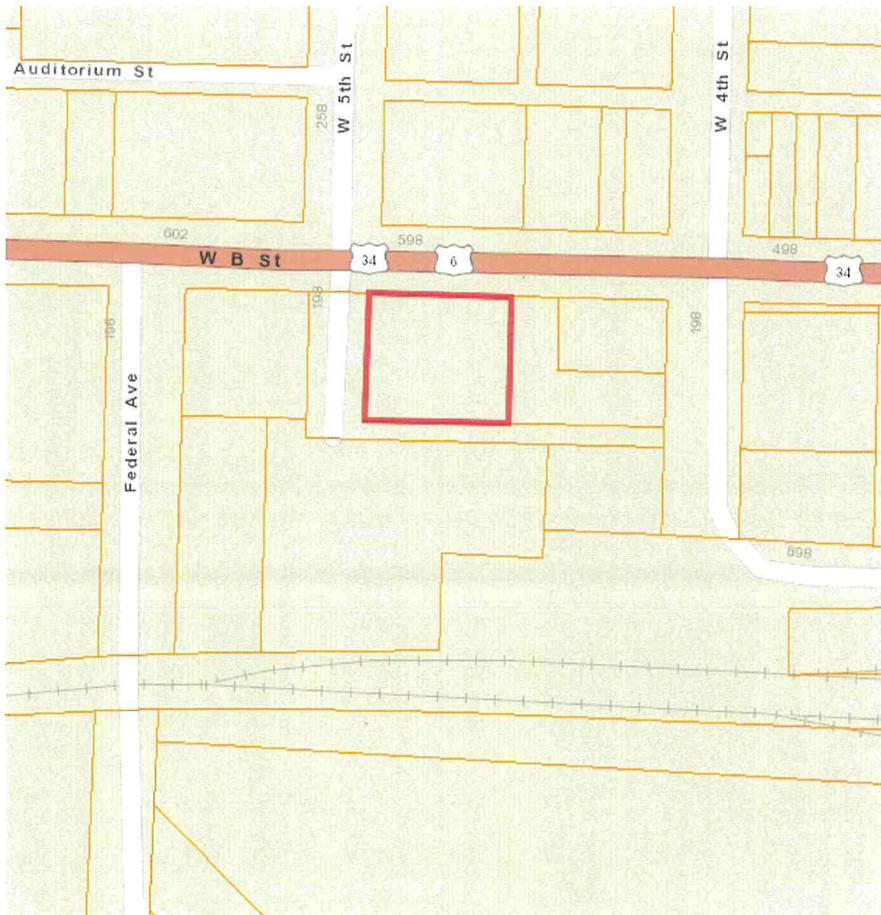


EXHIBIT "B"

Preliminary Site Plans

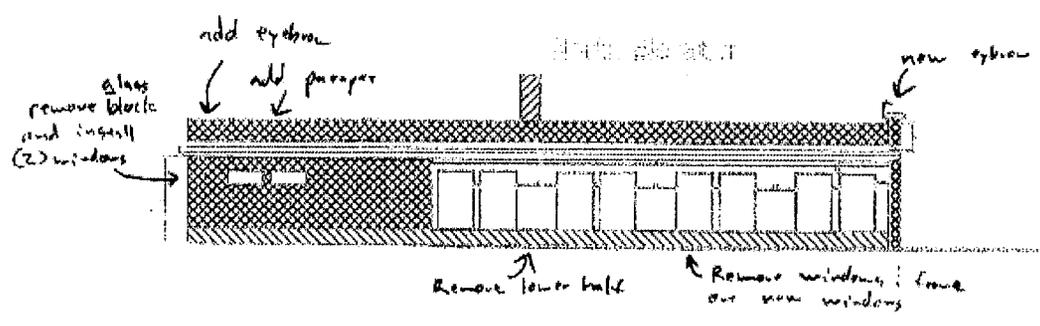
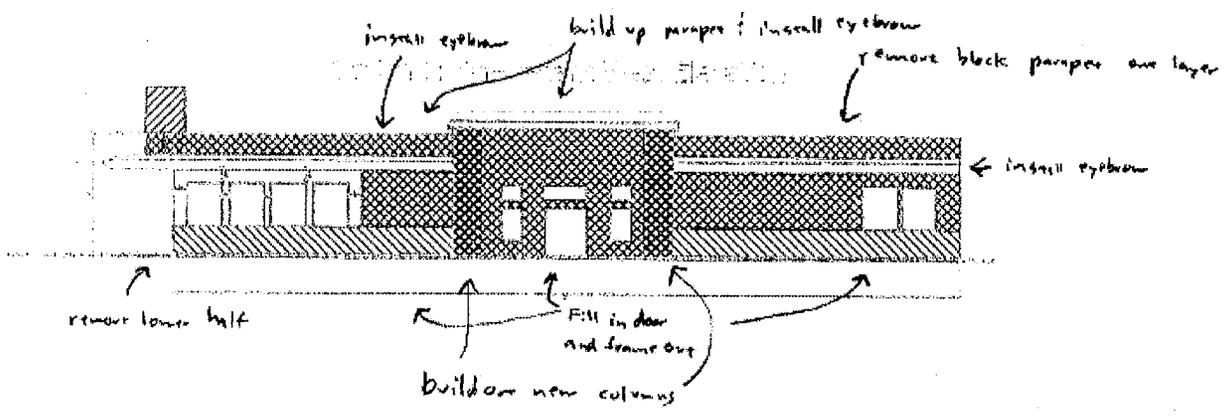
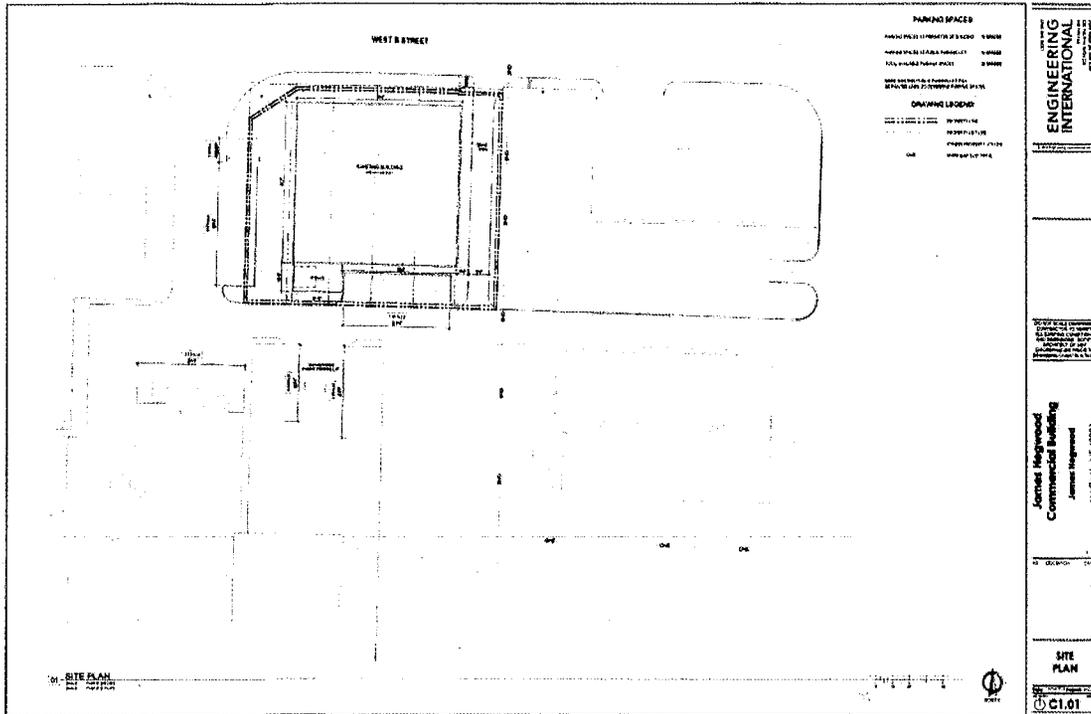


Exhibit "B"

Exhibit "C"
Statutory Elements

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper owns the Project Site.

B. Population Density

The proposed Project on the Project Site is a commercial project, involving the renovation and rehabilitation of the commercial building on the Project Site. The Project will not significantly affect population density in the project area.

C. Land Coverage

The Project will consist of the renovation and rehabilitation of the existing building on the Project Site. The building is 9,820 square feet and the footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of McCook.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The existing infrastructure is anticipated to be sufficient for the intended uses of the Project Site upon completion of the Project.

E. Parking

Redeveloper acknowledges the need for additional parking. However, the exact parking requirements cannot be determined because the final mix of businesses has yet to be determined. The exact parking requirements will be determined based on actual use of the building, and Redeveloper shall be responsible for obtaining any permits and meeting all zoning requirements.

F. Zoning, Building Code, and Ordinances

The Project Site is currently zoned in the Business Commercial zoning district. The Project is a permitted use in the existing zoning district for the Project Site. No additional zoning, building code, or ordinance changes will be necessary for the Project.

Exhibit "D"
Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)

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

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

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

a.	Redevelopment Project Valuation:	\$135,000
b.	Projected Completed Project Assessed Valuation:	\$1,139,857
c.	Projected Tax Increment Base:	\$1,004,857
d.	Estimated Tax Levy:	1.911555
e.	Annual Projected Tax Shift:	\$19,200

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

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

a. Public infrastructure improvements and impacts:

No substantial effects are anticipated on the public infrastructure and community public service needs. The Project anticipates expenditures of up to \$28,200 on public infrastructure improvements, including approximately \$24,000 for utility improvements. Redeveloper acknowledges that off-street parking on the Project Site is scarce, and Redeveloper may be required to acquire, lease or construct additional public parking. No other public infrastructure improvements are anticipated to be necessary based on this Project, and the Project will not have a material adverse effect on any community public services.

Redeveloper anticipates expenditures of approximately \$647,875 for the Project. It is anticipated that approximately \$200,000 of the public improvements will be financed with the proceeds of the TIF generated by the private improvements on the

Project Site. The projected uses of the TIF Indebtedness, which will be refined in the Redevelopment Agreement for this Project, are set forth in the Redevelopment Plan for the Project. All expenditures financed by the TIF Indebtedness shall be eligible under the Community Redevelopment Law.

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

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate tax growth for the City. The Project will be a commercial space, and the businesses leasing and operating on the Project Site should generate immediate sales tax and personal property tax revenue that would otherwise not be produced. The Project will also require and pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

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

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will create new retail/commercial space, which should expand existing and attract new businesses. The Project should have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project because the Project is intended to ameliorate conditions of blight that might otherwise deter businesses from locating or expanding in the area.

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

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project should encourage business owners to locate and/or relocate along the "B" Street (Highway 6/34) Corridor, which will allow for further growth of the community. There should also be additional consumer traffic to the City, which should benefit other businesses.

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

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City.

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

It is anticipated that the Project will create and/or retain jobs in the City by expanding existing and attracting new businesses. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project. Redeveloper has identified a need for small retail spaces in the City and this Project shall fill that need, but the lease rates will not be feasible for small businesses without the use of TIF to help finance some of the public improvements.

7. Summary of Findings:

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

4850-8884-0116, v. 3

**CITY MANAGER'S REPORT
MARCH 16, 2020 MCCOOK CITY COUNCIL MEETING**

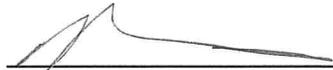
ITEM NO. 3C. Approve Resolution No. 2020-03 to the McCook City Council which approves a Redevelopment Plan of the City of McCook, Nebraska; approves a Redevelopment Project of the City of McCook, Nebraska; and approves the related actions for the purpose of the development of the 2020 Blackwood Enterprises Redevelopment Project.

BACKGROUND:

This item is required by the State of Nebraska for Tax Increment Financed (TIF) projects per the Nebraska Community Development Law. After the CDA approves a resolution approving a Redevelopment Plan and recommends approval of the Plan to the City Council for, the City Council must approve a resolution approving the Redevelopment Plan.

The background for this agenda item is the same as the background provided in Resolution No. CDA 2020-01. Please refer to the CDA's City Manager's Report for context.

APPROVALS:



March 12, 2020

Nathan A. Schneider, City Manager



March 12, 2020

Lea Ann Doak, City Clerk

**CITY MANAGER'S REPORT
MARCH 16, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING**

ITEM NO. __ Recommend approval of Resolution No. CDA 2020-~~21~~ to the McCook City Council which approves a Redevelopment Plan of the City of McCook, Nebraska; approves a Redevelopment Project of the City of McCook, Nebraska; and approves the related actions for the purpose of the development of the 2020 Blackwood Enterprises Redevelopment Project.

BACKGROUND:

This item is required by the State of Nebraska for Tax Increment Financed (TIF) projects per the Nebraska Community Development Law. The CDA must approve a resolution approving a Redevelopment Plan to the City Council for the Blackwood Enterprises Redevelopment Project.

The proposed project calls for the renovation, rehabilitation, and exterior enhancements of a commercial building located at 520 West B Street. The developer wants to improve the site to create retail/commercial space. The existing building on the project site was built in 1950 and is no longer suitable for modern business due to its age and obsolescence. The existing building is currently vacant and requires substantial upgrades and improvements to attract tenants. The developer estimates the total project costs will be \$647,875. The developer is requesting the use of TIF to assist with the project.

In a nutshell, if the project site were to be improved, the estimated assessed valuation would be \$1,139,857. The current base value is \$135,000, which said sum would continue to be utilized as the valuation for tax allotments to the local taxing entities. The estimated difference between the two values (ie. \$1,004,857), would be available for TIF indebtedness repayment. At an estimated tax levy of 1.911555, the annual projected taxes available for TIF eligible debt repayment would be \$19,200. With a 5% interest rate for the TIF note, the project would yield TIF indebtedness in the amount of approximately \$200,000. A promissory note in the principal amount of \$200,000 would be issued to denote Blackwood Enterprises obligations.

TIF can only be used for eligible expenses. Examples of eligible expenses can be found on page 4 of the Redevelopment Plan. Blackwood Enterprises estimates that the project will include \$493,900 of TIF eligible expenses, which will more than cover the \$200,000 promissory note. In addition to the TIF note, the developer estimates private investment in the amount of \$447,875. This means that for every \$1 of tax increment financing, the developer will privately spend \$3.24.

As with every redevelopment project, the project site must meet the community goals established in McCook's Comprehensive Plan, as well as meeting State statutory requirements. With respect to McCook's Comprehensive Plan, Blackwood Enterprises' proposed project would promote economic development, improve the quality of our community, and affirm our pledge to utilize TIF as a method of funding structural rehabilitation activities. With respect to State considerations, the project would not adversely impact population density, would meet our zoning regulations, and would comply with the City's zoning requirements. The only concern at this time is parking. The developer acknowledges the need for additional parking. However, the exact parking requirements cannot be determined because the final mix of businesses hasn't been determined. The exact parking requirements will be determined

based on actual use of the building, and the developer will be responsible for meeting the City's requirements. It is our intent for the developer to be present at the meeting to discuss his plans.

At the Planning Commission meeting, the primary concern was parking. The project site itself consists of the building, with little area for parking development. The developer is attempting to address the parking issue by purchasing or leasing adjacent land. Parking is an instrumental part of the project. It is incumbent on the developer to address the issue. If the Council desires, the Redevelopment Plan can be postponed until the developer comes up with a parking plan. On the flip side, the Council can proceed with approving the Redevelopment Plan as it is the responsibility of the developer to address the parking issues.

APPROVALS:

Nathan A. Schneider, City Manager

March 12, 2020

Lea Ann Doak, City Clerk

March 12, 2020

CITY OF MCCOOK, NEBRASKA

RESOLUTION NO. 2020-03

(Redevelopment Plan Amendment – Blackwood Enterprises Redevelopment Project)

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

RECITALS

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

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

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

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

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

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

G. On March 16, 2020, the City Council held a public hearing relating to the question of whether the Redevelopment Plan Amendment should be adopted and approved by the City. All interested parties were afforded at such public hearing a reasonable opportunity to express their views respecting the submitted question.

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

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

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

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

Dated this 16th day of March, 2020.

CITY OF MCCOOK, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

**REDEVELOPMENT PLAN FOR THE
BLACKWOOD ENTERPRISES REDEVELOPMENT PROJECT
IN THE CITY OF MCCOOK, NEBRASKA**

Introduction

The City of McCook, Nebraska ("City") has undertaken a plan of redevelopment within a certain redevelopment area in the City identified as Redevelopment Area #3 (the "Redevelopment Area"). The Redevelopment Area was declared blighted and substandard in January, 2013. A Blight and Substandard Study and General Redevelopment Plan for the Redevelopment Area was prepared in January, 2013 by Hanna:Keelan Associates, P.C., and adopted by the City in January, 2013. The General Redevelopment Plan serves as a guide for the implementation of redevelopment activities within certain areas of the City. This Redevelopment Plan is a project-specific amendment to the General Redevelopment Plan and shall serve as the guide for the implementation of redevelopment activities on the Project Site, as defined herein, which is located in the Redevelopment Area.

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

The purpose of this Redevelopment Plan is to identify specific property within the redevelopment area that is in need of redevelopment to cause the removal of blight and substandard conditions identified as the site located at 520 West B Street, in the City of McCook, Nebraska, and legally described on the attached and incorporated Exhibit "A" (the "Project Site").

The Project Site

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

Description of the Project

The project under consideration will consist of the renovation, rehabilitation, and exterior enhancements of the commercial building on the Project Site and associated

improvements on the Project Site to create retail/commercial space (the “Project”). The existing building on the Project Site was built in 1950 and is no longer suitable for modern business due to its age and obsolescence. A recent photograph of the Project Site is set forth below:



This existing building on the Project Site is currently vacant and requires substantial upgrades and improvements to attract tenants. The building has a concrete block exterior, so a substantial portion of the Project will consist of façade enhancements to the building to give it a modern appearance. This Project is intended to create retail/commercial space for multiple small businesses to occupy and provide them an opportunity to grow their businesses.

Blackwood Enterprises, L.L.C., a Nebraska limited liability company (the “Redeveloper”), has submitted a proposal for the Project and the redevelopment of the Project Site. The redevelopment of the Project Site pursuant to this Redevelopment Plan will eliminate the current blight and substandard conditions of the Project Site and will further the purposes of the Act in conformity with the General Redevelopment Plan.

As part of the Project, the CDA shall capture available tax increment from the Project Site to assist in payment for the public improvements listed as eligible expenditures under the Act in the Redevelopment Area. Such public improvements may include, but are not limited to: land acquisition, demolition, architectural fees, utility improvements, landscaping, façade enhancements, and other improvements deemed feasible and necessary in support of the public health, safety, and welfare which qualify as eligible expenditures for public improvements under the Act. Redeveloper shall be responsible for all other costs and expenses associated with the Project.

Preliminary site plans are attached hereto as Exhibit “B” and incorporated herein by this reference. The CDA acknowledges that these plans are preliminary in nature and subject to change, but has included the current information submitted by Redeveloper. Redeveloper intends to commence construction in 2020 (as soon as the Project is approved) and complete construction in 2020. The base year for the Project is anticipated to be 2020 and the effective date for the division of taxes shall be January 1, 2021.

Tax Increment Financing

The CDA contemplates the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of TIF Indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("Base Tax Amount"); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for Project Site will be set forth in the redevelopment agreement. It is anticipated that the CDA will issue one TIF note for the entire Project. Notwithstanding any provision herein to the contrary, all incremental tax revenues resulting from the Project shall only be divided and allocated for no more than the applicable 15-year increment period provided by the Act.

The base value of the Project Site is \$135,000. Pursuant to the Red Willow County Assessor's preliminary appraisal of the proposed project on January 9, 2020, the projected completed valuation of the Project is \$1,139,857. The preliminary appraisal is not binding and is based upon the information and assumptions provided to the Assessor. The CDA does not make any representations to the final value of any Project, but has used the value of the preliminary appraisal as the estimated completed valuation of the Project.

Based upon the anticipated completed valuation of \$1,139,857 and a 5.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$200,000. Redeveloper estimates that the total Project costs shall be approximately \$647,875. Redeveloper shall also be responsible for the CDA's administrative fee and the City's cost of issuance related to the Project and the TIF Indebtedness, which costs are TIF-eligible expenses. Redeveloper has identified approximately \$493,900 TIF-eligible expenditures. The estimated TIF uses is set forth below:

CDA Administrative Fee	\$6,000
Cost of Issuance	TBD
Land Acquisition	\$250,000
Demolition	\$11,500
Architectural Fees	\$5,000
Water Main Improvements	\$2,500
Sanitary Sewer Improvements	\$4,800
Electrical Improvements	\$8,900
Natural Gas Improvements	\$4,700
Street Improvements	\$3,100
Landscaping	\$4,200
Façade Enhancements	\$193,200
<hr/>	
Total estimated TIF uses:	\$493,900

Statutory Elements

As described above, the Project envisions the capture of the incremental taxes created by the Project on the Project Site to pay for those eligible expenditures as set forth in the Act. Attached hereto as Exhibit “C” and incorporated herein by this reference is a consideration of the statutory elements under the Nebraska Community Development Law.

Cost-Benefit Analysis

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

Comprehensive Plan

Several goals of the McCook, Nebraska Comprehensive Plan 2013–2023 (the “McCook Comprehensive Plan”) will be furthered by this Project, including but not limited to:

EDUCATION AND COMMUNITY/ECONOMIC DEVELOPMENT

Goal 2: Economic Development. Utilize the McCook Comprehensive Plan as an economic development resource and guide to maximize economic opportunities for all residents. Foster an increase in diversified employment and business types in McCook.

Action Step 3: Focus efforts of diversified businesses and employment opportunities to expand existing and attract new companies. Expand the availability of retail commerce development sites and available storefronts for rent or purchase to attract non-local businesses. . . .

GOAL 3: Community Development. Community development practices should strive to both stabilize and improve the local McCook economy and quality of life. Proper renovation, adaptive reuse and additions of existing buildings, as well as new

construction activities should be components of locally available incentives to attract residents, businesses and industries.

Action Step 1: Encourage local reinvestment in McCook by both the public and private sectors. Provide infrastructure and needed amenities to support future growth of commercial, industrial and residential areas. Remove dilapidated buildings and promote building rehabilitation on structures that are considered cost-effective for such activity. Commercial building rehabilitation projects could include façade restoration, window and awning replacement, improved accessibility and signage. . . .

Action Step 3: Utilize all available public programs of financing in funding development and redevelopment programs. . . .

Action Step 4: Provide public improvements to older residential neighborhoods, as well as Downtown McCook, in need of street and sidewalk resurfacing, landscaping, street trees and improved utility mains. Downtown façade improvements, a public gathering/festival square and additional public parking are needed to support the development of additional specialty retail businesses.

Action Step 7: Promote community sustainability and quality of life in McCook as being a great place to live, work, raise a family and retire

Goal 4: Community Redevelopment Planning and Implementation. Focus on improving structures, utility mains and public facilities throughout McCook. Utilize various funding local, State and Federal funding sources to achieve various redevelopment goals in McCook.

Action Step 1: Utilize Tax Increment Financing (TIF) in designated “Redevelopment Areas” as a method of funding structural rehabilitation activities for commercial buildings. These activities could include façade renovation, utility and street improvements and mixed use developments. . . .

Additionally, the following elements are identified in the McCook Comprehensive Plan as priority redevelopment activities associated with commercial development:

- Update and enforce minimum building codes to prevent vacant buildings from deteriorating.
- Encourage property and business owners to utilize the provisions of Tax Increment Financing as both a development and redevelopment tool in Downtown McCook and along the commercial highway corridors.
- Maintain and improve the aesthetic appearance of Community

- Encourage the development of additional specialty retail businesses, especially those catering to the needs of residents of McCook, as well as those of visitors and travelers to the Community.
- Encourage residents to start their own businesses through entrepreneur programs supported in incubator malls or building spaces that have large areas for multiple, individual businesses.
- Support successful home based businesses that have outgrown the “home,” and/or incubator mall, and are in need of permanent commercial or industrial locations.

The existing land use map and future land use map from the McCook Comprehensive Plan are included for reference in this Redevelopment Plan. The future land use of the site is designated for commercial use, so the Project conforms to the future land use designation of the Project Site.

Note: This section is not a comprehensive analysis of the Project’s conformance with the McCook Comprehensive Plan, but is meant to highlight and summarize the key points on this topic.

Additional Project Information from Redeveloper

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

EXISTING LAND USE MAP

**CORPORATE LIMITS
MCCOOK, NEBRASKA**

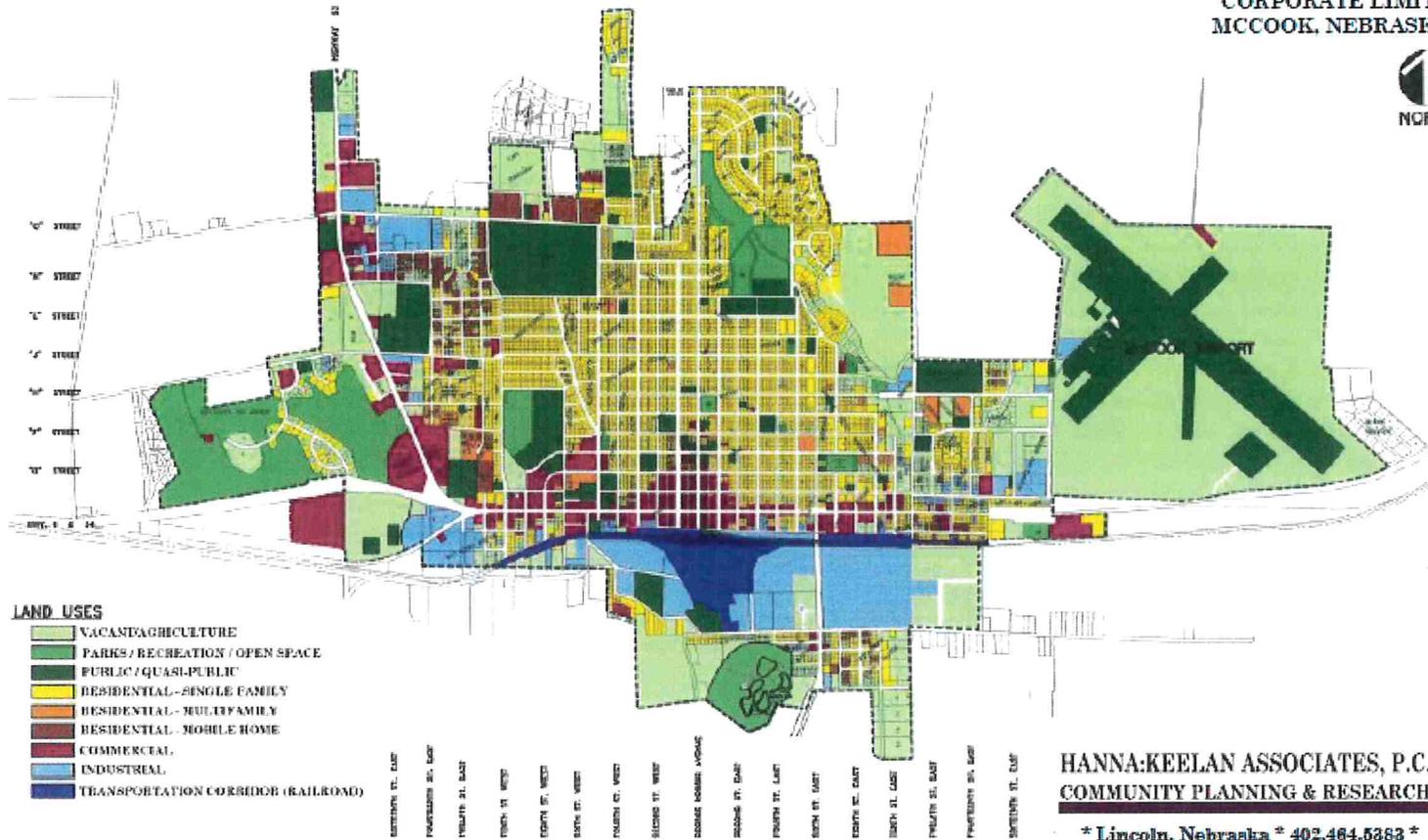
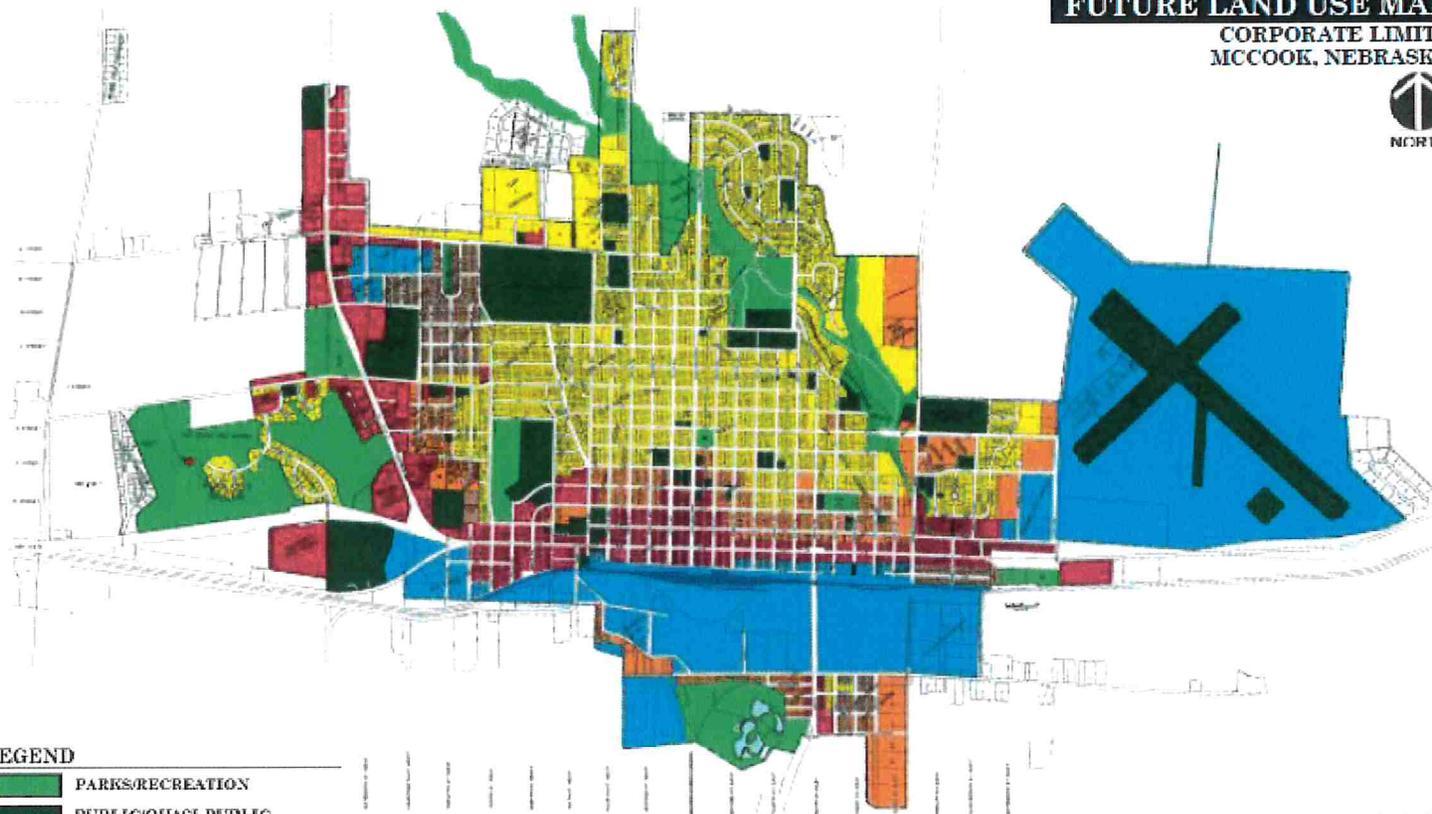


ILLUSTRATION 4.2

FUTURE LAND USE MAP

**CORPORATE LIMITS
MCCOOK, NEBRASKA**



LEGEND

-  PARKS/RECREATION
-  PUBLIC/QUASI-PUBLIC
-  SINGLE FAMILY RESIDENTIAL
-  MULTIFAMILY RESIDENTIAL
-  MOBILE HOME RESIDENTIAL
-  COMMERCIAL
-  INDUSTRIAL
-  RAILROAD CORRIDOR
-  CORPORATE LIMIT LINE

**HANNA:KEELAN ASSOCIATES, P.C.
COMMUNITY PLANNING & RESEARCH**

** Lincoln, Nebraska * 402.464.5353 **

ILLUSTRATION 4.4

EXHIBIT "A"
Legal Description of the Project Site

The property is legally described as follows:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999.

The general location of the Project Site is depicted below:



EXHIBIT "B"

Preliminary Site Plans

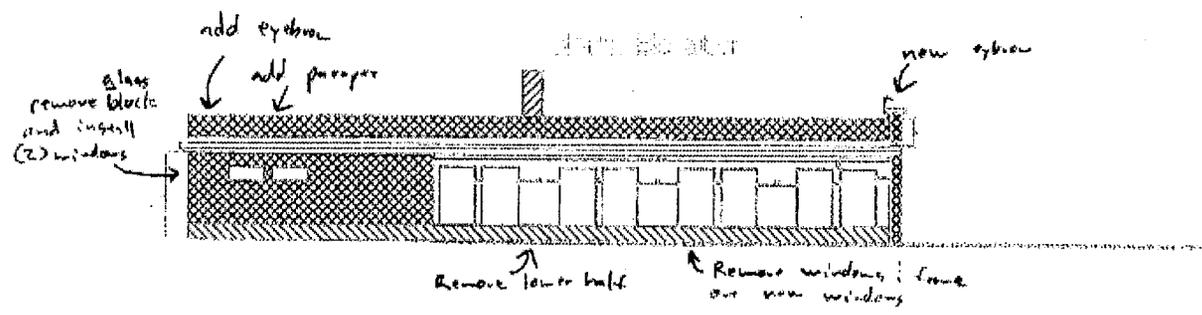
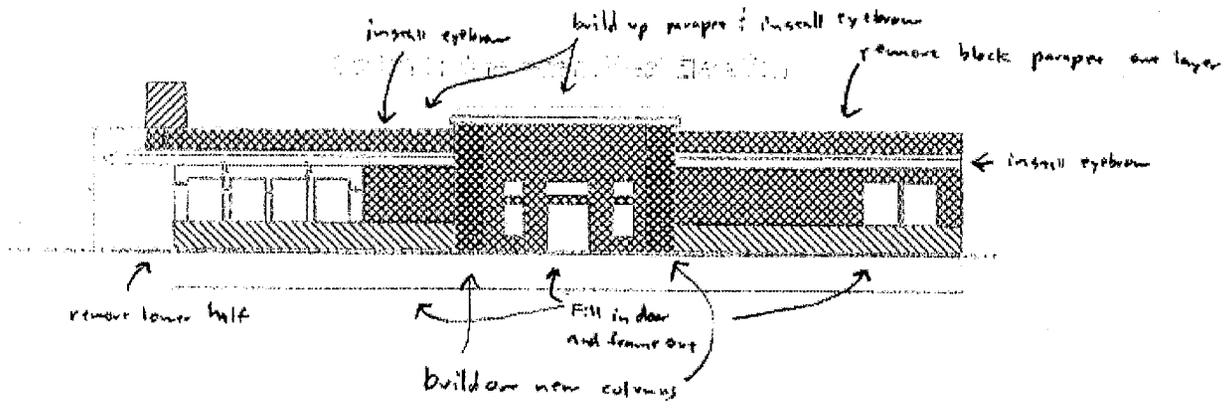
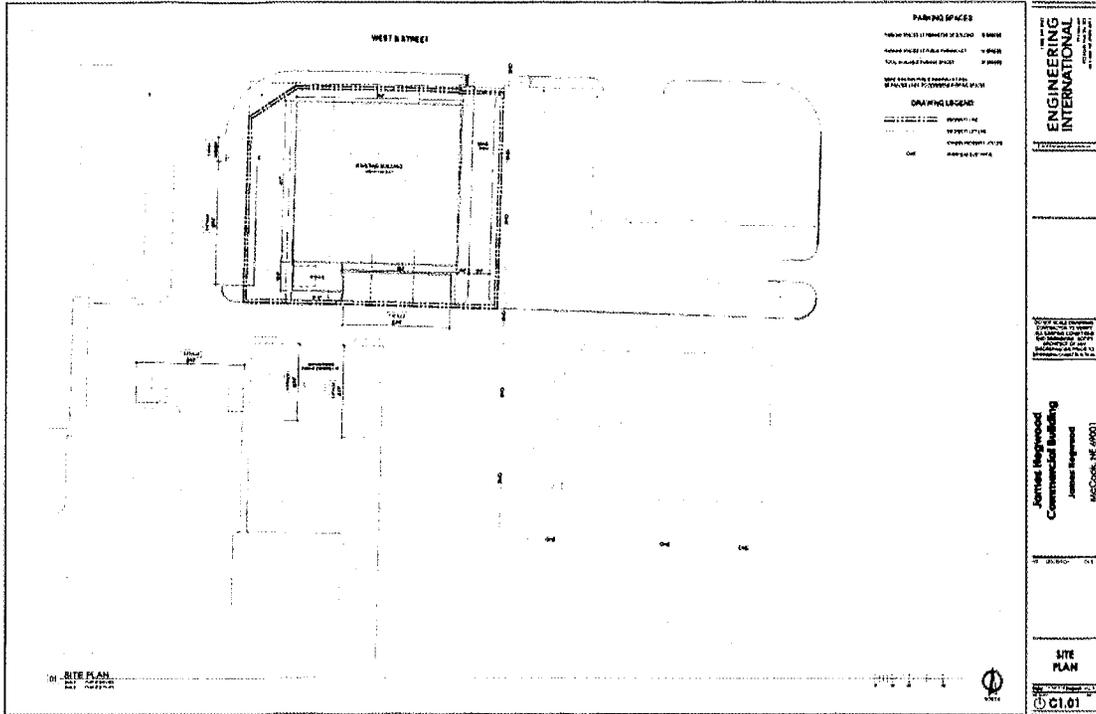


Exhibit "B"

Exhibit "C"
Statutory Elements

A. Property Acquisition, Demolition and Disposal

No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project. Redeveloper owns the Project Site.

B. Population Density

The proposed Project on the Project Site is a commercial project, involving the renovation and rehabilitation of the commercial building on the Project Site. The Project will not significantly affect population density in the project area.

C. Land Coverage

The Project will consist of the renovation and rehabilitation of the existing building on the Project Site. The building is 9,820 square feet and the footprint of the building will not change. The Project will meet the applicable land-coverage ratios and zoning requirements as required by the City of McCook.

D. Traffic Flow, Street Layouts, and Street Grades

No adverse impacts are anticipated with respect to traffic flow, street layouts, and street grades. The existing infrastructure is anticipated to be sufficient for the intended uses of the Project Site upon completion of the Project.

E. Parking

Redeveloper acknowledges the need for additional parking. However, the exact parking requirements cannot be determined because the final mix of businesses has yet to be determined. The exact parking requirements will be determined based on actual use of the building, and Redeveloper shall be responsible for obtaining any permits and meeting all zoning requirements.

F. Zoning, Building Code, and Ordinances

The Project Site is currently zoned in the Business Commercial zoning district. The Project is a permitted use in the existing zoning district for the Project Site. No additional zoning, building code, or ordinance changes will be necessary for the Project.

Exhibit "D"
Cost-Benefit Analysis
(Pursuant to Neb. Rev. Stat. § 18-2113)

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

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

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

a.	Redevelopment Project Valuation:	\$135,000
b.	Projected Completed Project Assessed Valuation:	\$1,139,857
c.	Projected Tax Increment Base:	\$1,004,857
d.	Estimated Tax Levy:	1.911555
e.	Annual Projected Tax Shift:	\$19,200

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

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

a. Public infrastructure improvements and impacts:

No substantial effects are anticipated on the public infrastructure and community public service needs. The Project anticipates expenditures of up to \$28,200 on public infrastructure improvements, including approximately \$24,000 for utility improvements. Redeveloper acknowledges that off-street parking on the Project Site is scarce, and Redeveloper may be required to acquire, lease or construct additional public parking. No other public infrastructure improvements are anticipated to be necessary based on this Project, and the Project will not have a material adverse effect on any community public services.

Redeveloper anticipates expenditures of approximately \$647,875 for the Project. It is anticipated that approximately \$200,000 of the public improvements will be financed with the proceeds of the TIF generated by the private improvements on the

Project Site. The projected uses of the TIF Indebtedness, which will be refined in the Redevelopment Agreement for this Project, are set forth in the Redevelopment Plan for the Project. All expenditures financed by the TIF Indebtedness shall be eligible under the Community Redevelopment Law.

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

The Project will create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of tax increment financing will defer receipt of a majority of new ad valorem real property taxes generated by the Project, the Project should generate immediate tax growth for the City. The Project will be a commercial space, and the businesses leasing and operating on the Project Site should generate immediate sales tax and personal property tax revenue that would otherwise not be produced. The Project will also require and pay for City services. It is not anticipated that the Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

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

It is not anticipated that the Project will have a material adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project. The Project will create new retail/commercial space, which should expand existing and attract new businesses. The Project should have a material positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project because the Project is intended to ameliorate conditions of blight that might otherwise deter businesses from locating or expanding in the area.

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

The Project should have a material positive impact on private sector businesses in and around the area outside the boundaries of the redevelopment project. The Project is not anticipated to impose a burden or have a negative impact on other local area employers. The Project should encourage business owners to locate and/or relocate along the "B" Street (Highway 6/34) Corridor, which will allow for further growth of the community. There should also be additional consumer traffic to the City, which should benefit other businesses.

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

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City.

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

It is anticipated that the Project will create and/or retain jobs in the City by expanding existing and attracting new businesses. There are no other material impacts determined by the agency relevant to the consideration of the cost of benefits arising from the Project. Redeveloper has identified a need for small retail spaces in the City and this Project shall fill that need, but the lease rates will not be feasible for small businesses without the use of TIF to help finance some of the public improvements.

7. Summary of Findings:

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

CITY MANAGER'S REPORT

MARCH 16, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING

3.D.

ITEM NO. ___ Approve CDA Resolution No. 2020-02 approving the Redevelopment Agreement between the City of McCook/CDA and Blackwood Enterprises.

BACKGROUND:

For a TIF project, a Redevelopment Agreement must be executed by both the developer and the CDA/City. Approval of the Redevelopment Agreement takes place after approval of the Redevelopment Plan. The Redevelopment Agreement must be approved by both the City of McCook and the McCook Community Development Agency.

The proposed Redevelopment Agreement contemplates that the CDA will capture the Tax Increment from the improvements made to the project site. The capture period will not exceed 15 years. The CDA will issue TIF indebtedness in the amount of \$200,000. The TIF indebtedness will be issued as a Promissory Note with Blackwood Enterprises as the registered holder of the Note. Blackwood Enterprises (or Blackwood Enterprises' lender) will purchase the debt. The TIF indebtedness will be secured by a pledge of the Tax Increment. The TIF indebtedness will not be a general obligation of the City of McCook. If the Tax Increment falls short of anticipated receipts, the developer will be responsible to make up the shortfall.

The Redevelopment Agreement reaffirms the project would not occur but for the use of TIF. The Agreement contains a provision that requires the developer to provide the CDA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of the developer in connection with the improvements. The information will provide assurance that the developer has the means to undertake the project. The submittal of the financial information is a condition precedent to the requirement the CDA proceed with its obligations.

The developer anticipates the project will be completed in 2020, with 2021 serving as the year the basis reflects the valuation increase attributable to the improvements. The developer will be required to report its progress to the CDA. The developer will be required to execute a Certificate of Completion after concluding the work to the site. The Certificate of Completion will serve as a conclusive determination of satisfaction of the agreement on the part of the developer.

During the term of the Agreement, the developer is not allowed to protest the property valuation in a sum less than \$1,139,857. This is to insure the Tax Increment is funded at the anticipated amount. Further, while the Agreement is active, the developer cannot convey the project site or structures to any entity which would be exempt from paying real estate taxes. CDA approval will be necessary for an assignment to potential future owners. As mentioned, if the anticipated valuation is less than \$1,139,857, the developer is responsible for the shortfall in the Tax Increment generated by the project. The developer will be responsible to assure no liens are allowed against the property except for those spelled out in Section 5.02.

The Agreement contains provisions for default. The remedies include compelling specific performance, requiring the developer to remit the sum by which the Anticipated Tax Increment exceeds the Actual Tax Increment, and declaring the entire amount due with interest at 12%. Additionally, the Agreement provides a release of liability in favor of the CDA and

assures the developer will indemnify the CDA/City from claims arising from the developer's actions.

As was mentioned with the Redevelopment Plan, parking must be addressed. If the developer is unable to immediately provide a plan, approval of the Redevelopment Agreement can be postponed to a future date allowing the developer time to flesh out its plan.

APPROVALS:



March 12, 2020

Nathan A. Schneider, City Manager



March 12, 2020

Lea Ann Doak, City Clerk

**COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA**

RESOLUTION NO. 2020-02

(Redevelopment Agreement – Blackwood Enterprises Redevelopment Project)

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

RECITALS

- A. The City of McCook, Nebraska (“City”) adopted a redevelopment plan for certain portions of the City (the “Redevelopment Plan”).
- B. The Community Development Agency of the City of McCook, 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 adopted an amendment to the Redevelopment Plan (“Redevelopment Plan Amendment”).
- C. The Planning Commission of the City of McCook has recommended approval of the Redevelopment Plan Amendment.
- D. The CDA shall submit the Redevelopment Plan Amendment to the City Council of the City of McCook, Nebraska for final approval and adoption pursuant to the Act.
- E. The Redevelopment Plan Amendment authorizes and creates a specific redevelopment project on a portion of the Redevelopment Area identified in the Redevelopment Plan Amendment as the Blackwood Enterprises Redevelopment Project (the “Project”).
- F. 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”).
- G. 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 Redevelopment Plan Amendment and the Redevelopment Agreement.

NOW THEREFORE, BE IT RESOLVED, by the CDA, that the Redevelopment Agreement is hereby approved.

BE IT FURTHER RESOLVED, the CDA authorizes the Chairperson of the CDA to execute and enter into the Redevelopment Agreement on the CDA’s behalf upon the City Council’s approval of the Redevelopment Agreement.

BE IT FURTHER RESOLVED, the CDA authorizes the Chairperson of the CDA to take all such actions that are required to fulfill the terms of the Redevelopment Agreement and to consummate the agreement set forth therein.

BE IT FURTHER RESOLVED, without limitation to the foregoing, the CDA authorizes the issuance of the TIF Indebtedness in substantially the same form of the Note attached to the Redevelopment Agreement as Exhibit "E" in an amount not to exceed the TIF Indebtedness amount set forth in the Redevelopment Agreement without further written approval of the CDA or the City Council.

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

BE IT FURTHER RESOLVED, that any other resolutions or actions that are contradictory or incompatible with the provisions of this Resolution are hereby rescinded.

Dated this 16th day of March, 2020.

COMMUNITY DEVELOPMENT
AGENCY OF THE CITY OF
MCCOOK, NEBRASKA

Michael D. Gonzales, Chairman

ATTEST:

Lea Ann Doak, Secretary

EXHIBIT "A"
Redevelopment Agreement

Exhibit "A"

REDEVELOPMENT AGREEMENT

(Blackwood Enterprises Redevelopment Project)

This Redevelopment Agreement is made and entered into as of the ____ day of _____, 2020, by and between the Community Development Agency of the City of McCook, Nebraska ("CDA") and Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Redeveloper").

RECITALS

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

B. The City, in furtherance of the purposes and pursuant to the provisions of the Act, has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

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

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

E. Redeveloper's proposed redevelopment project will consist of the renovation, rehabilitation, and exterior enhancements of the commercial building on the Project Site and associated improvements on the Project Site to create retail/commercial space.

F. The CDA has approved Redeveloper's proposed redevelopment project, including the utilization of tax-increment financing to assist in the cost of the Public Improvements defined in this Redevelopment Agreement.

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

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

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Agreement.

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

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

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

C. "City" means the City of McCook, Nebraska.

D. "County" means Red Willow County, Nebraska.

E. "CDA" means the Community Development Agency of the City of McCook, Nebraska.

F. "Effective Date" means January 1, 2021.

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

H. "Minimum Project Valuation" means the amount of One Million One Hundred Thirty-Nine Thousand Eight Hundred Fifty-Seven and No/100 Dollars (\$1,139,857.00).

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

J. "Project" means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit "A".

K. "Project Completion Date" means on or before December 31, 2020.

L. "Project Site" means all that certain real property situated in the City, more particularly described on Exhibit "A".

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

N. "Redeveloper" means Blackwood Enterprises, L.L.C., a Nebraska limited liability company.

O. "Redevelopment Agreement" means this Redevelopment Agreement between the CDA and Redeveloper with respect to the Project.

P. "Redevelopment Area" means Redevelopment Area #3 that is set forth in the Redevelopment Plan.

Q. "Redevelopment Plan" means the Blight and Substandard Study and General Redevelopment Plan for the Redevelopment Area prepared in January, 2013 by Hanna:Keelan Associates, P.C., and approved by the City pursuant to the Act, as amended.

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

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

Section 1.02 Construction and Interpretation.

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

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

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

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

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

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

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

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

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

ARTICLE II
REPRESENTATIONS

Section 2.01 Representations by the CDA.

The CDA makes the following representations and findings:

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

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

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

(d) The costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the CDA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

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

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

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

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

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

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

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

ARTICLE III OBLIGATIONS OF THE CDA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

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

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CDA shall incur or issue TIF Indebtedness in an amount not to exceed Two Hundred Thousand and No/ 100 Dollars (\$200,000.00), as calculated on the attached and incorporated Exhibit "B". The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit "E" ("Note"). The TIF Indebtedness shall be purchased by Redeveloper or a lender of Redeveloper. The TIF Indebtedness shall not be a general obligation of the CDA or City which shall issue such Note solely as a conduit. If Redeveloper does not acquire and fund the TIF Indebtedness itself, Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CDA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF Indebtedness that the CDA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, the CDA shall retain an amount sufficient to pay its reasonable and necessary cost of issuance, including attorney fees, and a CDA administration

fee in the amount of three percent (3%) of the TIF Indebtedness. Redeveloper shall pay to the CDA the cost of issuance and CDA administration fee at or prior to the issuance of the TIF Note. The Tax Increment, less the CDA's costs set forth above, shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

Section 3.04 Creation of Fund.

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

Section 3.05 Projected TIF Sources and Uses.

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

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

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

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CDA as to the actual progress of Redeveloper with respect

to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CDA a Certificate of Completion in the form attached hereto as Exhibit "F" from Redeveloper's engineer or architect, or owner's representative. When accepted in writing by the CDA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

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

Section 4.03 Cost Certification.

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

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

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry,

disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.05 Pay Real Estate Taxes.

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

(b) If, during the period of this Agreement, the Project Site is assessed at less than the Minimum Project Valuation, Redeveloper shall be responsible for any shortfall in the Tax Increment generated by the Project. If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes ("Deficiency Payments") to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CDA.

Section 4.06 No Assignment or Conveyance.

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

Section 4.07 Grant of Easements.

Redeveloper shall grant to the CDA a Façade Easement in the form attached hereto as Exhibit "H". Redeveloper shall grant to the CDA any other easements that are reasonably necessary, in the City's discretion, in order to ensure the CDA can reasonably access and use the Public Improvements.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

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

**ARTICLE VI
DEFAULT, REMEDIES; INDEMNIFICATION**

Section 6.01 General Remedies of the CDA and Redeveloper.

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

Section 6.02 Additional Remedies of the CDA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CDA made for such payment within thirty (30) days following written notice from the CDA;
- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation of Section 4.06 of this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CDA,

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

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

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

Section 6.04 Limitation of Liability; Indemnification.

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

(b) Redeveloper shall indemnify, defend (at the CDA's and/or the City's option) and hold harmless the CDA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CDA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

**ARTICLE VII
MISCELLANEOUS**

Section 7.01 Memorandum.

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

Section 7.02 Governing Law.

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

Section 7.03 Binding Effect; Amendment.

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

Section 7.04 No Agency or Partnership.

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

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be: Blackwood Enterprises, L.L.C., 37535 U.S. Hwy 34, Culbertson, NE 69024. Email: _____.

[Signature Page Follows]

EXHIBIT "A"
DESCRIPTION OF PROJECT

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

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999.

The Project includes the following Public Improvements and Private Improvements, which shall be undertaken and completed by Redeveloper.

- (a) **Private Improvements.** The renovation, rehabilitation, and exterior enhancements of the commercial building on the Project Site and associated improvements on the Project Site to create retail/commercial space.
- (b) **Public Improvements.** Land acquisition, demolition, architectural fees, utility improvements, landscaping, façade enhancements, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

EXHIBIT "B"
TIF INDEBTEDNESS

1. Projected Base Value: \$135,000
2. Projected Minimum Final Value: \$1,139,857
3. Projected Incremental Valuation: \$1,004,857
4. Assumed Tax Levy: 1.911555
5. Anticipated Tax Increment: \$19,208 annually
6. Assumed Interest Rate: 5%
7. TIF Indebtedness:

- a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$200,000, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2036, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
- b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2021. The CDA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CDA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CDA has no obligation to make any payments other than the actual Tax Increment received from the Project.
- c. **Maturity Date.** On or before December 31, 2036.
- d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, commencing on the Effective Date of January 1, 2021 (2021 taxes paid in 2022) and terminating on December 31, 2035 (2035 taxes due on December 31, 2035 but paid in 2036). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

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

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

Tax Levy (2019)	1.911555
Interest Rate	5%
Number of Years	15

Property Valuation:

	Assessed Value	Estimated Taxes
Pre-Project	\$135,000	\$2,581
Completed Project	\$1,139,857	\$21,789
Difference	\$1,004,857	\$19,208

TIF Calculations:

Annual TIF Amount	\$19,208
TIF Indebtedness	\$200,000
less 3% Admin Fee	(\$6,000)
TIF Available to Redeveloper	\$194,000

2. TIF USES:

CDA Administrative Fee	\$6,000
Cost of Issuance	TBD
Land Acquisition	\$250,000
Demolition	\$11,500
Architectural Fees	\$5,000
Water Main Improvements	\$2,500
Sanitary Sewer Improvements	\$4,800
Electrical Improvements	\$8,900
Natural Gas Improvements	\$4,700
Street Improvements	\$3,100
Landscaping	\$4,200
Façade Enhancements	\$193,200
<hr/> Total estimated TIF eligible costs:	<hr/> \$493,900

EXHIBIT "D"

After recording please return to:

Lea Ann Doak
McCook City Clerk
505 W. "C" Street
McCook, NE 69001

MEMORANDUM OF REDEVELOPMENT AGREEMENT

(Blackwood Enterprises Redevelopment Project)

This Memorandum of Redevelopment Agreement ("Memorandum") is made this ___ day of _____, 2020, by and between the Community Development Agency of the City of McCook, Nebraska ("CDA") and Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Redeveloper").

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

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999 (the "Project Site").

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CDA of the Private Improvements to be made by Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment Agreement. The Tax Increment so captured by the CDA shall be used to make the Public Improvements as described in the Redevelopment Agreement.

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

IN WITNESS WHEREOF, the CDA and Redeveloper have signed this Memorandum as of the date and year first above written.

"CDA"

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

"REDEVELOPER"

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____, _____ of Blackwood Enterprises, L.L.C., on behalf of the company.

Notary Public

EXHIBIT "E"
FORM OF TIF PROMISSORY NOTE

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

No. 1

\$200,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(BLACKWOOD ENTERPRISES REDEVELOPMENT PROJECT)
SERIES 2020A

Maturity Date	Interest Rate	Original Issuance Date
December 15, 2036	5%	

Registered Holder	Principal Amount
Blackwood Enterprises, L.L.C.	\$200,000.00

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

respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated the Community Development Agency of the City of McCook, Nebraska Redevelopment Revenue Note (Blackwood Enterprises Redevelopment Project), Series 2020A, aggregating Two Hundred Thousand and No/100 Dollars (\$200,000.00) ("Note") in principal amount which have been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and Blackwood Enterprise, L.L.C., a Nebraska limited liability company (the "Redevelopment Agreement"), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the "Project"). All such revenue has been duly pledged for the purpose of paying this Note.

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

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

It is hereby certified and recited and the Issuer has found: that the Project is an eligible "redevelopment project" as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of McCook, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not constitute a debt of the

Issuer within the meaning of any constitutional or statutory limitations.

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

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

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

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

[Signature Page Follows]

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

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of McCook
as Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT "F"
FORM OF CERTIFICATE OF COMPLETION

(Blackwood Enterprises Redevelopment Project)

The undersigned certifies, represents and warrants to the City of McCook, Nebraska, and the Community Development Agency of the City of McCook, Nebraska ("CDA") with regard to the following real property situated in the City of McCook, Red Willow County, Nebraska, to wit:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999

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

"REDEVELOPER"

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

"CDA"

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

EXHIBIT "G"
FORM OF A CERTIFICATION OF ELIGIBLE PROJECT COSTS
(Blackwood Enterprises Redevelopment Project)

Date: _____

Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Redeveloper"), hereby certifies that it has incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between Redeveloper and the Community Development Agency of the City of McCook, Nebraska. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

CDA Administrative Fee	\$ _____
Cost of Issuance	\$ _____
Land Acquisition	\$ _____
Demolition	\$ _____
Architectural Fees	\$ _____
Water Main Improvements	\$ _____
Sanitary Sewer Improvements	\$ _____
Electrical Improvements	\$ _____
Natural Gas Improvements	\$ _____
Street Improvements	\$ _____
Landscaping	\$ _____
Façade Enhancements	\$ _____
Total:	\$ _____ *

***Principal Amount of TIF Indebtedness shall not exceed \$200,000.**

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CDA:

Chairman

EXHIBIT "H"

After recording please return to:
Lea Ann Doak
McCook City Clerk
505 W. "C" Street
McCook, NE 69001

**FAÇADE LICENSE AGREEMENT
(Blackwood Enterprises Redevelopment Project)**

THIS FAÇADE LICENSE AGREEMENT (the "Agreement") is made this ____ day of March, 2020 by and between Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Licensor"), and the Community Development Agency of the City of McCook, Nebraska ("Licensee").

RECITALS

- A. Licensor owns certain real estate located at 520 West B Street in the City of McCook, Nebraska, legally described as follows:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999

(the "Property").

- B. Licensor entered into a Redevelopment Agreement (the "Redevelopment Agreement") with Licensee for the rehabilitation and renovation of the building located on the Property (the "Building").
- C. Pursuant to the Redevelopment Agreement, and to ameliorate the blighted and substandard conditions of the Property, Licensor agrees to make certain enhancements to the façade of the Building (the "Façade") which exceed the minimum requirements of the applicable building code for the aesthetic benefit to the Redevelopment Area and the public.

- D. Under the Redevelopment Agreement Licensor is receiving financial assistance from Licensee to make the Façade enhancements.
- E. This Agreement sets forth the parties' rights and obligations with respect to the Façade.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, Licensor and Licensee do now hereby agree as follows:

1. Façade. In consideration of the benefits received by Licensor under the Redevelopment Agreement, Licensor hereby agrees to construct and install the Façade to the specifications set forth in the plans, drawings and specifications which shall be approved by the Licensee prior to construction.

2. Façade Restrictions. Licensor agrees to observe and comply with the following restrictions:

a. Licensor shall not demolish, remove or raze the Façade during the term of this Agreement.

b. Licensor shall not undertake, or allow to be undertaken, any changes to the Façade without the express written consent of Licensee. Changes to the Façade include, but are not limited to:

(i) Any change in the Façade, including the alteration, partial removal, construction, remodeling or physical or structural change or change in color or surfacing with respect to the appearance or construction of the Façade;

(ii) The addition of any signs, canopies, plaques or other attachments to the Façade; or

(iii) Any significant reconstruction, repair, repainting or refinishing of any Façade feature that alters its state from the existing condition.

c. This section shall not preclude Licensor from implementing any ordinary or necessary maintenance as set forth in Section 3 below.

3. Façade Maintenance. Licensor shall perform all ordinary and/or necessary maintenance and repairs on the Façade to maintain its appearance and structural soundness and to prevent any deterioration of the Façade.

4. Specification of Work. In the event Licensor desires to make any changes to the Façade, Licensor shall give Licensee copies of the plans, designs, elevations, specifications and documents relating to the change or work, including specification of all materials, colors and construction techniques to be used in any such work and photographs of the subject area as it appears at the time of the request.

5. Insurance. Licensor, at its expense, shall (i) keep the Building insured under a standard form of insurance policy against loss or damage resulting from fire or other perils normally insured under uniform standard extended coverage endorsement; and (ii) carry and maintain comprehensive public liability insurance. The public liability policy shall name Licensee as an additional insured as to the Façade and shall provide for not less than thirty (30) days prior written notice to the Licensee by the insurer of any proposed cancellation of any such insurance. Licensor shall deliver to Licensee a certificate of insurance prior to the recording of this Agreement.

6. Casualty Damage. In the event that the Building or any part thereof shall be damaged by fire or other casualty, then the proceeds of the insurance required to be carried pursuant to Section 5 above and Licensor's funds shall be applied to reconstructing the Façade to the condition required under this Agreement. If the Building is damaged to such an extent that Licensor determines that reconstruction is not feasible and provides Licensee with a statement from an independent engineer to the same effect, then this Agreement shall be void and of no further force or effect.

7. Inspection. Licensee shall be permitted to have access to the Property at reasonable times to inspect the Façade for the purpose of determining conformance with this Agreement.

8. Term. The term of this Agreement shall be fifteen (15) years from the date of completion of the improvements to the Façade. Provided, however, this Agreement shall terminate at any earlier date that the Redevelopment Agreement is terminated and is no longer in effect.

9. Public Access. Licensor acknowledges and agrees that the general public shall have the regular and substantial opportunity to view the Façade from the sidewalks and other property near the Building. Licensor shall have no obligation under this Agreement to allow the general public to view the interior of the Building.

10. Indemnification. Licensor shall defend, indemnify and hold Licensee harmless from and against any liability, claims, suits, demands, judgments (including costs, expenses and attorneys fees), resulting from actions or claims by third parties or defaults under this Agreement by Licensor arising out of the conveyance of or possession of the Façade Easement.

11. Binding Effect. This Agreement shall be appurtenant to and run with the property. The grant of this easement shall be binding upon the heir, executors, administrators, successors and assigns of Licensor.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have signed this Façade License Agreement as of the date and year first above written.

“LICENSOR”

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____

Name: _____

Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____, _____ of Blackwood Enterprises, L.L.C., on behalf of the company.

“LICENSEE”

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

**CITY MANAGER'S REPORT
MARCH 16, 2020 MCCOOK CITY COUNCIL MEETING**

3.E.

ITEM NO. ___ Approve Resolution No. 2020-04 approving the Redevelopment Agreement between the City of McCook/CDA and Blackwood Enterprises.

BACKGROUND:

Please refer to the Agenda Item for the CDA Resolution No. 2020-02 for context.

APPROVALS:



March 12, 2020

Nathan A. Schneider, City Manager



March 12, 2020

Lea Ann Doak, City Clerk

CITY MANAGER'S REPORT
MARCH 16, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING

ITEM NO. ___ Approve CDA Resolution No. 2020-02 approving the Redevelopment Agreement between the City of McCook/CDA and Blackwood Enterprises.

BACKGROUND:

For a TIF project, a Redevelopment Agreement must be entered by both the developer and the CDA/City. Approval of the Redevelopment Agreement takes place after approval of the Redevelopment Plan. The Redevelopment Agreement must be approved by both the City of McCook and the McCook Community Development Agency.

The proposed Redevelopment Agreement contemplates that the CDA will capture the Tax Increment from the improvements made to the project site. The capture period will not exceed 15 years. The CDA will issue TIF indebtedness in the amount of \$200,000. The TIF indebtedness will be issued as a Promissory Note with Blackwood Enterprises as the registered holder of the Note. Blackwood Enterprises (or Blackwood Enterprises' lender) will purchase the debt. The TIF indebtedness will be secured by a pledge of the Tax Increment. The TIF indebtedness will not be a general obligation of the City of McCook. If the Tax Increment falls short of anticipated receipts, the developer will be responsible to make up the shortfall.

The Redevelopment Agreement reaffirms the project would not occur but for the use of TIF. The Agreement contains a provision that requires the developer to provide the CDA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of the developer in connection with the improvements. The information will provide assurance that the developer has the means to undertake the project. The submittal of the financial information is a condition precedent to the requirement the CDA proceed with its obligations.

The developer anticipates the project will be completed in 2020, with 2021 serving as the year the basis reflects the valuation increase attributable to the improvements. The developer will be required to report its progress to the CDA. The developer will be required to execute a Certificate of Completion after concluding the work to the site. The Certificate of Completion will serve as a conclusive determination of satisfaction of the agreement on the part of the developer.

During the term of the Agreement, the developer is not allowed to protest the property valuation in a sum less than \$1,139,857. This is to insure the Tax Increment is funded at the anticipated amount. Further, while the Agreement is active, the developer cannot convey the project site or structures to any entity which would be exempt from paying real estate taxes. CDA approval will be necessary for an assignment to potential future owners. As mentioned, if the anticipated valuation is less than \$1,139,857, the developer is responsible for the shortfall in the Tax Increment generated by the project. The developer will be responsible to assure no liens are allowed against the property except for those spelled out in Section 5.02.

The Agreement contains provisions for default. The remedies include compelling specific performance, requiring the developer to remit the sum by which the Anticipated Tax Increment exceeds the Actual Tax Increment, and declaring the entire amount due with interest at 12%. Additionally, the Agreement provides a release of liability in favor of the CDA and

assures the developer will indemnify the CDA/City from claims arising from the developer's actions.

As was mentioned with the Redevelopment Plan, parking must be addressed. If the developer is unable to immediately provide a plan, approval of the Redevelopment Agreement can be postponed to a future date allowing the developer time to flesh out its plan.

APPROVALS:

Nathan A. Schneider, City Manager

March 12, 2020

Lea Ann Doak, City Clerk

March 12, 2020

CITY OF MCCOOK, NEBRASKA

RESOLUTION NO. 2020-04

(Redevelopment Agreement – Blackwood Enterprises Redevelopment Project)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCCOOK, MCCOOK COUNTY, NEBRASKA, APPROVING THE FORM OF THE REDEVELOPMENT AGREEMENT AND AUTHORIZING THE COMMUNITY DEVELOPMENT AGENCY TO ENTER INTO SAID AGREEMENT.

RECITALS

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

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

C. On March 16, 2020, the Community Development Agency of the City of McCook (“CDA”) approved the Redevelopment Agreement for the Project.

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

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of McCook, Nebraska, that the Redevelopment Agreement between the Community Redevelopment Authority of the City of McCook, Nebraska and Blackwood Enterprises, L.L.C., which is on file with the City Clerk and available for public inspection, is hereby approved.

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

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

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

Dated this 16th day of March, 2020.

CITY OF MCCOOK, NEBRASKA

By: _____
Mayor

ATTEST: _____
City Clerk

REDEVELOPMENT AGREEMENT

(Blackwood Enterprises Redevelopment Project)

This Redevelopment Agreement is made and entered into as of the ____ day of _____, 2020, by and between the Community Development Agency of the City of McCook, Nebraska ("CDA") and Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Redeveloper").

RECITALS

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

B. The City, in furtherance of the purposes and pursuant to the provisions of the Act, has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.

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

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

E. Redeveloper's proposed redevelopment project will consist of the renovation, rehabilitation, and exterior enhancements of the commercial building on the Project Site and associated improvements on the Project Site to create retail/commercial space.

F. The CDA has approved Redeveloper's proposed redevelopment project, including the utilization of tax-increment financing to assist in the cost of the Public Improvements defined in this Redevelopment Agreement.

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

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

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.01 Terms Defined in this Redevelopment Agreement.

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

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

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

C. "City" means the City of McCook, Nebraska.

D. "County" means Red Willow County, Nebraska.

E. "CDA" means the Community Development Agency of the City of McCook, Nebraska.

F. "Effective Date" means January 1, 2021.

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

H. "Minimum Project Valuation" means the amount of One Million One Hundred Thirty-Nine Thousand Eight Hundred Fifty-Seven and No/100 Dollars (\$1,139,857.00).

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

J. "Project" means the Project Site and includes improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit "A".

K. "Project Completion Date" means on or before December 31, 2020.

L. "Project Site" means all that certain real property situated in the City, more particularly described on Exhibit "A".

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

N. "Redeveloper" means Blackwood Enterprises, L.L.C., a Nebraska limited liability company.

O. "Redevelopment Agreement" means this Redevelopment Agreement between the CDA and Redeveloper with respect to the Project.

P. "Redevelopment Area" means Redevelopment Area #3 that is set forth in the Redevelopment Plan.

Q. "Redevelopment Plan" means the Blight and Substandard Study and General Redevelopment Plan for the Redevelopment Area prepared in January, 2013 by Hanna:Keelan Associates, P.C., and approved by the City pursuant to the Act, as amended.

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

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

Section 1.02 Construction and Interpretation.

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

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

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

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

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

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

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

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

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

**ARTICLE II
REPRESENTATIONS**

Section 2.01 Representations by the CDA.

The CDA makes the following representations and findings:

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

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

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

(d) The costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the CDA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

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

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

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

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

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

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

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

ARTICLE III
OBLIGATIONS OF THE CDA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

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

Section 3.02 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Redevelopment Agreement, the CDA shall incur or issue TIF Indebtedness in an amount not to exceed Two Hundred Thousand and No/ 100 Dollars (\$200,000.00), as calculated on the attached and incorporated Exhibit "B". The TIF Indebtedness shall be issued in a TIF Promissory Note in the form attached hereto as Exhibit "E" ("Note"). The TIF Indebtedness shall be purchased by Redeveloper or a lender of Redeveloper. The TIF Indebtedness shall not be a general obligation of the CDA or City which shall issue such Note solely as a conduit. If Redeveloper does not acquire and fund the TIF Indebtedness itself, Redeveloper shall locate a lender or other entity to acquire and fund the acquisition of the Note for the TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge or assignment of the Tax Increment or otherwise secured by Redeveloper as required by the lender.

Section 3.03 Use of TIF Indebtedness.

The CDA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.02 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF Indebtedness that the CDA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03. In addition, the CDA shall retain an amount sufficient to pay its reasonable and necessary cost of issuance, including attorney fees, and a CDA administration

fee in the amount of three percent (3%) of the TIF Indebtedness. Redeveloper shall pay to the CDA the cost of issuance and CDA administration fee at or prior to the issuance of the TIF Note. The Tax Increment, less the CDA's costs set forth above, shall be paid pursuant to the terms of the Note and this Redevelopment Agreement.

Section 3.04 Creation of Fund.

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

Section 3.05 Projected TIF Sources and Uses.

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

**ARTICLE IV
OBLIGATIONS OF REDEVELOPER**

Section 4.01 Evidence of Financial Ability.

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

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and the Private Improvements and install all equipment necessary to operate the Public Improvements and the Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and the Private Improvements. Until construction of the Public Improvements and the Private Improvements has been completed, Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the CDA as to the actual progress of Redeveloper with respect

to construction of the Public Improvements and the Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and the Private Improvements, Redeveloper shall furnish to the CDA a Certificate of Completion in the form attached hereto as Exhibit "F" from Redeveloper's engineer or architect, or owner's representative. When accepted in writing by the CDA, the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the obligations of Redeveloper to construct the Public Improvements and the Private Improvements.

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

Section 4.03 Cost Certification.

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

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

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry,

disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.05 Pay Real Estate Taxes.

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

(b) If, during the period of this Agreement, the Project Site is assessed at less than the Minimum Project Valuation, Redeveloper shall be responsible for any shortfall in the Tax Increment generated by the Project. If Redeveloper funds the Note, Redeveloper agrees to forgive any shortfall in repayment of the TIF Indebtedness. If a lender or third party other than Redeveloper funds the Note, Redeveloper shall make semi-annual payments in lieu of taxes ("Deficiency Payments") to said lender or third party in the amount the Anticipated Tax Increment exceeds the actual Tax Increment. Said Deficiency Payments shall be made within thirty (30) days of written notice from the lender and/or CDA.

Section 4.06 No Assignment or Conveyance.

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

Section 4.07 Grant of Easements.

Redeveloper shall grant to the CDA a Façade Easement in the form attached hereto as Exhibit "H". Redeveloper shall grant to the CDA any other easements that are reasonably necessary, in the City's discretion, in order to ensure the CDA can reasonably access and use the Public Improvements.

**ARTICLE V
FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES**

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Public Improvements and Private Improvements, including, with respect to the Public Improvements, the TIF Indebtedness.

Section 5.02 Encumbrances.

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

**ARTICLE VI
DEFAULT, REMEDIES; INDEMNIFICATION**

Section 6.01 General Remedies of the CDA and Redeveloper.

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

Section 6.02 Additional Remedies of the CDA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to complete the construction of the Project on or before the Project Completion Date, or shall abandon construction work for any period of one hundred twenty (120) days (not including any period covered pursuant to the terms of Section 6.04 below);
- (b) Redeveloper, and/or any successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CDA made for such payment within thirty (30) days following written notice from the CDA;
- (c) Any Deficiency Payment due pursuant to Section 4.05(b) of this Redevelopment Agreement is not paid when due as set forth in Section 4.05(b); or
- (d) There is a transfer of the Project Site or any part thereof in violation of Section 4.06 of this Redevelopment Agreement, and such failure or action by Redeveloper has not been cured within thirty (30) days following written notice from the CDA,

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

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

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

Section 6.04 Limitation of Liability; Indemnification.

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

(b) Redeveloper shall indemnify, defend (at the CDA's and/or the City's option) and hold harmless the CDA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out of the sole negligence or willful misconduct of the CDA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

**ARTICLE VII
MISCELLANEOUS**

Section 7.01 Memorandum.

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

Section 7.02 Governing Law.

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

Section 7.03 Binding Effect; Amendment.

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

Section 7.04 No Agency or Partnership.

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

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by Redeveloper for three (3) years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by Redeveloper that provides support for receipts or payments associated with the division of taxes.

Section 7.06 Notice to Redeveloper.

For the purpose of any notice requirement set forth in this Redevelopment Agreement, Redeveloper's address shall be: Blackwood Enterprises, L.L.C., 37535 U.S. Hwy 34, Culbertson, NE 69024. Email: _____.

[Signature Page Follows]

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

“CDA”

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____, _____ of Blackwood Enterprises, L.L.C., on behalf of the company.

Notary Public

EXHIBIT "A"
DESCRIPTION OF PROJECT

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

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999.

The Project includes the following Public Improvements and Private Improvements, which shall be undertaken and completed by Redeveloper.

- (a) **Private Improvements.** The renovation, rehabilitation, and exterior enhancements of the commercial building on the Project Site and associated improvements on the Project Site to create retail/commercial space.

- (b) **Public Improvements.** Land acquisition, demolition, architectural fees, utility improvements, landscaping, façade enhancements, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act pursuant to this Redevelopment Agreement; paid for, in part, by the Tax Increment created by the Private Improvements.

EXHIBIT "B"
TIF INDEBTEDNESS

1. Projected Base Value: \$135,000
2. Projected Minimum Final Value: \$1,139,857
3. Projected Incremental Valuation: \$1,004,857
4. Assumed Tax Levy: 1.911555
5. Anticipated Tax Increment: \$19,208 annually
6. Assumed Interest Rate: 5%
7. TIF Indebtedness:

- a. **Principal Amount.** The principal amount of the TIF Indebtedness shall be equal to or less than \$200,000, which is the maximum amount, together with interest accruing thereon, which can be amortized by December 31, 2036, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment.
- b. **Payments.** Semi-annually commencing when real estate taxes are fully collected for the tax year 2021. The CDA shall utilize all Tax Increment received from the Project to pay debt service on the TIF Indebtedness until the TIF Indebtedness is fully repaid. Provided, however, the CDA does not warrant, represent, or guaranty that the Tax Increment will be sufficient to repay the entire amount of the TIF Indebtedness. The CDA has no obligation to make any payments other than the actual Tax Increment received from the Project.
- c. **Maturity Date.** On or before December 31, 2036.
- d. **TIF Period.** The period for the division of taxes for this Project shall be fifteen (15) years, commencing on the Effective Date of January 1, 2021 (2021 taxes paid in 2022) and terminating on December 31, 2035 (2035 taxes due on December 31, 2035 but paid in 2036). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the fifteen (15) year TIF period.

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

EXHIBIT "C"
PROJECTED TIF SOURCES AND USES

1. TIF SOURCES:

Assumptions:

Tax Levy (2019)	1.911555
Interest Rate	5%
Number of Years	15

Property Valuation:

	Assessed Value	Estimated Taxes
Pre-Project	\$135,000	\$2,581
Completed Project	\$1,139,857	\$21,789
Difference	\$1,004,857	\$19,208

TIF Calculations:

Annual TIF Amount	\$19,208
TIF Indebtedness	\$200,000
less 3% Admin Fee	(\$6,000)
TIF Available to Redeveloper	\$194,000

2. TIF USES:

CDA Administrative Fee	\$6,000
Cost of Issuance	TBD
Land Acquisition	\$250,000
Demolition	\$11,500
Architectural Fees	\$5,000
Water Main Improvements	\$2,500
Sanitary Sewer Improvements	\$4,800
Electrical Improvements	\$8,900
Natural Gas Improvements	\$4,700
Street Improvements	\$3,100
Landscaping	\$4,200
Façade Enhancements	\$193,200
<hr/> Total estimated TIF eligible costs:	<hr/> \$493,900

EXHIBIT "D"

After recording please return to:

Lea Ann Doak
McCook City Clerk
505 W. "C" Street
McCook, NE 69001

MEMORANDUM OF REDEVELOPMENT AGREEMENT

(Blackwood Enterprises Redevelopment Project)

This Memorandum of Redevelopment Agreement ("Memorandum") is made this ___ day of _____, 2020, by and between the Community Development Agency of the City of McCook, Nebraska ("CDA") and Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Redeveloper").

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

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999 (the "Project Site").

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CDA of the Private Improvements to be made by Redeveloper on the Project Site for a period not to exceed fifteen (15) years after the Effective Date set forth in the Redevelopment Agreement. The Tax Increment so captured by the CDA shall be used to make the Public Improvements as described in the Redevelopment Agreement.

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

IN WITNESS WHEREOF, the CDA and Redeveloper have signed this Memorandum as of the date and year first above written.

"CDA"

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

"REDEVELOPER"

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____, _____ of Blackwood Enterprises, L.L.C., on behalf of the company.

Notary Public

EXHIBIT "E"
FORM OF TIF PROMISSORY NOTE

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

No. 1

\$200,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK, NEBRASKA

REDEVELOPMENT REVENUE NOTE
(BLACKWOOD ENTERPRISES REDEVELOPMENT PROJECT)
SERIES 2020A

Maturity Date	Interest Rate	Original Issuance Date
December 15, 2036	5%	

Registered Holder	Principal Amount
Blackwood Enterprises, L.L.C.	\$200,000.00

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

respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated the Community Development Agency of the City of McCook, Nebraska Redevelopment Revenue Note (Blackwood Enterprises Redevelopment Project), Series 2020A, aggregating Two Hundred Thousand and No/100 Dollars (\$200,000.00) ("Note") in principal amount which have been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain Redevelopment Agreement between the Issuer and Blackwood Enterprise, L.L.C., a Nebraska limited liability company (the "Redevelopment Agreement"), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the "Project"). All such revenue has been duly pledged for the purpose of paying this Note.

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

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

It is hereby certified and recited and the Issuer has found: that the Project is an eligible "redevelopment project" as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of McCook, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts, conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not constitute a debt of the

Issuer within the meaning of any constitutional or statutory limitations.

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

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

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

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

[Signature Page Follows]

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

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of McCook
as Paying Agent and Registrar

By: _____
Authorized Signatory

EXHIBIT "F"
FORM OF CERTIFICATE OF COMPLETION

(Blackwood Enterprises Redevelopment Project)

The undersigned certifies, represents and warrants to the City of McCook, Nebraska, and the Community Development Agency of the City of McCook, Nebraska ("CDA") with regard to the following real property situated in the City of McCook, Red Willow County, Nebraska, to wit:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999

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

"REDEVELOPER"

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

"CDA"

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

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

(Blackwood Enterprises Redevelopment Project)

Date: _____

Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Redeveloper"), hereby certifies that it has incurred and paid the Eligible Costs indicated herein, pursuant to the terms of the Redevelopment Agreement between Redeveloper and the Community Development Agency of the City of McCook, Nebraska. The portion of the Project as indicted herein is substantially completed. Attached hereto are documents substantiating the actual Eligible Costs and payment by Redeveloper.

REDEVELOPMENT ELIGIBLE COSTS

Certified and Requested

CDA Administrative Fee	\$ _____
Cost of Issuance	\$ _____
Land Acquisition	\$ _____
Demolition	\$ _____
Architectural Fees	\$ _____
Water Main Improvements	\$ _____
Sanitary Sewer Improvements	\$ _____
Electrical Improvements	\$ _____
Natural Gas Improvements	\$ _____
Street Improvements	\$ _____
Landscaping	\$ _____
Façade Enhancements	\$ _____
Total:	\$ _____ *

***Principal Amount of TIF Indebtedness shall not exceed \$200,000.**

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____
Name: _____
Title: _____

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

Approved the by Chairman of the CDA:

Chairman

EXHIBIT "H"

After recording please return to:
Lea Ann Doak
McCook City Clerk
505 W. "C" Street
McCook, NE 69001

**FAÇADE LICENSE AGREEMENT
(Blackwood Enterprises Redevelopment Project)**

THIS FAÇADE LICENSE AGREEMENT (the "Agreement") is made this ____ day of March, 2020 by and between Blackwood Enterprises, L.L.C., a Nebraska limited liability company ("Licensor"), and the Community Development Agency of the City of McCook, Nebraska ("Licensee").

RECITALS

- A. Licensor owns certain real estate located at 520 West B Street in the City of McCook, Nebraska, legally described as follows:

Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Nine (9), Ninth Addition to the City of McCook, Red Willow County, Nebraska.

EXCEPT: A tract of land deeded to the State of Nebraska, Instrument Book 94, page 386, recorded September 10, 1969; and

EXCEPT: A tract of land deeded to the State of Nebraska Department of Roads, Instrument Book 127, page 539, recorded November 22, 1999

(the "Property").

- B. Licensor entered into a Redevelopment Agreement (the "Redevelopment Agreement") with Licensee for the rehabilitation and renovation of the building located on the Property (the "Building").
- C. Pursuant to the Redevelopment Agreement, and to ameliorate the blighted and substandard conditions of the Property, Licensor agrees to make certain enhancements to the façade of the Building (the "Façade") which exceed the minimum requirements of the applicable building code for the aesthetic benefit to the Redevelopment Area and the public.

- D. Under the Redevelopment Agreement Licensor is receiving financial assistance from Licensee to make the Façade enhancements.
- E. This Agreement sets forth the parties' rights and obligations with respect to the Façade.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, Licensor and Licensee do now hereby agree as follows:

1. Façade. In consideration of the benefits received by Licensor under the Redevelopment Agreement, Licensor hereby agrees to construct and install the Façade to the specifications set forth in the plans, drawings and specifications which shall be approved by the Licensee prior to construction.

2. Façade Restrictions. Licensor agrees to observe and comply with the following restrictions:

a. Licensor shall not demolish, remove or raze the Façade during the term of this Agreement.

b. Licensor shall not undertake, or allow to be undertaken, any changes to the Façade without the express written consent of Licensee. Changes to the Façade include, but are not limited to:

(i) Any change in the Façade, including the alteration, partial removal, construction, remodeling or physical or structural change or change in color or surfacing with respect to the appearance or construction of the Façade;

(ii) The addition of any signs, canopies, plaques or other attachments to the Façade; or

(iii) Any significant reconstruction, repair, repainting or refinishing of any Façade feature that alters its state from the existing condition.

c. This section shall not preclude Licensor from implementing any ordinary or necessary maintenance as set forth in Section 3 below.

3. Façade Maintenance. Licensor shall perform all ordinary and/or necessary maintenance and repairs on the Façade to maintain its appearance and structural soundness and to prevent any deterioration of the Façade.

4. Specification of Work. In the event Licensor desires to make any changes to the Façade, Licensor shall give Licensee copies of the plans, designs, elevations, specifications and documents relating to the change or work, including specification of all materials, colors and construction techniques to be used in any such work and photographs of the subject area as it appears at the time of the request.

5. Insurance. Licensor, at its expense, shall (i) keep the Building insured under a standard form of insurance policy against loss or damage resulting from fire or other perils normally insured under uniform standard extended coverage endorsement; and (ii) carry and maintain comprehensive public liability insurance. The public liability policy shall name Licensee as an additional insured as to the Façade and shall provide for not less than thirty (30) days prior written notice to the Licensee by the insurer of any proposed cancellation of any such insurance. Licensor shall deliver to Licensee a certificate of insurance prior to the recording of this Agreement.

6. Casualty Damage. In the event that the Building or any part thereof shall be damaged by fire or other casualty, then the proceeds of the insurance required to be carried pursuant to Section 5 above and Licensor's funds shall be applied to reconstructing the Façade to the condition required under this Agreement. If the Building is damaged to such an extent that Licensor determines that reconstruction is not feasible and provides Licensee with a statement from an independent engineer to the same effect, then this Agreement shall be void and of no further force or effect.

7. Inspection. Licensee shall be permitted to have access to the Property at reasonable times to inspect the Façade for the purpose of determining conformance with this Agreement.

8. Term. The term of this Agreement shall be fifteen (15) years from the date of completion of the improvements to the Façade. Provided, however, this Agreement shall terminate at any earlier date that the Redevelopment Agreement is terminated and is no longer in effect.

9. Public Access. Licensor acknowledges and agrees that the general public shall have the regular and substantial opportunity to view the Façade from the sidewalks and other property near the Building. Licensor shall have no obligation under this Agreement to allow the general public to view the interior of the Building.

10. Indemnification. Licensor shall defend, indemnify and hold Licensee harmless from and against any liability, claims, suits, demands, judgments (including costs, expenses and attorneys fees), resulting from actions or claims by third parties or defaults under this Agreement by Licensor arising out of the conveyance of or possession of the Façade Easement.

11. Binding Effect. This Agreement shall be appurtenant to and run with the property. The grant of this easement shall be binding upon the heir, executors, administrators, successors and assigns of Licensor.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have signed this Façade License Agreement as of the date and year first above written.

“LICENSOR”

Blackwood Enterprises, L.L.C.,
a Nebraska limited liability company

By: _____

Name: _____

Title: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____, _____ of Blackwood Enterprises, L.L.C., on behalf of the company.

“LICENSEE”

COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF MCCOOK,
NEBRASKA

ATTEST:

By: _____
Secretary

By: _____
Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF RED WILLOW)

The foregoing instrument was acknowledged before me this ___ day of _____, 2020, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of the City of McCook, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING

ITEM: 3.F. Public Hearing - A report from the Economic Development Plan Citizen's Advisory Review Committee regarding meeting held January 27, 2020.

ITEM: 3.G. Receive and file the minutes of the October 28, 2019 Economic Development Plan Citizen's Advisory Review Committee meeting.

BACKGROUND:

Quarterly Economic Development Plan Citizen's Advisory Review Committee meetings were held on January 27, 2020 and October 28, 2019. Per the City's Plan, a public hearing will be held to discuss the contents of the meetings.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

March 10, 2020



Nathan A. Schneider, City Manager

March 10, 2020

EXHIBIT #1

PAGE(S) - 1

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Mayor and City Council of McCook, Nebraska will hold a public hearing on March 16, 2020 at 5:30 p.m. in the City Council Chambers of the McCook Municipal Center concerning the findings and suggestions of the Citizens Advisory Committee regarding the functions and progress of the economic development program for the City of McCook. Individuals requiring physical or sensory accommodations including interpreter services, braille, large print, or recorded materials, please contact the City Clerk at 308-345-2022

-s- Lea Ann Doak,
City Clerk-Treasurer

Publish: March 12, 2020

EXHIBIT #2

PAGE(S) - 1

AGENDA

**ECONOMIC DEVELOPMENT PLAN
CITIZEN'S ADVISORY REVIEW COMMITTEE**

QUARTERLY MEETING

MONDAY JANUARY 27, 2020

12:00 P.M.

HERITAGE SENIOR CENTER

CALL TO ORDER

*A Copy of the Open Meetings Act is posted and available for public review in the meeting room at the Heritage Senior Center.

- ITEM NO. 1** Review and approve minutes of October 28, 2019 meeting
- ITEM NO. 2** Review LB840 Economic Development Program quarterly reports
- ITEM NO. 3** Update of Revenues Collected to Date
- ITEM NO. 4** Economic Development Director Report
- ITEM NO. 5** Discuss new LB840 Plan
- ITEM NO. 6** MEDC Strategic Planning
- ITEM NO. 7** Open discussion
- ITEM NO. 8** Next meeting date: April 27, 2020
- ITEM NO. 9** Adjournment

EXHIBIT #3

PAGE(S) - 10

McCook Growth Fund (LB840) PROGRAM BALANCES (MEDC format)

Program Year 10/01/19 - 9/30/20

Balances as of 12/31/2019

	Beginning Cash on Hand	YTD Receipts	YTD Expenditures	Ending Balance	Program Total
Loan & Grant Program	\$ 386,673.08	\$ 63,594.30	\$ 75,265.84	\$ 375,001.54	
Loan Repayments		\$ 17,433.25	\$ -	\$ 17,433.25	
Legal			\$ -	\$ -	
Publishing			\$ 47.60	\$ (47.60)	
Interest		\$ 296.41		\$ 296.41	
TOTAL					\$ 392,683.60
Ending Balance					<u>\$ 392,683.60</u>
 MEDC Administration	\$ -	\$ 32,667.00	\$ 32,667.00	\$ -	

McCook Growth Fund (LB840) AVAILABLE FUNDS

Program Year 10/01/19 - 9/30/2020

Balances as of 12/31/19

	Program Balance	Funds Allocated	Project Commitments	Available
Loan, Grants and Projects	\$ 392,683.60			
Infrastructure Improvement Grant				
Ravenswood Road Improvements		\$ 4,450.62		
Business Park Grant Clawback		\$ 55,000.00		
Fibert to the Home Incentive		\$ 150,000.00		
Housing				
Innovative Housing Fund Grant Match		\$ 20,000.00		
Workforce Housing Incentive Grant Program		\$ 60,000.00		
Early Childhood Education				
New Provider Scholarship/Startup Funds		\$17,150		
Total Reserved and Committed		\$ 306,600.62	\$ -	
Total Funds Available				\$ 86,082.98

McCook Growth Fund (LB840) Loan Status Report
12/31/2019

Current Loans	Loan Amount (a)	Interest Rate	Loan Term (Years)	Date Loan Made	Interest Earned (b)	Payments Made (c)	Loan Balance Remaining (a+b-c)	Loan Status
Straight Align, LLC	\$ 50,000.00	3%	10	11/1/2019	\$ 249.11	\$ 965.60	\$ 49,283.51	Current
Anna & Tanner Powell Loan No. 1 (Aphrodite Hair Design)	\$ 17,550.00	3%	10	4/1/2019	\$342.16	\$1,355.68	\$ 16,536.48	Current
Anna & Tanner Powell Loan No. 2 (Aphrodite Hair Design)	\$ 18,285.00	3%	7	4/1/2019	\$351.92	\$1,932.88	\$ 16,704.04	Current
C5, LLC (Laundromat)	\$ 50,000.00	3%	10	2/1/2019	\$1,179.80	\$ 11,500.00	\$ 39,679.80	Current
Bailey Kool dba Head 2 Toe Spa	\$ 10,000.00	3%	5	5/1/2018	\$394.94	\$ 3,919.69	\$ 6,475.25	Current
American Agricultural Laboratory	\$ 75,000.00	2%	10	2/5/2017	\$3,804.20	\$ 24,153.53	\$ 54,650.67	Current
MEDC North Pointe Phase I TIF Bond	\$ 208,000.00	0%	22	4/2/2015	\$0.00	\$ 40,456.33	\$ 167,543.67	Current
Clary Village Equity (Non-Recourse Loan - to be paid from residual cash flow)	\$ 120,000.00	4%	15	3/16/2015	\$23,484.19	\$ 20,480.19	\$ 123,004.00	Current
MEDC Clary Village TIF	\$ 178,622.92	0%	17	3/16/2015	\$0.00	\$ 42,010.65	\$ 136,612.27	Current
East Ward Village (Non-Recourse Loan - to be paid from residual cash flow)	\$ 105,000.00	2%	15	7/11/2012	\$12,191.16	\$ 49,206.58	\$ 67,984.58	No payment received in 2019
Totals	\$ 832,457.92				\$41,997.48	\$195,981.13	\$ 678,474.27	

CITY OF MCCOOK
 LB840
 RECEIPT REGISTER
 10/01/2019 - 12/31/2019

	Total Receipt	Receipt Breakdown		
		MV Sales Tax	Loan/Grant Pro	MEDC Adm
10/21/19 Nebr Dept of Rev	\$ 33,898.52		\$ 23,009.52	\$ 10,889.00
11/21/19 Nebr Dept of Rev	\$ 31,132.98		\$ 20,243.98	\$ 10,889.00
12/20/19 Nebr Dept of Rev	\$ 31,229.80		\$ 20,340.80	\$ 10,889.00
10/21/19 MV - Nebr Dept of Rev	\$ 3,263.98	\$ 3,263.98		
11/21/19 MV - Nebr Dept of Rev	\$ 3,209.46	\$ 3,209.46		
12/20/19 MV - Nebr Dept of Rev	\$ 2,971.61	\$ 2,971.61		
10/31/19 Interest	\$ 151.79	\$ 151.79	\$ -	
11/30/19 Interest	\$ 139.97	\$ 2.07	\$ 137.90	
12/31/19 Interest	\$ 158.51	\$ -	\$ 158.51	
10/15/19 Clary - Loan Repayment	\$ 5,624.14		\$ 5,624.14	
10/04/19 C5 LLC - Loan Repay	\$ 500.00		\$ 500.00	
10/04/19 Powell - Loan Repay	\$ 411.07		\$ 411.07	
10/04/19 American Ag Lab - Loan Repay	\$ 690.10		\$ 690.10	
10/31/19 Kool - Loan Repay	\$ 180.00		\$ 180.00	
10/31/19 Kool - Loan Repay	\$ 180.00		\$ 180.00	
10/31/19 C5 LLC - Loan Repay	\$ 2,000.00		\$ 2,000.00	
11/13/19 C5 LLC - Loan Repay	\$ 500.00		\$ 500.00	
11/13/19 Str Allgn - Loan Repay	\$ 482.80		\$ 482.80	
11/13/19 Powell - Loan Repay	\$ 411.07		\$ 411.07	
11/13/19 American Ag Lab - Loan Repay	\$ 690.10		\$ 690.10	
12/13/19 C5 LLC - Loan Repay	\$ 2,000.00		\$ 2,000.00	
12/13/19 Kool - Loan Repay	\$ 180.00		\$ 180.00	
12/13/19 C5 LLC - Loan Repay	\$ 500.00		\$ 500.00	
12/13/19 C5 LLC - Loan Repay	\$ 1,500.00		\$ 1,500.00	
12/13/19 Str Allgn - Loan Repay	\$ 482.80		\$ 482.80	
12/13/19 American Ag Lab - Loan Repay	\$ 690.10		\$ 690.10	
12/13/19 Powell - Loan Repay	\$ 411.07		\$ 411.07	
	\$ 123,589.87	\$ 9,598.91	\$ 81,323.96	\$ 32,667.00
				\$ 123,589.87

CITY OF MCCOOK
 LB840 FUND
 CHECK REGISTER
 10/01/2019 - 12/31/2019

PAYEE	DESCRIPTION	ACCT. NO.	DATE	CK NO.	AMOUNT
Stralght Align, LLC	Loan	45 068 54465	10/1/2019	1298	\$ 50,000.00
In Fiscal Year 18/19				1299	\$ -
Void				1300	\$ -
BSB Constructlon	Ravenswood Rd	45 068 54465	10/16/2019	1301	\$ 9,011.02
		45 068 54835		1301	\$ 14,712.38
McCook Economic Development	Stralght Align Loan Fees	45 068 54465	10/18/2019	1302	\$ 625.20
BSB Constructlon	Ravenswood Rd	45 068 54465	11/20/2019	56700	\$ 10,629.62
		45 068 54835		56700	\$ 30,932.58
McCook Economic Development	Administration	45 068 54885	10/23/2019	1303	\$ 10,889.00
McCook Daily Gazette	Publishing	45 068 54020	11/13/2019	1304	\$ 13.20
McCook Economic Development	Administration	45 068 54885	11/13/2019	1305	\$ 10,889.00
McCook Economic Development	SWNCBC D/C Assistance PR	45 068 54465	11/26/2019	1306	\$ 5,000.00
McCook Daily Gazette	Notice of Meeting	45 068 54020	12/11/2019	1307	\$ 12.40
	Notice of Hearing Amend Plan	45 068 54020		1307	\$ 22.00
McCook Economic Development	Administration	45 068 54885	12/11/2019	1308	\$ 10,889.00
	TOTAL				\$ 153,625.40
	TOTAL BY PROGRAM				
	Publishing	45 068 54020			\$ 47.60
	Legal	45 068 54030			\$ -
	LB840 Loan/Grant/Programs	45 068 54465			\$ 75,265.84
	LB840 Street Sales Tax Res	45 068 54835			\$ 45,644.96
	LB840 MEDC Administration	45 068 54885			\$ 32,667.00
	TOTAL				\$ 153,625.40

LB840 PROGRAM BALANCES

12/31/2019

Unaudited

	(C) BEGINNING CASH ON HAND 10/1/2019	(D) FY 19/20 ANTICIPATED RECEIPTS	(E) FY 19/20 YTD RECEIPTS	(F) FY 19/20 YTD EXPENDITURES	(G) ENDING PROGRAM BALANCES (C + E - F = G)
Motor Vehicle Sales Tax ** (**Not available to MEDC)	\$ 239,910.01	\$ 37,000.00	\$ 9,445.05	\$ 45,644.96	\$ 203,863.96
Interest			\$ 153.86		
Loan/Grant/Program	\$ 386,673.08	\$ 225,744.00	\$ 63,594.30	\$ 75,265.84	\$ 392,683.60
Loan Repayment		\$ 55,000.00	\$ 17,433.25		
Legal					
Publishing				\$ 47.60	
Interest			\$ 296.41		
MEDC Administration	\$ -	\$ 130,668.00	\$ 32,667.00	\$ 32,667.00	\$ -

BALANCES

\$ 626,583.09 \$ 448,412.00 \$ 123,589.87 \$ 153,625.40 \$ 596,547.56

**McCook Growth Fund (LB840) Economic Development Program
First Quarter Report
October 1, 2019 –December 31, 2019**

Approved, but not yet completed or paid:

Straight Align LLC	2019	\$50,000.00
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The Growth Fund Loan Committee approved a \$50,000 gap loan for Straight Align LLC to open their alignment business in McCook. The loan closed the first part of October.

Workforce Housing Incentive Grant Program	2019	\$60,000.00
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One of the challenges new housing developers have is the cost to build makes it difficult to build and sell or rent a property for a profit. The board approved allocating \$60,000.00 for an incentive to encourage housing developers to build multiple housing units in McCook. The incentive would provide \$10,000 reimbursement for each living unit eligible. Basic requirements to apply include:

- New construction/build projects only for single-family, multi-family houses, townhomes or duplexes built for sale or lease.
- A developer must commit to constructing at least two new housing units.
- The homes cannot be owner-occupied.
- Homes must be located within the 2 mile city zoning area.
- Living units must be a minimum of 1,200 square feet with a one car garage.
- Homes cannot be TIF eligible (must be located outside a blight area).
- General contractors must apply and be approved by MEDC BEFORE construction begins on the project. Applications made after work commences may not receive benefits.
- The maximum sales price per home is \$275,000. Rental units cannot cost more than \$200,000 per unit to construct.

Ravenswood Infrastructure Grant	2018	\$12,581.26
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The MEDC board voted to contribute \$39,000 toward the grant to improve Ravenswood Road. Along with a contribution from the city, we received a \$137,500 grant from the Department of Transportation. This will open up three more industrial park lots.

Business Park Claw back	2019	\$27,500
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As a part of the Department of Transportation Grant, there is a claw back provision. If we don't create the number of jobs or capital investment required from the grant to improve the Ravenswood Road for business park access in five years, we are required to pay back part of the grant on a prorated basis. The total amount of the Department of Transportation portion of the grant was

\$137,500 so the board has voted to hold in reserve 1/5 of that amount every year until the five year lookback is done.

Housing Match **2019** **\$20,000**

The board has approved two different potential matches to grant applications for the state housing trust fund programs. The first match is \$20,000 for an innovative housing grant proposal. The State of Nebraska had \$2,000,000 in housing trust fund left after the initial application round. The state opened up innovative housing proposals. We worked with Cambridge and Benkelman to put together a regional proposal that was awarded. The three \$495,000 pool of money to be used between the three communities for capital to build workforce housing. The second grant, is in partnership with Southwest Nebraska Betterment Corporation to create \$255,000 for up to \$20,000 in Down payment and closing cost assistance for 10 first time homebuyers. We have been awarded a \$405,000 grant for the innovative housing proposal and waiting to hear back on the down payment assistance grant.

LB 840 Expenses in the 4th Quarter

Façade Program, Carpenter-Breland Funeral Home **2017** **\$3,500.00**

Will add stone on the awning columns facing W. 2nd St. and will accent 3 corners of the new building and will add stone accents on existing flower bed facing C St. (\$4,000 total- 50% reimbursement). Will add can lighting around building and awning and bronze goose neck barn lights to front awning and north side of building (\$3,000 total- 50% reimbursement).

Loan, Grant, and Program Fund

Down Payment Assistance Grant Writing **2019** **\$1,000.00**

The board approved a \$1,000 grant to assist in Southwest Nebraska Community Betterment Corporation's (SWNCBC) grant writing program to win state trust fund housing programs. SWNCBC did received a state trust fund grant to provide up to 10 down payment assistance forgivable loans of up to \$20,000 to homebuyers at or below 120% of the area median income. When the program is finalized, McCook residents will be able to apply for this down payment assistance forgivable loans.

Reward Membership **2019** **\$2,500.00**

MEDC partners with the City of McCook, Red Willow County, Community Hospital, and McCook Public Schools to hire professional grant writing services for member organizations. In the last seven years, this has provided over \$8,000,000 in grants to local organizations.

BSB Construction **2019** **\$14,908.74**

This amount represents part of the amount for the improvements to Ravenswood Road. The improvements will open up development of the interior lots of the Business Park.

Other Expenses

Program Administration and Operations	4/10/2019	\$10,675.00
Program Administration and Operations	6/5/2019	\$10,675.00
Program Administration and Operations	6/12/2019	\$10,675.00

**ECONOMIC DEVELOPMENT PLAN
CITIZEN'S ADVISORY REVIEW COMMITTEE
MEETING MINUTES**

Monday – October 28, 2019
12:00 P.M. - Heritage Senior Center

The Economic Development Plan Citizen's Advisory Review Committee of the City of McCook was called to order by Chairperson Sean Wolfe and began at 12:30 P.M. at the Heritage Senior Center.

A copy of the Open Meetings Act is posted by the entrance to the McCook Heritage Senior Center Conference Room and available for public review.

Present: Chairperson Sean Wolfe; Andy Long, MEDC; Nate Schneider, City Manager; Tracy Burkey, Recording Secretary; Members, Jeanette Peters, Danielle Johnson, Jordan Johnson and Sarah Renner.

Absent: Members Gary Wiemers and Leon Kuhlen.

(1) REVIEW AND APPROVE MINUTES OF JULY 22, 2019 MEETING.

D. Johnson introduced a motion to approve the July 22, 2019 minutes; Renner seconded the motion. All members present voted in the affirmative. Motion passed. 7 VOTES YEA, 0 NAY, 2 ABSENT

(2) REVIEW LB840 ECONOMIC DEVELOPMENT PROGRAM QUARTERLY REPORTS.

MEDC Director Long reviewed the McCook Growth Fund Program Balances and McCook Growth Fund Available Funds reports prepared by MEDC for the 10/1/18 - 9/30/19 quarter with the committee. Long pointed out that there was \$112,000 in the Keystone Bond Reserve. After the bond was paid off, the Keystone Bond Reserve was approved to pay down on the term loan payment on the Keystone.

The Growth Fund Loan Committee approved a \$50,000 gap loan for Straight Alight, LLC to open an alignment business in McCook.

Carpenter-Breland Funeral Home facade project is complete and a check of \$3500 was presented to them. The facade program will now be placed on hold to focus on other projects.

Infrastructure Improvement Grant funds have been allocated as follows: Ravenswood Road Improvements, \$39,000.00. Along with a contribution from the city, MEDC received a \$137,500 grant from the Department of Transportation. This will open up three more industrial park lots.

As a part of the DOT grant there is a claw back provision. If enough jobs are not created or capital investment required from the grant to improve the Ravenswood Road for business park

access in 5 years we are required to pay back part of the grant on a prorated basis. EDC board had previously voted to hold in reserve 1/5 (\$27,500.00) of that amount every year until lookback is done.

Workforce Housing Incentive Grant program is to encourage housing developers to build housing to buy or rent. The board approved allocating \$60,000 for an incentive to encourage housing developers to build multiple housing units in McCook. The incentive would provide \$10,000 reimbursement for each eligible living unit. The maximum sales price per home is \$275,000. Rental units cannot cost more than \$200,000 per unit to construct. Other restrictions apply.

At the State level McCook has been approved for the Innovative Housing Fund Grant Match and the Down Payment Grant Match. The first match is \$20,000 for an innovative housing grant. This will create a \$495,000 pool of money to be used between McCook, Cambridge and Benkelman for building workforce housing. The second match is in partnership with Southwest Nebraska Betterment Corporation to create \$255,000 for up to \$20,000 in down payment and closing cost assistance for 10 first time homebuyers.

(3) UPDATE OF REVENUES COLLECTED.

Long reviewed the McCook Growth Fund Loan Status Report and all loans are current. Long also review the LB840 Program Balances report, receipt register and check register with the committee.

(6) MEDC STRATEGIC PLANNING.

Long discussed the idea of creating a unified online presence for McCook to get new business into town. Retail recruitment is in process but it is going slow.

Long had a discussion with Mid-Plains Community College regarding adding skilled training at the McCook Campus.

Long asked the Citizen's Advisory Committee to recommend to the city council to add Early Childhood Care and Education programs as an eligible business under 5.2 of the City of McCook Economic Development Plan.

Renner made a motion and J. Johnson seconded, to recommend to the City Council to add Early Childhood Care and Education programs as an eligible business under 5.2 of the City of McCook Economic Development Plan. Motion passed, 7 VOTES YEA, 0 NAY, 2 ABSENT.

(7) OPEN DISCUSSION.

No further discussion.

(8) NEXT MEETING

Next meeting will be January 27, 2020 at 12:00 p.m. at the Heritage Senior Center conference

room.

(9) ADJOURNMENT

Meeting adjourned at 1:02 p.m.


Tracy Burkey, Recording Secretary

CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING

ITEM: 4.A.

Approve the minutes of the March 2, 2020 regular City Council meeting.

BACKGROUND:

Receive and approve the minutes.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

March 12, 2020

McCook City Council
March 2, 2020
5:30 PM Central

A MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:30 o'clock P.M. in the City Council Chambers.

Present: Mayor Gonzales, Councilmembers Calvin, Weedon, Muehlenkamp.

Absent: Councilmember Hepp.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Police Chief Brown, Utilities Director Dutcher, Fire Chief Harpham, and Public Works Director Potthoff.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on February 27, 2020, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the Mayor and members of the City Council and a copy of the Acknowledgement of Receipt of such notice is attached to these minutes. Availability of the agenda was communicated in the advance notice to the Mayor and Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Mayor Gonzales announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review. Trevor Smith of the McCook Evangelical Free Church, provided the invocation. Following the Pledge of Allegiance to the flag of the United States of America, Mayor Gonzales called the meeting to order.

1. Citizen's Comments.

No one was present for citizen's comments.

2. Announcements & Recognitions.

Fire Chief Harpham updated the Council on the corona virus and offered precautions that will help keep its spread at a minimum. It is important not to overreact and panic, but to be prudent and proactive about the virus.

3. Consent Agenda.

Motion to approve the consent agenda. This motion, made by Weedon and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA.
YEA: 4, NAY: 0, ABSENT: 1

- 3.A. Approve the minutes of the February 17, 2020 regular City Council meeting and the February 20, 2020 special City Council meeting.
- 3.B. Approve the application for a Special Designated Liquor License submitted by Citta' Deli, LLC, Liquor License #C-121305, for their 5th Annual St. Patrick's Day Party to be held at the Citta' Delia parking lot, 110 West 1st Street, on March 14, 2020 from 10:00 A.M. to 7:00 P.M.
- 3.C. Approve the application for a Special Designated Liquor License submitted by Loop Brewing Company, Liquor License #LK-093351, for a wedding reception to be held at the Red Willow County Fair Grounds Community Building, 1412 West 5th Street, on April 4, 2020 from 5:00 P.M. to 1:00 A.M.
- 3.D. Approve the application for a Special Designated Liquor License submitted by Kahshoe Enterprises, LLC, License #C-097936, for a wedding reception to be held at the Red Willow County Fair Grounds 4-H Building, 1412 West 5th Street, on April 4, 2020 from 4:00 P.M. to 12:00 P.M.
- 3.E. Authorize Great Plains Communications to occupy city right of way for the installation of fiber optic cable across Auditorium Drive to serve Hauxwell Motors and authorize the Mayor to sign the Application to Occupy Right of Way.
- 3.F. Authorize Great Plains Communications to occupy city right of way to install fiber optic cable in the alleys between West 2nd and West 1st, West 1st and Norris Avenue, and East 1st and Norris Avenue, from "A" Street to "C" Street and the alley between Norris Avenue and West 1st from "C" Street to "E" Street and authorize the Mayor to sign the Application to Occupy Right of Way.
- 3.G. Authorize Great Plains Communications to occupy city right of way for the installation of underground and overhead fiber optic cable beginning at the intersection of West 3rd Street and West "A" street; then moving along the north side of West "A" Street to West 4th Street; then turning north along the east side of West 4th Street to the alley between West "B" street and West "C" street; then turning east down the alley between West 3rd Street and West 4th Street; then turning north up the alley between West "B" Street and West "C" Street where the cable will be placed overhead to West "C" Street and authorize the Mayor to sign the Application to Occupy Right of Way.
- 3.H. Authorize Great Plains Communications to occupy city right of way to install fiber optic cable from the alley of West "C" and West 9th Street to the Stagemeyer Complex and the YMCA.
- 4. Regular Agenda.**
- 4.A. Consider on its second reading Ordinance No. 2020-2998 adopting the official Extraterritorial Jurisdiction Zoning Map for the City of McCook, with the condition that Red

Willow County adopt a zoning map to harmonize Red Willow County's zoning jurisdiction with the City of McCook's Extraterritorial Jurisdiction.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-2998 by title.

AN ORDINANCE OF THE CITY OF MCCOOK, NEBRASKA ADOPTING THE OFFICIAL EXTRATERRITORIAL JURISDICTION (ETJ) ZONING MAP FOR THE CITY OF MCCOOK, NEBRASKA; TO PROVIDE FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; AND TO PROVIDE FOR THE EFFECTIVE DATE HEREOF.

Ordinance No. 2020-2998 has been read by title and I move to approve upon its second reading. This motion, made by Calvin and seconded by Weedin, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA.
YEA: 4, NAY: 0, ABSENT: 1

4.B. Consider Ordinance No. 2020-3000 on its second reading, adding Section 130.33 to the City of McCook Code of Ordinances and amending Section 130.99 of the City of McCook Code of Ordinances, Chapter 130: General Offenses.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3000 by title.

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 130: GENERAL OFFENSES, OF THE CITY OF MCCOOK CODE OF ORDINANCES; ADDING SECTION 130.33 - OBSTRUCTING/HARASSING A PEACE OFFICER; AMENDING SECTION 130.99 - PENALTY; TO PROVIDE THAT OBSTRUCTION OF A POLICE ANIMAL IS AN OFFENSE; TO PROVIDE THAT HARASSMENT OF A POLICE ANIMAL IS AN OFFENSE; TO CLARIFY THE DEFINITION OF "POLICE ANIMAL"; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

Ordinance No. 2020-3000 has been read by title and I move to approve upon its second reading. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA.
YEA: 4, NAY: 0, ABSENT: 1

4.C. Consider on its second reading Ordinance No. 2020-2999 repealing Section 90.24; amending Sections 90.08, 90.20, 90.22, 90.23, 90.30, and 90.99; and adding 90.33, 90.34, 90.35, 90.36, and 90.37, to the City of McCook Code of Ordinances and amending Section 130.99 of the City of McCook Code of Ordinances, Chapter 90: Animals.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-2999 by title.

AN ORDINANCE ADDING SECTIONS 90.33, 90.34, 90.35, 90.36, 90.37 AMENDING SECTIONS 90.08, 90.20, 90.22, 90.23, 90.30, 90.99 AND REPEALING SECTION 90.24 IN ITS ENTIRETY; AS THEY PERTAIN TO CHAPTER 90 - ANIMALS, OF THE CITY OF MCCOOK

CODE OF ORDINANCES; PROVIDING FOR THE REPEAL OF ANY AND ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE ENFORCED.

Ordinance No. 2020-2999 has been read by title and I move to approve upon its second reading. This motion, made by Calvin and seconded by Weedon, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA.
YEA: 4, NAY: 0, ABSENT: 1

4.D. Introduce and approve on its first reading Ordinance No. 2020-3001 amending Chapter 38: Fee Schedule - Appendix H: Animal Impoundment and Boarding Fees of the City of McCook Code of Ordinances.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3001 by title.

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 38: FEE SCHEDULE - APPENDIX H: ANIMAL IMPOUNDMENT AND BOARDING FEES, OF THE CITY OF MCCOOK CODE OF ORDINANCES; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE.

Ordinance No. 2020-3001 has been introduced, read by title, and I move to approve upon its first reading. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA.
YEA: 4, NAY: 0, ABSENT: 1

4.E. Introduce and approve on its first reading Ordinance No. 2020-3002 amending 90.03 and 95.35, and repealing 95.05 to the City of McCook Code of Ordinances, Chapter 95: Nuisance; Health and Sanitation.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3002 by title.

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 95: NUISANCE; HEALTH AND SANITATION, OF THE CITY OF MCCOOK CODE OF ORDINANCES; RELATING TO ABATEMENT OF NUISANCES; CLARIFYING LANGUAGE RELATING TO COSTS OF ABATEMENTS BEING COLLECTED AS A SPECIAL ASSESSMENT; AND RELATING TO WEEDS, LITTER AND STAGNANT WATER; CLARIFYING EXTRATERRITORIAL JURISDICTION TO ENFORCE REGULATIONS; DELETING SECTION 95.05 - INTERVENTION OF ADJOINING LAND OWNER; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

Ordinance No. 2020-3002 has been introduced, read by title, and I move to approve upon its first reading. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA.

YEA: 4, NAY: 0, ABSENT: 1

- 4.F. Introduce and approve on its first reading Ordinance No. 2020-3003 amending Section 130.32: Abandoned Automobiles, to the City of McCook Code of Ordinances.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3003 by title.

AN ORDINANCE¹ PROVIDING FOR THE AMENDMENT OF CHAPTER 130: GENERAL OFFENSES - OFFENSES AGAINST THE PEACE, OF THE CITY OF MCCOOK CODE OF ORDINANCES; AMENDING SECTION 130.32 - ABANDONED AUTOMOBILES; ADDING NEW PROVISIONS RELATED TO REMOVING ABANDONED VEHICLES FROM PRIVATE PROPERTY; REVISING PROVISIONS RELATING TO REMOVING ABANDONED VEHICLES FROM PUBLIC PROPERTY; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

Ordinance No. 2020-3003 has been introduced, read by title, and I move to approve upon its first reading. This motion, made by Calvin and seconded by Weedin, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA.

YEA: 4, NAY: 0, ABSENT: 1

- 4.G. Introduce and approve on its first reading Ordinance No. 2020-3004 amending Section 33.03: Proposed Budget Statement; Hearing; Adoption; Certification of Tax Amount, of the City of McCook Code of Ordinances.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3004 by title.

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 30: BUDGET REGULATIONS, OF THE CITY OF MCCOOK CODE OF ORDINANCES; SECTION 33.03 - PROPOSED BUDGET STATEMENT; HEARING; ADOPTION; CERTIFICATION OF TAX AMOUNT; RELATING TO BUDGET HEARING NOTICE; CHANGING BUDGET HEARING NOTICE PROVISIONS FROM FIVE TO FOUR CALENDAR DAYS; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

Ordinance No. 2020-3004 has been introduced, read by title, and I move to approve upon its first reading. This motion, made by Calvin and seconded by Weedin, passed.

Gonzales: YEA, Hepp: ABSENT, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA.

YEA: 4, NAY: 0, ABSENT: 1

- 4.H. Council Comments.

Council comments included thanking the Public Works Department for the ongoing street improvements occurring at the intersection of West 5th and "M" Streets and extended condolences to the families of Donnie Lepper, Indianola firefighter and Dale Fahnholz a member of the Nebraska Highway Patrol.

Adjournment.

There being no further business to come before the Council, Mayor Gonzales declared the meeting adjourned at 6:04 P.M.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 4.B.

Approve the application for a Special Designated Liquor License submitted by JBN, Inc., dba Hi Times Liquor Mart 1, Liquor License #DK-100025, for a wedding reception to be held at the McCook Municipal Auditorium, 302 West 5th Street, on April 18, 2020 from 12:00 P.M. to 1:00 A.M.

BACKGROUND:

JBN will be catering this event. They are making application to allow them to serve alcohol at this temporary location. Approval of the City Council is required with all applications. Approval of this request is also approving consumption of alcohol in the auditorium.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

March 12, 2020



Nathan A. Schneider, City Manager

March 12, 2020

**Special Designated License
Local Recommendation (Form 200)**

Applications must be entered on the portal after local approval – no exceptions
Late applications are non-refundable and will be rejected

JBN INC DBA HI TIMES LIQUOR MART 1

Retail Liquor License Name or *Non-Profit Organization (*Must include Form #201 as Page 2)

502 EAST B STREET, MCCOOK, NE. 69001

Retail Liquor License Address or Non-Profit Business Address

DK 100025

Retail License Number or Non-Profit Federal ID #

Consecutive Dates only

Event Date(s):

4-18-20

Event Start Time(s):

12:00PM

Event End Time(s):

1:00AM

Alternate Date: NONE

Alternate Location Building & Address: NONE

Event Building Name: MCCOOK CITY AUDITORIUM

Event Street Address/City: 302 WEST 5 TH STREET

Indoor area to be licensed in length & width: 150 X 100

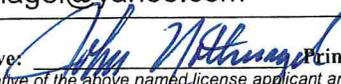
Outdoor area to be licensed in length & width: ____ X ____ (Diagram Form #109 must be attached)

Type of Event: WEDDING RECEPTION Estimate # of attendees: 400

Type of alcohol to be served: Beer Wine Distilled Spirits
(If not marked, you will not be able to serve this type of alcohol)

Event Contact Name: LINDA SCHIFLEBEIN Event Contact Phone Number: 308-344-9170

Event Contact Email: johnnothnagel@yahoo.com

*Signature Authorized Representative:  Printed Name John Nothnagel

I declare that I am the authorized representative of the above named license applicant and that the statements made on this application are true to the best of my knowledge and belief. I also consent to an investigation of my background including all records of every kind including police records. I agree to waive any rights or causes of action against the Nebraska Liquor Control Commission, the Nebraska State Patrol or any other individual releasing said information to the Liquor Control Commission or the Nebraska State Patrol. I further declare that the license applied for will not be used by any other person, group, organization or corporation for profit or not for profit and that the event will be supervised by persons directly responsible to the holder of this Special Designated License.

*Retail licensee – Must be signed by a member listed on permanent license

*Non-Profit Organization – Must be signed by a Corporate Officer

Local Governing Body completes below:

The local governing body for the City/Village of MCCOOK OR County of RED WILLOW approves the issuance of a Special Designated License as requested above. (Only one should be written above)

Local Governing Body Authorized Signature

Date

OUTDOOR AREA DIAGRAM

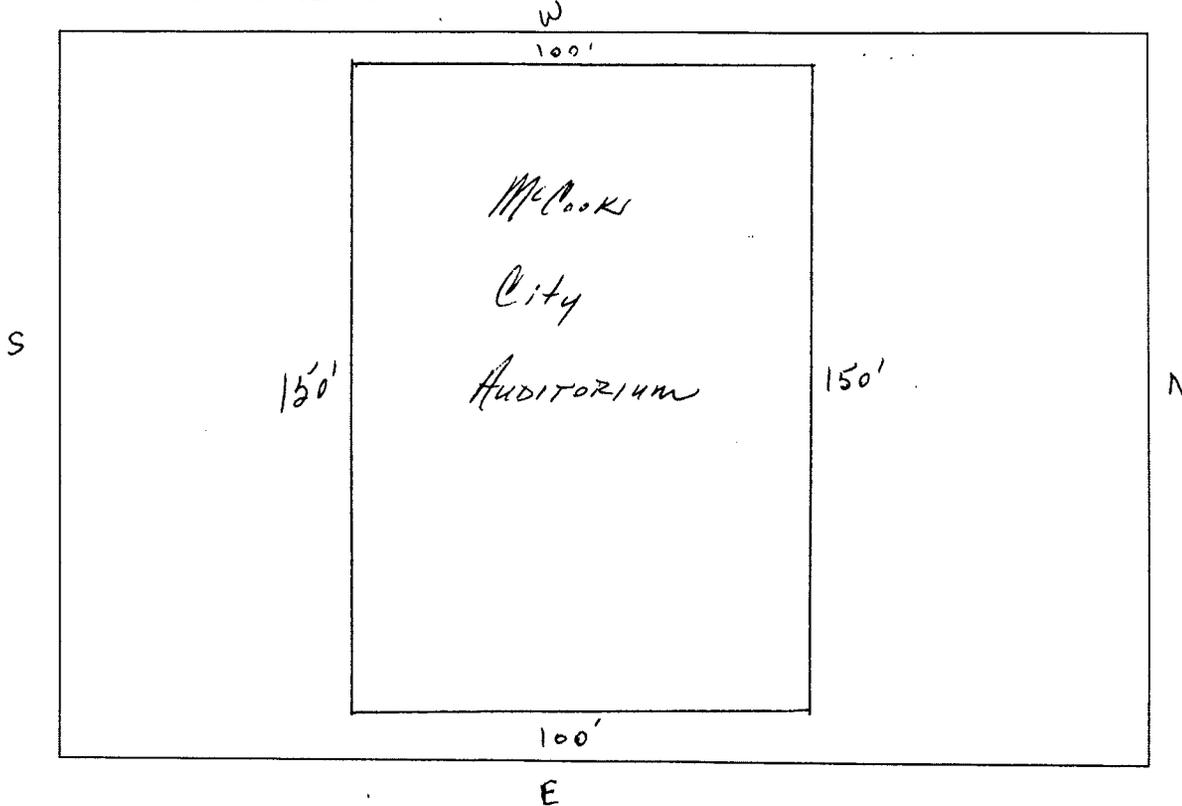
WE WILL HAVE CERTIFIED ALCOHOL

SERVERS AT EVENT ALONG WITH

HOW AREA WILL BE PATROLLED SOME ONE WATCHING THE DOORS

- IF APPLICABLE, OUTDOOR AREA MUST BE CONNECTED TO INDOOR AREA IF INDOOR AREA IS TO LICENSED
- MEASUREMENT OF OUTER WALLS OF AREA TO BE LICENSED MUST INCLUDED LENGTH & WIDTH IN FEET
- DOUBLE FENCING IS REQUIRED FOR ALL NON-PROFIT ORGANIZATIONS UNLESS FORM #140 IS FILED WITH THIS FORM AND IS APPROVED BY THE COMMISSION
- RETAILER LIQUOR LICENSE HOLDERS ARE NOT REQUIRED TO DOUBLE FENCE, ALTHOUGH MEASURES NEED TO BE TAKEN TO SECURE THE AREA

DIAGRAM OF PROPOSED AREA:



**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 4.C.

RECOMMENDATION:

APPROVE THE BID SPECIFICATIONS FOR ONE (1) NEW 30' X 40' METAL GARAGE FOR THE CEMETERY DEPARTMENT AND SET THE DATE TO RECEIVE BIDS AS APRIL 7, 2020 AT 2:00 P.M.

BACKGROUND:

In the 2019-2020 fiscal year budget, the Cemetery department has funds available for 30' x 40' addition to the existing shop. These specifications include a 30' x 40' metal building with 3 12' x 12' foot garage doors. The building will also include tubular gas heating. The new building will be attached to the west side of the existing shop at Memorial Park Cemetery. This addition will allow us space to house all of our cemetery equipment on site. Currently we are storing our mini excavator in the old public safety center.

**FISCAL
IMPACT:** None.

RECOMMENDATION:

APPROVE THE BID SPECIFICATIONS FOR ONE (1) NEW 30' X 40' METAL GARAGE FOR THE CEMETERY DEPARTMENT AND SET THE DATE TO RECEIVE BIDS AS APRIL 7, 2020 AT 2:00 P.M.

APPROVALS:



Kyle Potthoff, Public Works Director

March 11, 2020



Nate Schneider, City Manager

March 11, 2020

CITY OF MCCOOK, NEBRASKA

BID SPECIFICATIONS

**CEMETERY GARAGE
ONE (1) NEW METAL BUILDING (30' X 40')**

MARCH 16, 2020

ADVERTISEMENT FOR BIDS

The City of McCook, Nebraska will receive sealed bids for one (1) new metal building (30' x 40') Cemetery Garage and associated work as described in the Plans and Specifications until 2:00 P.M. at the Office of the City Clerk, McCook, Nebraska on April 7, 2020 and then will be immediately publicly opened and read aloud in the City Council Chambers, McCook Municipality Facility located at 505 West "C" Street.

All bids must be made on the Proposal Form provided with the Plans and Specifications. Bids received after the closing will be returned unopened and shall not be considered.

Contractors may obtain Plans and Specifications from the City Clerk, 505 West "C" Street, McCook, Nebraska 69001-1059.

Each bidder will be required to submit with their proposal, a certified check, cashiers check, or bid bond made payable, without condition, to the City Clerk, McCook, Nebraska, in an amount equal to five percent (5%) of the proposal.

No bid shall be withdrawn after opening the bids without the consent of the McCook City Council for a period of 45 days.

The City of McCook reserves the right to accept or reject any or all bids and to waive any informalities in the bidding.

Dated this 16th day of March, 2020.

-s- Lea Ann Doak, City Clerk

Publish: March 20, 27, and April 3, 2020.

INSTRUCTIONS TO BIDDERS

1. Request for Bids

Bids are being solicited by the City of McCook for a new 30' x 40' garage building for the Cemetery Garage as detailed in the attached Specifications. A complete set of these Instructions to Bidders including all attachments must be used by the Bidders in preparing Bids and the City does not assume any responsibility for error or misinterpretations resulting from the use of an incomplete set of documents by a Bidder. Failure to follow these instructions and requirements may result in the rejection of a bid. The City is not responsible for any costs incurred by Bidders in the preparation and presentation of their bids.

2. Defined Terms.

Terms used in these Instructions to Bidders have the meanings indicated below which are applicable to both the singular and plural thereof.

- 2.1 Bidder - one who submits a Bid directly to the City as distinct from a sub-bidder, who submits a bid to a Bidder.
- 2.2 Issuing Office - the office from which the Bidding Documents are to be issued and where the bidding procedures are to be administered.
- 2.3 Successful Bidder - the lowest, responsible and responsive Bidder to whom the City (on the basis of the City's evaluation as hereinafter provided) makes an award.
- 2.4 Bidding Documents - includes the Advertisement or Invitation to Bid, Instructions to Bidders, and the Bid Form.

3. Qualifications of Bidders.

To demonstrate qualifications to perform the Work, each Bidder must be prepared to submit within five days after Bid opening upon the City's request detailed written evidence such as financial data, previous experience, present commitments and other such data as may be called for. Each Bid must contain evidence of Bidder's qualifications to do business in the state where the Project is located or covenant to obtain such qualification prior to award of the contract.

4. Examination of Site.

- 4.1. It is the responsibility of each Bidder before submitting a Bid:
 - 4.1.1 To visit the site to become familiar with and satisfy Bidder as to the general, local and site conditions that may affect cost, progress, performance or furnishing of the Work;
 - 4.1.2 To consider federal, state and local Laws and Regulations that may affect cost, progress, performance or furnishing of the Work;
 - 4.1.3 To study and carefully correlate Bidder's knowledge and observations with the Bid Documents and such other related data; and

- 4.1.4 To promptly notify the City of all conflicts, errors, ambiguities or discrepancies which Bidder has discovered in or between the Bid Documents and such other related documents.

5. Interpretations and Addenda.

- 5.1. All questions about the meaning or intent of the Bidding Documents are to be directed to the Public Works Director. Interpretations or clarifications in response to such questions will be issued by Addenda mailed or delivered to all parties recorded by the Clerk as having received the Bidding Documents. Questions received less than ten days prior to the date for opening of Bids may not be answered. Only questions answered by formal written Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.
- 5.2. Addenda may also be issued to modify the Bidding Documents as deemed advisable by the City.

6. Bid Security.

- 6.1 Each Bid must be accompanied by Bid security made payable to the City of McCook in the amount of five percent (5%) of the Proposal sum. Security shall be in the form of a certified check, cashiers check, or a bid bond issued by a surety licensed to conduct business in the State of Nebraska.
- 6.2 The Bid security of Successful Bidder will be retained until such Bidder has executed the Agreement, furnished the required contract security and met the other conditions of the Notice of Award, whereupon the Bid security will be returned. If the Successful Bidder fails to execute and deliver the Agreement and furnish the required contract security within fifteen days after the Notice of Award, Owner may annul the Notice of Award and the Bid security of that Bidder will retain his Bid Security as liquidated damages, but not as a penalty. The Owner reserves the right to retain the security of the next two lowest bidders until the lower bidder enters into contract or until ten days after bid opening, whichever is shorter.

7. Liquidated Damages.

- 7.1 Provisions for liquidated damages, if any, are set forth in the Agreement.

8. Other Requirements.

- 8.1 *Sales Tax.* The Contractor who is awarded the contract shall be appointed to act as a "Purchasing Agent" for the City for all materials to be incorporated into the Project. The Contractor will be supplied with a combination Purchasing Agent Appointment and Exempt Sale Certificate by the City. In turn the Contractor and/or his subcontractors shall provide their suppliers with copies of the document to enable them to purchase materials to be incorporated into the Project without payment of sales/use tax.

Billings from suppliers must be made out in the name of the Exempt Organization which appointed the Contractor as its Purchasing Agent, and shall also show the name of the Contractor.

- 8.2 *Bond Requirements.* The bidder to who the contract is awarded shall provide, at the bidder's expense, a performance and a payment bond executed by a surety company duly authorized to do business in Nebraska.

The Performance Bond shall be in the amount of one hundred percent (100%) of the total contract value and shall be provided as security for the faithful completion of all obligations under the contract. The Payment Bond shall be in the amount of one hundred percent (100%) of the total contract value and shall be provided as security for the successful bidder's payment to all persons furnishing labor and materials to perform the contract. Bonds must be provided prior to the issuance of a Notice to Proceed under a contract.

9. Bid Form.

- 9.1. The Bid Form is included with the Bidding Documents.
- 9.2. All blanks on the Bid Form must be completed by printing in black ink or by typewriter.
- 9.3. Bids by corporations must be executed in the corporate name by the president or a vice-president (or other corporate officer accompanied by evidence of authority to sign) and the corporate seal must be affixed and attested by the secretary or an assistant secretary. The corporate address and state of incorporation must be shown below the signature.
- 9.4. Bids by partnerships must be executed in the partnership name and signed by a partner, whose title must appear under the signature and the official address of the partnership must be shown below the signature.
- 9.5. All names must be typed or printed in black ink below the signature.
- 9.6. The Bid shall contain an acknowledgment of receipt of all Addenda (the numbers of which must be filled in on the Bid Form).
- 9.7. The address and telephone number of communications regarding the Bid must be shown.
- 9.8. Evidence of authority to conduct business if an out-of-state corporation in the state where the Work is to be performed shall be provided.

10. Submission of Bids.

Bids shall be submitted at the time and place indicated in the Advertisement for Bid and shall be enclosed in an opaque sealed envelope, marked with "*BID ON THE CEMETERY GARAGE BUILDING*", and name and address of Bidder. If the Bid is sent through the mail or other delivery system the sealed envelope shall be enclosed in a separate envelope with the notation "BID ENCLOSED" on the face of it.

11. Modification and Withdrawal of Bids.

Bids may be modified or withdrawn by an appropriate document fully executed (in the manner that a Bid must be executed) and delivered to the place where Bids are to be submitted any time prior to the opening of Bids.

12. Opening of Bids.

Bids will be opened and (unless obviously non-responsive) read aloud publicly at the place where Bids are to be submitted. An abstract of the amounts of the base Bids and major alternates (if any) will be made available to Bidders after the opening of Bids.

13. Award of Contract.

- 13.1. Owner reserves the right to reject any or all Bids, including without limitation the rights to reject any or all nonconforming, nonresponsive, unbalanced or conditional Bids and to reject the Bid of any Bidder if City believes that it would not be in its best interest to make an award to that Bidder, whether because the Bid is not responsive or the Bidder is unqualified or of doubtful financial ability or fails to meet any other pertinent standard or criteria established by the City. The City also reserves the right to waive all informalities not involving price, time or changes in the Work and to negotiate contract terms with the Successful Bidder. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum. Discrepancies between words and figures will be resolved in favor of the words.
- 13.2. In evaluating Bids, the City will consider the qualifications of Bidders, whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices and other data, as may be requested in the Bid Form or prior to the Notice of Award.
- 13.3. The City may conduct such investigations as the City deems necessary to assist in the evaluation of any Bid and to establish the responsibility, qualifications and financial ability of Bidders.
- 13.4. If the contract is to be awarded, it will be awarded to lowest Bidder whose evaluation by the City indicates that the award will be in the best interests of the City.

14. Subcontracting.

Bidders may subcontract for functions to fulfill the obligations of their bid. All Bidders MUST complete and include the attached **Subcontractor Information Form** with their bid, even if no subcontractors are proposed to be used on this project. Bidders must indicate on the form either:

- 1) that no subcontractors will be used on this project; or
- 2) the name, address, and telephone number of each subcontractor proposed to be used on the project.

15. General Conditions

General Conditions AIA A201, 2017 Edition (These AIA Documents shall be considered a part of these written specifications as if attached hereto and herein written).

**SPECIFICATIONS
CITY OF MCCOOK CEMETERY GARAGE
ONE (1) NEW METAL BUILDING (30' X 40')**

PART 1 -- GENERAL

1.1 SCOPE OF WORK

The contractor shall furnish all labor, insurance, materials and construction equipment for the erection of the metal building. It is the intent of these specifications to provide for a completed metal building that will represent a uniformly workmanlike appearance. All items of work and materials considered necessary and in accordance with good practice shall be considered a part of these specifications, whether or not specifically mentioned herein. All work and materials must meet or exceed what is considered to be standard to the trade.

1.2 DESCRIPTION OF METAL BUILDING

The dimensions of the metal building shall be 30' x 40' with 15' sidewalls and connected to an existing CMU building on the east side. **See drawing attached.**

The metal building shall be pre-engineered with plans sealed by a Nebraska Registered Engineer, complete with structural framing (columns, rafters, struts, purlins, girts); "Galvalume" or equal, roofing; side panels; wall and roof insulation (4" reinforced); metal flashings; trim; gutters and downspouts; diagonal bracing; fasteners; and roof/wall accessories and other components or material as required for a complete building installation. The building shall be structurally designed in accordance with IBC2012.

The building shall have clear span gabled rigid frame with variable depth, tapered columns and rafters, with ridge at centerline of frame.

The MINIMUM roof slope shall be 1:0/12. Column spacing shall be compatible with placement of openings. The MINIMUM eave height shall be 15'-0" at low side (15' sidewalls), measured vertically from top of eave strut at sidewall steel line to base of sidewall frame column. Building should be 15' to allow room for the 12' overhead doors.

1.3 CODES AND STANDARDS

The 2018 International Building Code and regulations of other governing authorities having jurisdiction at the project site shall be adhered to where applicable in all phases of building construction. The selected Contractor will be responsible for acquiring a City of McCook Building Permit, with the fees being waived.

1.4 SUBMITTALS

The metal building manufacturer shall submit certification of design to the owner (City of McCook) to be an approved manufacturer.

For owners selection purposes, color samples shall be submitted showing full color range available.

1.5 PRODUCT HANDLING, DELIVERY AND STORAGE

Prefabricated components, sheets, panels, and other manufactured items shall be delivered and stored so they will not be damaged or deformed.

Stack materials on platforms or pallets above grade or on concrete slab, covered with tarps or other weather resistant ventilated covering.

Store metal sheets and panels if subjected to water accumulation in such a manner so they will drain freely. Do not store sheets and panels in contact with other materials that could cause staining.

Damaged material must be reported to determine if replacement is required. Inspect panels to prevent moisture between panels, and secure as required.

1.6 WARRANTIES

All components must carry a minimum of one (1) year workmanship warranty.

PART 2 -- TECHNICAL

2.1 ROOF PANELS

The ribbed roof panels shall be precision roll-formed to provide 36" 26-gauge, 80,000 PSI minimum yield steel. The roof panels shall be "Galvalume" or equal.

2.2 ALL PANELS

The ribbed wall panels (sidewalls) shall be precision roll-formed to provide 36" net coverage 26-gauge, 50,000 PSI minimum yield steel. Panel sidelaps shall be formed by lapping major ribs at the panel edges. The underlapping rib shall have full bearing legs to support the sidelap. Panels shall be longest length possible (32'0" maximum) to minimize endlaps. Liner panel inside should be 8'0" high.

2.3 WALL AND ROOF INSULATION

The wall and roof insulation shall be standard fiberglass blanket type, 4" thickness, reinforced with plastic/vinyl coating for vapor/moisture barrier.

2.4 FLOOR SPECIFICATIONS

The building floor shall be 47-B concrete with smooth finish, at 6" thick, level within 1/16" variation in 10'.

2.5 BUILDING APPROACH APRONS

The building approach aprons shall be located at the front (south side) and the back (north side) of the building. The existing asphalt shall be cut and removed to accommodate new approach slabs. The dimensions for the front (south side) shall be 15' x 30' and back (north side) 15' x 15' using 47-B concrete 6" thick, pinned with 1/2" rebar, 16" on center embedded 6" with Epoxy Glue in floor slab, and 1' in approach slab. The approach apron slope shall be adjusted during construction phase as required by owner.

2.6 GENERAL, BUILDING SITE

The building site shall be prepared by stripping all vegetation and removing all existing asphalt and/or concrete. The grade shall then be adjusted and the top 6" of the subgrade shall then be compacted to 95% of Standard Proctor Density. Two inches of sand shall then be

placed below all concrete floors and approaches to an average 1½" of compacted sand fill, with the finished floor elevation to be established at the beginning of construction work.

The building foundation design shall be the responsibility of the building contractor and must be done by a qualified engineer based on actual job site soil and related conditions.

2.7 OVERHEAD DOORS

Three (3) overhead doors, shall be 12' x 12' dimension, on south(2) and north(1) end walls. The overhead doors shall be white thermal core insulated, with glass windows in the third panel up from the bottom panel. The overhead doors shall be of 24 gauge steel, manufactured by Weathercraft, or equal, and shall have electrically operated openers/closures with light. Provide radio control operation and two (2) vehicle remotes.

2.8 WALK-IN DOORS

The building shall have one (1) walk-in door on the new west wall and one cut into the west wall of the existing building. The walk-in doors shall be a minimum of 3' x 7'0" in dimension, insulated hollow metal with 3-hinged jam, equipped with closures, and keyed dead bolt type locks. Doors shall be keyed to the City's existing master key system.

2.9 WINDOWS

The building shall have two (2) windows, having a 2'6" x 4'0" dimension. The windows shall be double glazed insulated type, with sliding type opening/closing and screens. Both windows shall be located on the west sidewall. The location of the windows is at the owners discretion.

2.10 ELECTRICAL

To be completed by City Staff.

2.11 HEATING

The building shall include one gas tube heater sized to maintain the building at 60 deg. F at a -20 deg. F outdoor temperature. Included shall be the required gas service and thermostat to control the heater.

2.12 GENERAL

This bid is for a complete building including all trim, closure strips, gutters and downspouts, etc. for a weather tight finished building. The bid shall include all labor, materials and misc. items required to achieve that result.

CITY OF MCCOOK MEMORIAL PARK CEMETERY GARAGE
ONE (1) NEW METAL BUILDING (30' X 40')

BASE BID

One (1) New Metal Garage for Cemetery per Specification \$ _____

COMPLETION DATE: _____

This Bid Submitted by: _____
(Company Name)

(Signature)

(Title)

CONTACT PERSON: Kyle Potthoff, Public Works Director
at 308/345-2022 ext. 231

NOTICE: ANY DEVIATIONS FROM THESE SPECIFICATIONS MUST BE SEPARATELY LISTED. OTHERWISE, IT WILL BE ASSUMED THAT THE BID MEETS THE SPECIFICATIONS IN ALL RESPECTS.

SUBCONTRACTOR INFORMATION FORM
(NOTE: This form MUST be submitted with each bid.)

Bidder Company Name: _____

Project Name: _____

Check ONE of the following:

_____ No subcontractors will be used by Bidder on this project.

_____ Subcontractors are proposed to be used on this project. The following is a list of subcontractors proposed to be used on the project:

SUBCONTRACTORS PROPOSED TO BE USED ON THE PROJECT

Firm Name	Address	Phone Number
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 4.D.

RECOMMENDATION:

APPROVE THE REQUEST FROM STACY PRIEBE TO UTILIZE CITY STREETS AND WALKING TRAILS FOR THE 2020 REPUBLICAN RIVER FITNESS SERIES RUN FOR UV RELAY ON APRIL 18, 2020.

BACKGROUND:

Stacy Priebe is requesting the use of city streets and walking trails for the 2020 Run for UV Relay. There should be no impact to City resources during these events. The race organizer will be responsible for providing resources to assure safe travel for the participants.

The race will begin in Cambridge and move west into McCook. Once in McCook, the race will utilize Airport Road to East "C" Street and then head north on East 11th Street to the walking trail. From there the relay will continue on the concrete walking trails. Once they come to the end of the walking trails on East "M" Street, the runners will reverse course and finish near Karrer Park.

A certificate of insurance has been provided.

**FISCAL
IMPACT:** None.

RECOMMENDATION:

APPROVE THE REQUEST FROM STACY PRIEBE TO UTILIZE CITY STREETS AND WALKING TRAILS FOR THE 2020 REPUBLICAN RIVER FITNESS SERIES RUN FOR UV RELAY ON APRIL 18, 2020.

APPROVALS:



Kyle Potthoff, Public Works Director

March 9, 2020



Ike Brown, Chief of Police

March 9, 2020



Nate Schneider, City Manager

March 9, 2020

City of McCook, City Council
505 W. C Street
McCook, NE 69001

On behalf of the Republican River Fitness Series, I would like to ask permission for the use of city streets and the hike-bike trail for the last segment of the Run For UV Relay on April 18, 2020. The route will start and end on the east side of town from Karrer Park and return to Morgan Mud. The race will involve 16 to 20 individuals and be completed between 1:00 pm to 4 pm. Thanks.

A handwritten signature in blue ink, appearing to read "Stacy Priebe". The signature is stylized and cursive.

Stacy Priebe
308-340-2610

**CITY MANAGER'S REPORT
MARCH 16, 2020
CITY COUNCIL MEETING**

ITEM: 4.E.

AWARD THE BID FOR THE 2020 ARMOR COATING PROJECT TO FIGGINS CONSTRUCTION OF RED CLOUD, NEBRASKA IN THE AMOUNT OF \$3.93 PER GALLON, THAT BEING THE LOWEST BEST BID.

BACKGROUND

On March 10th bids were opened for the 2020 Armor Coating Project. Attached is the tabulation of the bids received.

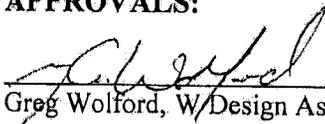
As a note on the impact of oil costs, the following is a summary of the armor coat bids for the past few years:

Year	Cost/Gal.	Year	Cost/Gal.
2005	\$1.73	2013	N/A
2006	\$2.488	2014	\$4.82
2007	\$2.645	2015	\$3.70
2008	\$3.77	2016	\$3.37
2009	\$3.22	2017	\$3.667
2010	\$3.325	2018	\$3.55
2011	\$3.61	2019	\$3.83
2012	\$4.21		

This cost is within the City's budget for street maintenance this year.

FISCAL IMPACT: None.

APPROVALS:



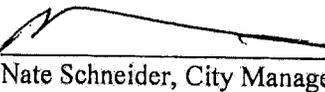
Greg Wulford, W/Design Associates

Date: 10 Mar 20



Kyle Potthoff, Public Works Director

Date: 3/10/2020



Nate Schneider, City Manager

Date: 3/10/2020

2020 ARMOR COATING
CITY OF McCOOK
McCOOK, NEBRASKA

JOB #854-20
MARCH 10, 2020 2:00 P.M.

BID TABULATION SHEET

CONTRACTOR	UNIT PRICE	START DATE	COMPLETION DATE	BID BOND
B & H PAVING P.O. BOX 524 SCOTT CITY, KS 67871	No Bid			
FIGGINS CONSTRUCTION 1511 ROAD 1100 RED CLOUD, NE 68970	\$3.93	5/15/2020	8/20/2020	Yes
SEALMASTER KC 4110 E. 12 TH ST. KANSAS CITY, MO 64127	No Bid			
TOPKOTE INC. 43439 SD HWY 50 YANKTON, SD 57078	\$4.30	5/18/2020	8/1/2020	Yes

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 4.F.

RECOMMENDATION:

Receive and file the minutes of the March 9, 2020 Planning Commission meeting.

BACKGROUND:

Receive minutes from the various board and commission meetings.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

March 12, 2020

McCook Planning Commission
March 9, 2020
5:15 PM Central

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in open, regular, and public session at 5:15 o'clock P.M. in the City Council Chambers.

Present: Chair Vosburg; Vice Chair Hilker; Commissioners Bradley (arrived 5:18 P.M.), Davidson, Dueland, Lyons, McDowell, Stevens, Graham.

Absent: Commissioner Friehe.

City Officials present: City Manager Schneider, City Attorney Mustion, City Clerk Doak.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on March 5, 2020, the designated method of giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to all members of the Planning Commission. Availability of the agenda was communicated in the advance notice. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

Chair Vosburg announced that a copy of the Open Meetings Act was posted by the entrance to the Council Chambers and available for public review.

1. Approve the minutes of the February 10, 2020 regular Planning Commission meeting.

Motion to approve the minutes of the February 10, 2020 regular Planning Commission meeting. This motion, made by McDowell and seconded by Dueland, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA
YEA: 8, NAY: 0, ABSENT: 2

2. Public Hearings and Regular Agenda.

- 2.A. Public Hearing - Regarding the Redevelopment Plan for the Blackwood Enterprises Redevelopment Project as to its conformity with the general plan for the development of the City as a whole.

Motion to recess as a Planning Commission and convene a public hearing for the purpose of receiving public comment with respect to the proposed Redevelopment Plan for the Blackwood Enterprises Redevelopment Project as to its conformity with the general plan for the development of the City as a whole, with the City Attorney to act as hearing officer. This motion, made by Vosburg and seconded by Stevens, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA

YEA: 8, NAY: 0, ABSENT: 2

The City Attorney received into evidence Exhibit #1 - City Manager's Report prepared for the March 9, 2020 Planning Commission meeting (2 pages), Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - proposed Resolution No. PC2020-01 (3 pages); Exhibit #4 - Redevelopment Plan for the Blackwood Enterprises Redevelopment Project (14 pages); and Exhibit #5 - copies of notice of public hearing mailed by certified mail to the required taxing jurisdictions (5 pages).

City Manager Schneider reviewed the information presented in Exhibit #1 and the proposed Redevelopment Plan in Exhibit #4. He stressed that the developer must address the parking requirements before a building permit could be issued. He needs to identify what use the building will be used for, so that staff can determine the number of parking spaces.

Commissioner discussion included what percentage of this project will be used for TIF, noting that it seems higher than previous projects; whose responsibility is it to determine if the required but - for test is met; how the Annual Projected Tax Shift of \$19,200 was calculated; the need to be consistent in the process so that we can say yes to future projects; why the hurry?, proceeding before the developer knows what the development will be; concerns regarding lack of parking; overall, the commissioners were in support of the project.

Andy Long, McCook Economic Development Director, spoke in support of the request.

Motion to adjourn the public hearing and to reconvene as a Planning Commission. This motion, made by Vosburg and seconded by McDowell, passed.

Vosburg: YEA, Hilker: YEA, Bradley: YEA, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA

YEA: 9, NAY: 0, ABSENT: 1

2.B. Approve Resolution No. PC2020-01 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Blackwood Enterprises Redevelopment Project.

Motion to approve Resolution No. PC2020-01 recommending approval of a Redevelopment Plan of the City of McCook, Nebraska, approving a Redevelopment Project of the City of McCook, Nebraska; and approval of related actions for the purpose of the development of the Blackwood Enterprises Redevelopment Project. This motion, made by Kurt and seconded by McDowell, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: YEA, Dueland: YEA, Friehe: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA, Graham: YEA

YEA: 8, NAY: 0, ABSENT: 2

Adjournment.

With no further business, Chair Vosburg declared the Planning Commission meeting adjourned at 6:10 P.M.

Lea Ann Doak, Recording Secretary

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 4.G.

Receive and file the claims for the month of February 2020 as published March 10, 2020.

BACKGROUND:

Claims are presented to the Council and published each month as outline in the City Code of Ordinances.

Staff is always available to address any questions that the Council may have regarding a specific claim.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk

March 12, 2020

CITY OF MCCOOK
CLAIMS FOR FEBRUARY 2020

ABBREVIATIONS FOR LEGALS: PS - PERSONAL SERVICES; S- SUPPLIES; SC - SERVICES & CHARGES; CO - CAPITAL OUTLAY; BT - BUDGET TRANSFERS

7-DLOCKSHOP-S 15.09; ACE-S 567.32; ACME PRINTING-S 580.50; AIR DELIGHTS-S 41.15; ALMQUIST, MALTZAHN, GALLOWAY-SC 21110.00; AMAZON-S 2472.78; AMERICAN AG LAB-SC 1052.18; AMERICAN ELECTRIC-S 568.07; APPLIED CONNECTIVE TECH-SC 585.68; ARROW CAR WASH-SC 48.78; AXON ENT-S 1769.90; BEST WESTERN-SC 107.85; BETTER HOMES & GARDENS-S 34.12; BISHOP BUSINESS EQUIP-SC 1152.00; BLACK HILLS ENERGY-SC 9131.72; BSB CONST-CO 55025.10; BW TELCOM-SC 288.28; C&K-S 178.44; CAMBRIDGE TELE-SC 244.51; CAROLINA SOFTWARE-SC 200.00; CARQUEST-S 2362.42; CASH WA-S 9061.76; CENTURY LINK-SC 1094.25; CITY OF MCCOOK-PS 330009.09; CITY SELF INS-BT 178781.89; UTILITIES-SC 3084.03; COLLABORATIVE SUMMER LIB-S 291.35; COMMUNITY HOSP-SC 223.87; CONSOLIDATED MGMT-SC 453.84; CORNHUSKER CLEANING SUPPLY-S 28.82; CRIMINAL ADDICTION, INC.-SC 300.00; J CROCKER-SC 466.04; CULLIGAN-S 98.70; D&L PEST-S 308.00; D & S HARDWARE-S 182.38; DAS STATE ACCTG-SC 470.00; DEVENY MOTORS-S 14.24; DIAMOND VOGEL-S 15.57; DIVERSIFIED INSP-SC 1654.44; L DOAK-SC 320.28; EAKES-S 190.86; ENVIRN ANALYSIS-SC 450.00; FARRELL'S-S 100.95; FASTENAL-S 463.29; FBI-SC 50.00; FBI ACADEMY-SC 200.00; FICA-SC 16479.00; FORTRES GRAND CORP-SC 51.24; F-V COOP-S 16775.14; FRONTIER COMM-SC 34.19; FUSION CLOUD SRVS-SC 721.64; GALE GROUP-S 407.11; GALLS-S 24.63; GARDENER MEDIA-S 329.22; GARY'S-S 483.44; GERHOLD-S 801.13; GLASS EXPRESS-S 658.25; M GONZALES-SC 320.28; GOOGLE*SVCS-SC 312.50; GOTOMY PC-S 449.40; GRAHAM TIRE-S 7855.00; GRAINGER-S 115.35; GREAT PLAINS COMM-SC 2565.13; HENNING BROS-SC 59.00; HERITAGE SR. CTR-SC 71.50; HIGH PLAINS RADIO-SC 54.00; HOBBY LOBBY-S 114.27; HOLIDAY INN-SC 304.85; HOMETOWN LEASING-SC 1319.94; IDEAL LINEN-S 363.66; INDUSTRIAL PROCESS-CO 10320.00; INT'L CODE COUNCIL-60.50; IPMA-HR-S 405.00; J BAR J-SC 36440.48; JOHN HANCOCK-SC 46921.51; JAMES MARSHALL ENG-CO 1538.95; K & C GRAIN-S 11688.02; KOHL'S-S 88.16; K KORGAN-S 41.80; D. KORTE-SC 355.63;

LIFE-ASSIST-S 171.97; LINCOLN CO-SC 515.30; LUMACURVE AIRFIELD SIGNS-S 6315.74; LYNN PEAVEY CO-S 142.45; MACQUEEN EQ-S 124.91; MARC-S 430.23; MARIS GEN CONT-CO 7612.50; MATHESON-LINWELD-S 236.74; MEDC-SC 10889.00; MCCOOK GAZETTE-SC 1732.18; MC HUMANE SOC-SC 3672.40; MNB-CO 70056.03; MCNET-SC 91.40; MPPD-SC 727.00; MPS-SC 6675.00; MCKESSON MEDICAL-S 50.07; MEAD LUMBER-S 286.19; MEDICARE-PS 4565.92; MERCHANT SRVS-SC 659.50; MICHAEL TODD & CO-S 1777.10; MICROMARKETING-S 2577.66; MID-PLAINS CC-SC 440.00; MIDAMERICA BOOKS-S 312.67; MIDLAND'S TOXICOLOGY-SC 105.00; MIDWEST CONNECT-S 175.00; MILLER & ASSOC-SC 1310.00; MOTOROLA-S 224.84; MOUSEL LAW-SC 4194.90; J MUEHLENKAMP-SC 320.28; MUNICIPAL SUPPLY-S 4924.02; MUTUAL OF OMAHA-SC 782.53; NAT'L FIRE PROTECTION-S 1345.50; NAT'L REGISTRY OF ER-SC 25.00; NE DEPT OF CORR-S 30.00; NE DEPT HEALTH LABS-SC 16.00; NE DEPT OF HHS-SC 40.00; NE DEPT OF REV-SC 13693.38; NE LAW ENF-SC 366.00; NE NOTARY-S 154.00; NE RURAL WATER ASSN-SC 275.00; NE LIQUOR CONTROL-SC 42.75; NEBRASKA MACHINERY-S 65.28; NE TRUCK CENTER-S 3098.08; NEBRASKALAND TIRE-S 76.44; NICK'S DIST-S 515.67; NORTHERN SAFETY-S 104.77; NPPD-SC 35962.70; O'REILLY AUTO-S 244.63; ONE CALL CONCEPTS-SC 31.11; ORIGIN DISTRIBUTION-S 173.75; PARDE ELEC-S 102.14; PAULSEN INC-CO 15184.71; PLAINS EQUIP GRP-S 5324.97; PLATTE VALLEY COMM-S 366.00; POAN-SC 255.00; K POTTHOFF-SC 320.28; PRAIRIE STATES COMM-S 156.75; PUBLIC AGENCY TRNG-SC 350.00; QUADIENT FINANCE-SC 1000.00; QUICK ME CLAIMS-SC 4054.13; QUILL-S 212.29; RADWELL-S 1601.00; RAILROAD MGMT-SC 2121.53; RAVENSWOOD ELEC-S 149.18; RWCO CRT-SC 34.00; RWCO TREAS-SC 175.00; RR DONNELLEY-SC 68.01; RUGGED NOTEBOOKS-SC 3192.00; RUGGLES TRLR-S 1222.00; SANDRY FIRE SUPPLY-S 852.25; N SCHNEIDER-SC 50.00; SCOTTIES POTTIES-S 91.00; SEHNERT'S-SC 15.90; SW FARM & AUTO-S 2055.39; STARSHIP ENT-S 8.00; STEVE'S ELEC-S 10199.60; STRAIGHT ALIGN-S 435.12; SWANSON SIGNS-SC 140.00; TASTE OF HOME-S 95.94; TELEFLEX-S 677.50; TIM BRADLEY ELEC-S 747.13; TITAN MACH-S 6076.67; TJ'S-SC 220.00; UMR-SC 256009.90; US FLAG STORE-S 196.88; US K-9 UNLIMITED-S 108.00; USPS-SC 1331.35; UN OF NE-SC 40.00; US FOODS-GI-S 3600.93; USA BLUEBOOK-S 268.26; UTILTIY REFUND-448.49; VANGUARD-S 173.02; N VARGAS-SC

30.00; VERIZON-SC 1983.38; VK ELEC-S 400.00; VOLZ-S 915.65; W-DESIGN-CO 65242.93;
WAGNER CHEVY-S 208.66; WAGNER FORD-S 307.00; WALMART-S 1069.19; WASTE
SYSTEMS-S 5637.46; G WEEDIN-SC 310.28; R WILCOX-SC 1789.26; WINDY PRAIRIE-S
500.00; WITMER PUBLIC SAFETY-S 722.93.

-s- Lea Ann Doak
City Clerk

Publish: March 10, 2020

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 4.H.

Receive and file the Financial Report for the period ending February 29, 2020.

BACKGROUND:

The Treasurer's Report (Attachment A) gives the beginning cash balances as of October 1, 2019, plus Total (YTD) Receipts, minus Total (YTD) Disbursements, giving the ending cash balance on February 29, 2020.

Per the Banking Services Agreement with McCook National Bank, all funds are deposited into the Public Funds Account at a higher rate of interest. The bank then sweeps in increments of \$100,000 to the Primary Operating Account to cover disbursements as they clear the bank. The Payroll Account is also a sweep account and maintains a \$1,000 balance.

All of the bank accounts are interest bearing, except the Payroll Account and the Purchase Account. The Purchase Account is our VISA credit card.

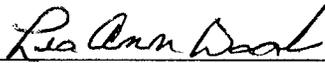
Attachment B gives the ending cash balances by fund as of February 29, 2020.

Attachment C is a Financial Summary of Revenue and Expense by Fund for the quarter ending February 29, 2020.

Staff is always available to address any questions that the Council may have. The Department Heads receive monthly financial reports and it is their responsibility to monitor their individual budgets. It is the bottom-line per department that is monitored. If they go over on a line item, that must adjust for it in another line item.

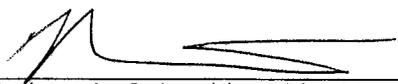
**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 12, 2020



Nathan A. Schneider, City Manager

March 12, 2020

ATTACHMENT

A

City of McCook, Nebraska
 TREASURER'S REPORT
 Period Ending February 29, 2020 (unaudited)

Beginning Cash on Hand, October 1, 2019			
McCook National Bank - Public Funds	\$	14,783,153.94	
McCook National Bank - Primary Operating	\$	(477,204.91)	
McCook National Bank - LB840 Funds	\$	626,583.09	
McCook National Bank - Payroll	\$	1,000.00	
McCook National Bank - CRA	\$	57.93	
Purchases Account	\$	10,000.00	
Petty Cash	\$	900.00	
NDEQ Irrevocable Escrow	\$	82,076.80	
McCook National Bank - Pension	\$	17,923.39	
TOTAL BEGINNING CASH			\$ 15,044,490.24
Receipts:			
Taxes	\$	1,586,375.33	
Fees, Permits and Licenses	\$	182,732.26	
Intergovernmental Services	\$	1,659,624.79	
Charges - Current Services	\$	741,101.41	
Public Utilities	\$	1,412,610.39	
Use of Money & Property	\$	970,770.60	
Interfund Transfers	\$	1,842,245.87	
Other Revenue	\$	526,000.20	
Unapplied/Accounts Payable	\$	1,899.00	
PLUS TOTAL RECEIPTS			\$ 8,923,359.85
Disbursements:			
Personal Services	\$	2,620,681.20	
Supplies	\$	516,287.27	
Services & Charges	\$	3,573,877.99	
Budget Transfers	\$	1,260,682.31	
Capital Outlay	\$	2,224,061.04	
Unapplied/Accounts Payable	\$	0.00	
MINUS TOTAL DISBURSEMENTS			\$ 10,195,589.81
Ending Cash Balance February 29, 2020			
McCook National Bank - Public Funds	\$	12,883,714.80	
McCook National Bank - Primary Operating	\$	124,661.38	
McCook National Bank - LB840 Funds	\$	649,621.87	
McCook National Bank - Payroll	\$	1,000.00	
McCook National Bank - CRA	\$	57.93	
Petty Cash	\$	900.00	
Purchase Account	\$	10,000.00	
NDEQ Irrevocable Escrow	\$	82,225.67	
McCook National Bank - Pension	\$	20,078.63	
TOTAL ENDING CASH	\$	13,772,260.28	\$ 13,772,260.28

Dated: February 29, 2020

-s- Lea Ann Doak, City Clerk

ATTACHMENT B

City of McCook, Nebraska
 INSURER'S REPORT
 MONTHLY BALANCE BY FUNDS
 Period Ending February 29, 2020 (unaudited)

Beginning Cash on Hand, October 1, 2019	Beginning Cash	YTD Revenue	YTD Expenditures	Ending Cash
General Fund - 10	\$ 2,690,439.97	\$ 2,609,057.69	\$ 3,232,871.10	\$ 2,066,626.56
General Fund Unapplied/Accts. Payable	\$ 3,341.00	\$ 1,899.00	\$ 0.00	\$ 5,240.00
Street Fund - 15	\$ 89,694.69	\$ 523.00	\$ 32,816.86	\$ 57,400.83
Special Revenue - 20	\$ 895,594.29	\$ 1,148,354.25	\$ 1,308,883.03	\$ 735,065.51
Debt Service - 30	\$ 347,818.45	\$ 9,679.80	\$ 0.00	\$ 357,498.25
Community Redevelopment Authority - 40	\$ 65,818.36	\$ 490.00	\$ 0.00	\$ 66,308.36
Economic Development Fund - 45	\$ 626,583.09	\$ 213,631.10	\$ 190,592.32	\$ 649,621.87
ED Fund Unapplied/Accts. Payable				\$ 0.00
Pension Trust - 50	\$ 17,923.39	\$ 10,019.39	\$ 7,864.15	\$ 20,078.63
Trust & Agency - 60	\$ 290,496.43	\$ 75,143.91	\$ 75,754.97	\$ 289,885.37
Internal Service Fund - 65	\$ 567,643.45	\$ 923,962.92	\$ 979,872.01	\$ 511,734.36
Enterprise Fund - 70	\$ 8,541,728.03	\$ 3,614,742.68	\$ 3,857,956.24	\$ 8,298,514.47
Enterprise Fund Unapplied/Accts. Payable	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Capital Improvement - 80	\$ 907,409.09	\$ 315,856.11	\$ 508,979.13	\$ 714,286.07
	\$ 15,044,490.24			\$ 13,772,260.28
		\$ 8,923,359.85	\$ 10,195,589.81	

Dated: February 29, 2020

-s- Lea Ann Doak, City Clerk

CITY OF MCCOOK
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: FEBRUARY 29TH, 2020

10 -GENERAL FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
GENERAL REVENUE	8,679,944	8,679,944	532,497.10	2,556,557.69	2,901,055.31	6,123,386.31	70.55
RESERVES/CO TREASURER BAL	<u>1,512,071</u>	<u>1,512,071</u>	<u>10,500.00</u>	<u>52,500.00</u>	<u>56,581.00</u>	<u>1,459,571.00</u>	<u>96.53</u>
TOTAL REVENUES	10,192,015	10,192,015	542,997.10	2,609,057.69	2,957,636.31	7,582,957.31	74.40
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	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
ADMINISTRATION	628,920	628,920	51,407.50	236,005.12	234,062.51	392,914.88	62.47
PUBLICITY	7,750	7,750	549.11	2,279.30	2,221.98	5,470.70	70.59
AUDITORIUM	46,785	46,785	3,683.25	49,782.42	18,572.30	2,997.42)	6.41-
COUNCIL	648,537	648,537	22,924.84	172,549.48	202,945.86	475,987.52	73.39
POLICE	1,745,831	1,745,831	114,824.17	710,370.29	719,262.76	1,035,460.71	59.31
MUNICIPAL CENTER	98,303	98,303	6,681.62	41,604.81	42,305.62	56,698.19	57.68
FIRE	1,346,686	1,346,686	73,135.07	494,918.06	478,264.52	851,767.94	63.25
AMBULANCE	152,883	152,883	7,903.05	41,802.89	61,338.07	111,080.11	72.66
CIVIL DEFENSE	25,055	25,055	612.19	8,393.54	6,165.98	16,661.46	66.50
BUILDING & ZONING	84,939	84,939	6,041.57	33,693.78	32,474.43	51,245.22	60.33
LIBRARY	351,658	351,658	25,203.30	159,000.04	135,873.17	192,657.96	54.79
STREET	1,361,077	1,361,077	65,454.05	370,820.17	412,666.45	990,256.83	72.76
CEMETERY	202,726	202,726	9,530.55	75,167.69	94,243.22	127,558.31	62.92
PARKS	282,608	282,608	11,129.97	74,120.35	69,230.41	208,487.65	73.77
BALL PARKS	167,061	167,061	7,129.28	60,270.39	60,648.89	106,790.61	63.92
POOL	114,527	114,527	197.94	14,796.19	2,277.96	99,730.81	87.08
AIRPORT	169,504	169,504	14,448.27	62,093.95	60,087.77	107,410.05	63.37
UNEMPLOYMENT	10,000	10,000	0.00	0.00	0.00	10,000.00	100.00
UNCOLLECTABLE TAX	14,000	14,000	543.07	2,240.17	3,049.93	11,759.83	84.00
SENIOR CENTER	418,123	418,123	31,280.33	152,414.21	143,014.88	265,708.79	63.55
PUBLIC TRANSPORTATION	169,085	169,085	13,036.50	65,269.94	60,951.99	103,815.06	61.40
HEALTH OPERATING	586,150	586,150	48,838.00	244,190.00	244,190.00	341,960.00	58.34
RESERVES/CO TREASURER BAL	<u>562,071</u>	<u>562,071</u>	<u>359.54</u>	<u>161,088.31</u>	<u>0.00</u>	<u>400,982.69</u>	<u>71.34</u>
TOTAL EXPENDITURES	9,194,279	9,194,279	514,913.17	3,232,871.10	3,083,848.70	5,961,407.90	64.84
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REVENUES OVER/(UNDER) EXPENDITURES	997,736	997,736	28,083.93	(623,813.41)	(126,212.39)	1,621,549.41	162.52

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

15 -STREET FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>REVENUE SUMMARY</u>							
STREET IMPROVEMENTS	468,244	468,244	76.00	523.00	3,879.00	467,721.00	99.89
TOTAL REVENUES	468,244	468,244	76.00	523.00	3,879.00	467,721.00	99.89
<hr/>							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
STREET IMPROVEMENTS	468,244	468,244	0.00	32,816.86	0.00	435,427.14	92.99
TOTAL EXPENDITURES	468,244	468,244	0.00	32,816.86	0.00	435,427.14	92.99
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REVENUES OVER/(UNDER) EXPENDITURES	0	0	76.00	(32,293.86)	3,879.00	32,293.86	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

20 -SPECIAL REVENUE
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
FAA GRANTS	1,581,834	1,581,834	64,322.33	1,085,320.49	0.00	496,513.51	31.39
ACE REVENUE SHARING	56,053	56,053	19,845.00	20,145.00	14,474.00	35,908.00	64.06
MCCOOK RECREATIONAL TRAIL	53,246	53,246	71.00	398.00	466.00	52,848.00	99.25
CDBG BOOE PUBLIC WORKS	0	0	0.00	0.00	0.00	0.00	0.00
ENHANCED E911	267,102	267,102	5,144.81	15,280.46	16,552.81	251,821.54	94.28
RAVENSWOOD RD PROJECT	0	0	0.00	0.00	0.00	0.00	0.00
INSURANCE REIMBURSEMENT	419,611	419,611	563.00	3,120.00	3,674.00	416,491.00	99.26
PSAP FUNDS	130,987	130,987	4,813.06	24,090.30	24,279.30	106,896.70	81.61
MUNICIPAL FACILITY CONST	34,785	34,785	0.00	0.00	0.00	34,785.00	100.00
DOWNTOWN REVITAL - CDBG	0	0	0.00	0.00	0.00	0.00	0.00
SKATE PARK IMPROVEMENTS	4,642	4,642	0.00	0.00	0.00	4,642.00	100.00
AUD/CONVEN CTR FEASIBILI	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	2,548,260	2,548,260	94,759.20	1,148,354.25	59,446.11	1,399,905.75	54.94

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
FAA GRANTS	1,581,834	1,581,834	80,427.64	1,175,045.58	0.00	406,788.42	25.72
ACE REVENUE SHARING	56,053	56,053	0.00	22,315.00	765.00	33,738.00	60.19
MCCOOK RECREATIONAL TRAIL	53,246	53,246	0.00	0.00	0.00	53,246.00	100.00
CDBG BOOE PUBLIC WORKS	0	0	0.00	0.00	0.00	0.00	0.00
ENHANCED E911	267,102	267,102	817.93	22,862.69	9,668.37	244,239.31	91.44
RAVENSWOOD RD PROJECT	0	0	0.00	82,913.39	0.00	(82,913.39)	0.00
INSURANCE REIMBURSEMENT	419,611	419,611	0.00	0.00	0.00	419,611.00	100.00
PSAP FUNDS	130,987	130,987	1,226.88	5,746.37	23,837.12	125,240.63	95.61
MUNICIPAL FACILITY CONST	34,785	34,785	0.00	0.00	0.00	34,785.00	100.00
DOWNTOWN REVITAL - CDBG	0	0	0.00	0.00	0.00	0.00	0.00
SKATE PARK IMPROVEMENTS	4,642	4,642	0.00	0.00	0.00	4,642.00	100.00
AUD/CONVEN CTR FEASIBILI	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	2,548,260	2,548,260	82,472.45	1,308,883.03	34,270.49	1,239,376.97	48.64
REVENUES OVER/(UNDER) EXPENDITURES	0	0	12,286.75	(160,528.78)	25,175.62	160,528.78	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

30 -DEBT SERVICE
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
GENERAL OBLIGATION	0	0	0.00	0.00	0.00	0.00	0.00
AIRBASE JUDGEMENT	0	0	0.00	0.00	0.00	0.00	0.00
SPECIAL ASSESSMENTS	352,422	352,422	775.00	9,679.80	9,084.78	342,742.20	97.25
BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	352,422	352,422	775.00	9,679.80	9,084.78	342,742.20	97.25
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	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
GENERAL OBLIGATION	0	0	0.00	0.00	0.00	0.00	0.00
AIRBASE JUDGEMENT	0	0	0.00	0.00	0.00	0.00	0.00
SPECIAL ASSESSMENTS	352,422	352,422	0.00	0.00	0.00	352,422.00	100.00
BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	352,422	352,422	0.00	0.00	0.00	352,422.00	100.00
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REVENUES OVER/ (UNDER) EXPENDITURES	0	0	775.00	9,679.80	9,084.78	(9,679.80)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

40 -COMMUNITY DEVELOPMENT
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>REVENUE SUMMARY</u>							
KEYSTONE BUS CENTER PROJ	31,000	31,000	0.00	0.00	0.00	31,000.00	100.00
CITY INVESTMENTS	65,574	65,574	89.00	490.00	573.74	65,084.00	99.25
NORTH POINTE	25,000	25,000	0.00	0.00	3,075.61	25,000.00	100.00
CLARY VILLAGE LLC	9,500	9,500	0.00	0.00	0.00	9,500.00	100.00
MCCOOK HOTEL GROUP/COBBL	70,000	70,000	0.00	0.00	0.00	70,000.00	100.00
QUILLAN COURTS	15,000	15,000	0.00	0.00	0.00	15,000.00	100.00
MCCOOK LODGING/HOLIDAY I	134,000	134,000	0.00	0.00	0.00	134,000.00	100.00
NEXT GENERATION	150,000	150,000	0.00	0.00	0.00	150,000.00	100.00
TOTAL REVENUES	500,074	500,074	89.00	490.00	3,649.35	499,584.00	99.90
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	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
KEYSTONE BUS CENTER PROJ	31,000	31,000	0.00	0.00	0.00	31,000.00	100.00
CITY INVESTMENTS	65,574	65,574	0.00	0.00	0.00	65,574.00	100.00
NORTH POINTE	25,000	25,000	0.00	0.00	0.00	25,000.00	100.00
CLARY VILLAGE LLC	9,500	9,500	0.00	0.00	0.00	9,500.00	100.00
MCCOOK HOTEL GROUP/COBBL	70,000	70,000	0.00	0.00	0.00	70,000.00	100.00
QUILLAN COURTS	15,000	15,000	0.00	0.00	0.00	15,000.00	100.00
MCCOOK LODGING/HOLIDAY I	134,000	134,000	0.00	0.00	0.00	134,000.00	100.00
NEXT GENERATION	150,000	150,000	0.00	0.00	0.00	150,000.00	100.00
TOTAL EXPENDITURES	500,074	500,074	0.00	0.00	0.00	500,074.00	100.00
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REVENUES OVER/ (UNDER) EXPENDITURES	0	0	89.00	490.00	3,649.35 (490.00)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

45 -ECONOMIC DEVELOPMENT FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
ECONOMIC DEVELOPMENT FUN	1,015,417	1,015,417	53,682.48	213,631.10	203,779.81	801,785.90	78.96
KEYSTONE BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
KEYSTONE BOND REDEMPTION	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	1,015,417	1,015,417	53,682.48	213,631.10	203,779.81	801,785.90	78.96
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	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
ECONOMIC DEVELOPMENT FUN	1,015,417	1,015,417	10,020.25	190,592.32	64,885.00	824,824.68	81.23
KEYSTONE BOND RESERVE	0	0	0.00	0.00	112,000.00	0.00	0.00
KEYSTONE BOND REDEMPTION	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	1,015,417	1,015,417	10,020.25	190,592.32	176,885.00	824,824.68	81.23
REVENUES OVER/ (UNDER) EXPENDITURES	0	0	43,662.23	23,038.78	26,894.81	(23,038.78)	0.00

CITY OF McCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

50 -PENSION TRUST
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>REVENUE SUMMARY</u>							
POLICE OFFICER DISABILIT	27,925	27,925	4.15	10,019.39	15,013.21	17,905.61	64.12
TOTAL REVENUES	27,925	27,925	4.15	10,019.39	15,013.21	17,905.61	64.12
=====							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
POLICE OFFICER DISABILIT	27,925	27,925	1,572.83	7,864.15	7,864.15	20,060.85	71.84
TOTAL EXPENDITURES	27,925	27,925	1,572.83	7,864.15	7,864.15	20,060.85	71.84
=====							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	(1,568.68)	2,155.24	7,149.06	(2,155.24)	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

60 -AGENCY FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
PERPETUAL CARE	144,580	144,580	641.00	2,274.00	2,579.00	142,306.00	98.43
SENIOR CENTER CONTRIBUTIO	68,431	68,431	684.00	5,147.00	5,592.00	63,284.00	92.48
SCHOOL	8,050	8,050	30.00	1,235.00	480.00	6,815.00	84.66
FIRE CONTRIBUTIONS	4,075	4,075	0.00	20.00	1,270.00	4,055.00	99.51
LIBRARY MEMORIAL	29,978	29,978	0.00	9,700.00	60.00	20,278.00	67.64
COMMUNITY BETTERMENT	121,199	121,199	9,972.30	49,205.41	49,982.55	71,993.59	59.40
DARE CONTRIBUTIONS	5,145	5,145	0.00	0.00	278.55	5,145.00	100.00
PUBLIC WORKS CONTRIBUTION	6,266	6,266	5,000.00	5,000.00	0.00	1,266.00	20.20
AMBULANCE CONTRIBUTIONS	5,619	5,619	0.00	1,562.50	11.66	4,056.50	72.19
COMMUNITY PARAMEDIC PROG	4,398	4,398	0.00	0.00	0.00	4,398.00	100.00
POLICE CONTRIBUTIONS	7,500	7,500	0.00	1,000.00	1,865.99	6,500.00	86.67
TOTAL REVENUES	405,241	405,241	16,327.30	75,143.91	62,119.75	330,097.09	81.46
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	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
PERPETUAL CARE	144,580	144,580	0.00	2,075.00	0.00	142,505.00	98.56
SENIOR CENTER CONTRIBUTIO	68,431	68,431	0.00	3,350.00	0.00	65,081.00	95.10
SCHOOL	8,050	8,050	190.00	1,205.00	480.00	6,845.00	85.03
FIRE CONTRIBUTIONS	4,075	4,075	0.00	383.41	1,254.87	3,691.59	90.59
LIBRARY MEMORIAL	29,978	29,978	0.00	3,661.87	2,620.12	26,316.13	87.78
COMMUNITY BETTERMENT	121,199	121,199	9,883.00	53,270.09	47,018.00	67,928.91	56.05
DARE CONTRIBUTIONS	5,145	5,145	11.63	2,010.94	0.00	3,134.06	60.91
PUBLIC WORKS CONTRIBUTION	6,266	6,266	0.00	0.00	0.00	6,266.00	100.00
AMBULANCE CONTRIBUTIONS	5,619	5,619	0.00	2,871.10	449.50	2,747.90	48.90
COMMUNITY PARAMEDIC PROG	4,398	4,398	0.00	0.00	33.68	4,398.00	100.00
POLICE CONTRIBUTIONS	7,500	7,500	73.98	6,927.56	0.00	572.44	7.63
TOTAL EXPENDITURES	405,241	405,241	10,158.61	75,754.97	51,856.17	329,486.03	81.31
=====							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	6,168.69	(611.06)	10,263.58	611.06	0.00

CITY OF MCCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

65 -INTERNAL SERVICE FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>REVENUE SUMMARY</u>							
FLEX DEPENDENT CARE	10,930	10,930	384.62	923.10	595.00	10,006.90	91.55
FLEX - MEDICAL	67,938	67,938	3,058.28	16,623.10	18,518.26	51,314.90	75.53
SELF INSURED HEALTH INSUR	<u>2,451,925</u>	<u>2,451,925</u>	<u>144,690.57</u>	<u>906,416.72</u>	<u>752,921.21</u>	<u>1,545,508.28</u>	<u>63.03</u>
TOTAL REVENUES	2,530,793	2,530,793	148,133.47	923,962.92	772,034.47	1,606,830.08	63.49
	=====	=====	=====	=====	=====	=====	=====
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
FLEX DEPENDENT CARE	10,930	10,930	685.86	685.86	635.00	10,244.14	93.72
FLEX - MEDICAL	67,938	67,938	8,820.85	22,351.17	23,836.76	45,586.83	67.10
SELF INSURED HEALTH INSUR	<u>2,451,925</u>	<u>2,451,925</u>	<u>247,285.72</u>	<u>956,834.98</u>	<u>859,426.26</u>	<u>1,495,090.02</u>	<u>60.98</u>
TOTAL EXPENDITURES	2,530,793	2,530,793	256,792.43	979,872.01	883,898.02	1,550,920.99	61.28
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	(108,658.96)	(55,909.09)	(111,863.55)	55,909.09	0.00

CITY OF McCOOK
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: FEBRUARY 29TH, 2020

70 -ENTERPRISE FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
SOLID WASTE-LANDFILL POST	0	0	0.00	0.00	0.00	0.00	0.00
SOLID WASTE - RECYCLING	275,800	275,800	5,874.05	31,651.16	97,564.70	244,148.84	88.52
SOLID WASTE - COLLECTION	883,613	883,613	65,864.50	337,183.49	330,341.17	546,429.51	61.84
SOLID WASTE - TRANSFER ST	1,061,347	1,061,347	66,183.43	407,147.95	354,149.76	654,199.05	61.64
LANDFILL RESERVE	760,280	760,280	7,018.00	35,804.00	24,411.00	724,476.00	95.29
SOLID WASTE - DISPOSAL	369,986	369,986	33,730.80	155,988.56	274,176.80	213,997.44	57.84
WATER MAINTENANCE & OPERA	4,169,322	4,169,322	134,375.90	882,097.62	825,583.47	3,287,224.38	78.84
WATER BOND & INTEREST RED	1,759,088	1,759,088	38,354.00	252,028.37	241,405.37	1,507,059.63	85.67
WATER CAPITAL - REPLACEME	2,627,307	2,627,307	30,101.00	151,890.00	153,276.00	2,475,417.00	94.22
WATER CAPITAL - DEVELOPME	0	0	0.00	0.00	0.00	0.00	0.00
WATER QUALITY SOLUTION	168,643	168,643	144.37	790.87	958.85	167,852.13	99.53
SEWER MAINTENANCE & OPERA	2,326,320	2,326,320	117,136.91	592,069.87	598,117.81	1,734,250.13	74.55
SEWER BOND & INTEREST RES	120,754	120,754	162.00	20,810.48	20,779.48	99,943.52	82.77
SEWER CAPITAL - REPLACEME	1,249,699	1,249,699	36,791.00	183,952.00	190,868.00	1,065,747.00	85.28
SEWER CAPITAL - DEVELOPME	1,361	1,361	2.00	10.00	10.00	1,351.00	99.27
SEWER - PHASE III AMMONIA	0	0	0.00	0.00	0.00	0.00	0.00
COMBINED UTILITIES	700,325	700,325	0.00	0.00	0.00	700,325.00	100.00
ELECTRIC UTILITY	1,305,000	1,305,000	112,949.43	563,318.31	835,109.35	741,681.69	56.83
TOTAL REVENUES	17,778,845	17,778,845	648,687.39	3,614,742.68	3,946,751.76	14,164,102.32	79.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
SOLID WASTE-LANDFILL POST	16,550	16,550	0.00	6,923.38	7,927.49	9,626.62	58.17
SOLID WASTE - RECYCLING	293,894	293,894	8,494.52	46,606.96	93,927.87	247,287.04	84.14
SOLID WASTE - COLLECTION	883,613	883,613	62,690.44	319,305.75	333,810.64	564,307.25	63.86
SOLID WASTE - TRANSFER ST	1,026,703	1,026,703	81,650.37	430,890.54	457,484.94	595,812.46	58.03
LANDFILL RESERVE	760,280	760,280	0.00	127,395.00	30,000.00	632,885.00	83.24
SOLID WASTE - DISPOSAL	369,986	369,986	34,980.80	157,238.56	276,676.80	212,747.44	57.50
WATER MAINTENANCE & OPERA	4,169,322	4,169,322	158,393.20	1,008,695.24	804,451.98	3,160,626.76	75.81
WATER BOND & INTEREST RED	1,759,088	1,759,088	0.00	616,567.07	118,861.00	1,142,520.93	64.95
WATER CAPITAL - REPLACEME	2,627,307	2,627,307	0.00	37,684.79	47,424.20	2,589,622.21	98.57
WATER CAPITAL - DEVELOPME	0	0	0.00	0.00	0.00	0.00	0.00
WATER QUALITY SOLUTION	168,643	168,643	0.00	250.00	1,687.50	168,393.00	99.85
SEWER MAINTENANCE & OPERA	2,326,320	2,326,320	94,958.85	519,365.86	563,663.39	1,806,954.14	77.67
SEWER BOND & INTEREST RES	120,754	120,754	0.00	0.00	0.00	120,754.00	100.00
SEWER CAPITAL - REPLACEME	1,249,699	1,249,699	10,320.00	23,714.78	118,692.73	1,225,984.22	98.10
SEWER CAPITAL - DEVELOPME	1,361	1,361	0.00	0.00	0.00	1,361.00	100.00
SEWER - PHASE III AMMONIA	0	0	0.00	0.00	0.00	0.00	0.00
COMBINED UTILITIES	700,325	700,325	0.00	0.00	0.00	700,325.00	100.00
ELECTRIC UTILITY	1,305,000	1,305,000	112,949.43	563,318.31	835,109.35	741,681.69	56.83
TOTAL EXPENDITURES	17,778,845	17,778,845	564,437.61	3,857,956.24	3,689,717.89	13,920,888.76	78.30
REVENUES OVER/(UNDER) EXPENDITURES	0	0	84,249.78	(243,213.56)	257,033.87	243,213.56	0.00

CITY OF McCOOK
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL
 AS OF: FEBRUARY 29TH, 2020

80 -CAPITAL IMPROVEMENTS FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 41.67

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
REVENUE SUMMARY							
CAPITAL IMPROVE 2018	1,035,712	1,035,712	61,860.42	310,116.11	98,287.10	725,595.89	70.06
CAPITAL IMPROVEMENTS #3	0	0	0.00	0.00	130,324.91	0.00	0.00
CAPITAL IMPROVE #3 RES	0	0	0.00	0.00	0.00	0.00	0.00
CAPITAL IMPROVE 1/2%	0	0	0.00	0.00	65,162.46	0.00	0.00
CAPITAL IMPROVE 1/2% RES	<u>790,669</u>	<u>790,669</u>	<u>958.00</u>	<u>5,740.00</u>	<u>8,411.00</u>	<u>784,929.00</u>	<u>99.27</u>
TOTAL REVENUES	1,826,381	1,826,381	62,818.42	315,856.11	302,185.47	1,510,524.89	82.71
<hr/>							
	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
CAPITAL IMPROVE 2018	1,035,712	1,035,712	60,635.10	401,652.15	9,657.50	634,059.85	61.22
CAPITAL IMPROVEMENTS #3	60,000	60,000	0.00	0.00	0.00	60,000.00	100.00
CAPITAL IMPROVE #3 RES	233,241	233,241	0.00	9,170.00	0.00	224,071.00	96.07
CAPITAL IMPROVE 1/2%	246,162	246,162	7,612.50	98,156.98	77,009.38	148,005.02	60.13
CAPITAL IMPROVE 1/2% RES	<u>251,266</u>	<u>251,266</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>251,266.00</u>	<u>100.00</u>
TOTAL EXPENDITURES	1,826,381	1,826,381	68,247.60	508,979.13	86,666.88	1,317,401.87	72.13
<hr/>							
REVENUES OVER/ (UNDER) EXPENDITURES	0	0	(5,429.18)	(193,123.02)	215,518.59	193,123.02	0.00

**CITY MANAGER'S REPORT
MARCH 16, 2020 MCCOOK CITY COUNCIL MEETING**

5.A.
ITEM NO. ___ Approve the LB840 Economic Development Revolving Loan Fund Program loan for Early Morning Cackle Spirit Shop/Bottle Shop in the amount of \$55,700, with the condition precedent that the Board of Directors of the McCook Economic Development Corporation approve the loan.

BACKGROUND:

Early Morning Cackle Spirit Shop/Bottle Shop has applied for an LB840 Economic Development Revolving Loan Fund program loan. The loan serves as a gap funding source to assist Early Morning Cackle with the purchase of the Bottle Shop and Spirit Shop. The loan will be a 10 year loan in the amount of \$55,700 at 3%. The terms of the loan are similar to previous LB840 loans. A copy of the application is attached to this report. It should be noted that since this application involves the purchase of real estate, City Council approval is necessary pursuant to our LB840 Plan.

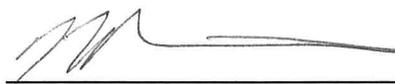
As for the attached condition precedent, the McCook Economic Development Corporation Board of Directors are attempting to hold a special meeting on Monday afternoon to approve the loan. The Board of Directors must approve the loan prior to the City Council's approval. If the Board of Directors are unable to grant approval, this matter will be postponed until April 6. City Staff will provide the City Council with an update from the McCook Economic Development Corporation meeting on Monday night.

APPROVALS:



March 12, 2020

Lea Ann Doak, City Clerk



March 12, 2020

Nate Schneider, City Manager

CITY OF MCCOOK, NEBRASKA
ECONOMIC DEVELOPMENT REVOLVING LOAN FUND PROGRAM
APPLICATION

Applicant Name: ROBERT V. HALL Title: PRESIDENT
Company Name: EARLY MORNING CACKLE SPIRIT SHOP - BOTTLE SHOP
Address: 37974 DR. 715 McCook NE 69001
Street City State Zip Code
Telephone: (308) 340-0702
Contact Person (if different than applicant): KEN KUPROSKIS
Telephone: (308) 340

Business Type: Corporation, Partnership, Sole Proprietor

IF CORPORATION OR PARTNERSHIP LIST OFFICERS/PARTNERS:

Name: ROBERT V. HALL Title: PRESIDENT Ownership: 100 %
Name: _____ Title: _____ Ownership: _____ %
Name: _____ Title: _____ Ownership: _____ %
Name: _____ Title: _____ Ownership: _____ %

Project Type: Business Start-up Business Expansion

Business Activity (Product or Service): RETAIL SALES OF BEER WINE
& SPIRITS

Years in Business: _____ Current Employment: NEWLY HIRED CENTRALINK
(Full-Time Equivalent)

Proposed Employment: 7.0 FTE (New/added jobs related to project)

Project Narrative: _____

TYPE OF ASSISTANCE REQUESTED:

Loan Amount: \$ 100,000 Term: 10 Yrs Rate: 3 %

Use of Funds: Purchase Land Purchase Building
 (Check all that apply) Construction Renovation
 Mach/Equip Working Capital
 Interim Financing

Training Assistance Amount: \$ _____

Public Improvements Amount: \$ _____

Describe: _____

SOURCES AND USES OF ALL PROJECT FUNDS

Description	Cost	Bank Loan	City Loan	Equity
Land/Building	\$ <u>260,000</u>	\$ _____	\$ _____	\$ _____
Mach/Equip	\$ <u>30,000</u>	\$ _____	\$ _____	\$ _____
Work Capital	\$ _____	\$ _____	\$ _____	\$ _____
Interim Finance	\$ _____	\$ _____	\$ _____	\$ _____
Training	\$ _____	\$ _____	\$ _____	\$ _____
Public Improve	\$ _____	\$ _____	\$ _____	\$ _____
Other: <u>INVENTORY</u> <u>GOODWILL</u>	\$ <u>130,000</u> \$ <u>80,000</u>	\$ _____	\$ _____	\$ _____
Project Totals	\$ <u>500,000</u>	\$ <u>300,000</u>	\$ <u>100,000</u>	\$ <u>100,000</u>

To Be Included With Application:

- A. Resume of Principal (s)
- C. Business Plan (Including):
 1. Cash flow and income projections monthly 1st yr. annually for next two years, including your assumptions
 2. Management plan
 3. Market demand summary/purchase orders
- D. Personal Financial Statement of Principal (s)

CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING

ITEM: **5.B.**

Approve Ordinance No. 2020-2998 on its third and final reading, adopting the official Extraterritorial Jurisdiction Zoning Map for the City of McCook, with the condition that Red Willow County adopt a zoning map to harmonize Red Willow County's zoning jurisdiction with the City of McCook's Extraterritorial Jurisdiction

BACKGROUND:

The City Manager's Report prepared for the February 17 meeting is attached for your reference.

FISCAL
IMPACT: None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 12, 2020



Nathan A. Schneider, City Manager

March 12, 2020

ORDINANCE NO. 2020-2998

AN ORDINANCE OF THE CITY OF MCCOOK, NEBRASKA ADOPTING THE OFFICIAL EXTRATERRITORIAL JURISDICTION (ETJ) ZONING MAP FOR THE CITY OF MCCOOK, NEBRASKA; TO PROVIDE FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; AND TO PROVIDE FOR THE EFFECTIVE DATE HEREOF.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of McCook, Nebraska:

Section 1. That attached hereto as Exhibit A and incorporated herein by this reference is a map showing the proposed official Extraterritorial Jurisdiction (ETJ) Zoning Map for the City of McCook, Nebraska, and which map upon adoption of this Ordinance shall represent the extraterritorial jurisdiction of the City of McCook. This document shall replace the previous extraterritorial jurisdiction map approved by the City of McCook.

Section 2. That the Planning Commission of the City of McCook on February 10, 2020, after notice and public hearing, recommended approval of the extraterritorial jurisdiction as represented by the map in Exhibit A.

Section 3. That the City Council after notice and public hearing find and determine that the actions described above and depicted in Exhibit A are in the best interests of the City.

Section 4. That the revised boundaries of the extraterritorial jurisdiction of the City as depicted in Exhibit A are hereby approved and shall be incorporated into the Official Zoning Map of the City of McCook.

Section 5. That this ordinance is conditioned upon Red Willow County adopting a zoning map that harmonizes Red Willow County's Zoning Map with the City of McCook's Zoning Map.

Section 6. Any and all ordinances or parts of ordinances in conflict herewith shall be and are hereby repealed.

Section 7. This ordinance shall take effect March 31, 2020 and be in full force from and after its passage, approval, and publication in pamphlet form as required by law.

PASSED AND APPROVED this ____ day of _____, 2020.

Michael D. Gonzales, Mayor

ATTEST:

**CITY MANAGER'S REPORT
FEBRUARY 17, 2020 MCCOOK CITY COUNCIL MEETING**

3.A.

ITEM NO. ___ Public Hearing - Regarding the modification of the City of McCook's two mile Extra Territorial Jurisdiction (ETJ) to coordinate the City's extra territorial boundary with existing section, half section, and quarter section lines.

ITEM NO. ~~3~~.B. Approve Ordinance No. 2020- ~~2998~~ adopting the official Extraterritorial Jurisdiction Zoning Map for the City of McCook, with the condition that Red Willow County adopt a zoning map to harmonize Red Willow County's zoning jurisdiction with the City of McCook's Extraterritorial Jurisdiction.

BACKGROUND:

Over the past year, Red Willow County and City of McCook officials have discussed the possibility of jointly modifying each entities jurisdictional maps in order to provide clarity with regard to zoning authority in McCook's ETJ. Pursuant to Article 2 of McCook's Zoning Ordinance, the City of McCook has zoning jurisdiction over the corporate limits of the City of McCook and within the territory beyond the corporate limits for a distance of two miles or less in all directions. Article 2 of McCook's Zoning Ordinance establishes the official zoning map of the City of McCook. The City of McCook utilizes the zoning map to determine which properties are within its control for zoning purposes. Our current ETJ is established utilizing a radius method for boundary determination. This method has proved to be problematic as the boundary arcs bisect individual parcels, which means part of a parcel is within McCook's ETJ and part of the parcel is outside of McCook's ETJ. According to Nebraska law and McCook's Zoning Ordinance, any land outside of McCook's ETJ is to be governed by Red Willow County's zoning regulations. Parcel owners with lots that are bisected by the City's ETJ are left trying to determine which jurisdiction is the controlling authority. This is also true for City and County officials.

Staff is proposing a modification of our zoning map in order to remedy the jurisdictional confusion. The proposal has been examined by both officials from the City of McCook and Red Willow County. Both entities are in support of the requested change. The proposal would eliminate the radius based ETJ boundary, and instead incorporate an ETJ boundary system that would follow section, half section, and quarter section lines. By practical application, the new boundary would follow established county roads. The bisection of individual properties would cease. The effect of the modification would be to assure that all of the properties bordering McCook's ETJ would either be "inside" or "outside" the City's zoning district. This would alleviate the guess work involved in trying to determine whether the City's zoning laws govern a parcel.

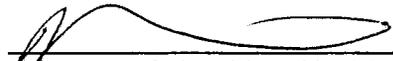
Staff has taken this matter to the Planning Commission on three separate occasions for review. One of the Planning Commission meetings was a joint session with the Red Willow County Planning Commission. At the February 10, 2020 City of McCook Planning Commission meeting, the McCook Planning Commission unanimously recommended approval of the zoning map modification to the McCook City Council. During the McCook Planning Commission's discussion of the proposal, the general consensus of the Commission was that the zoning map Ordinance should contain a condition that the modification will only take place if Red Willow County harmonizes its zoning map to assure the intended zoning results are achieved. To this end, Staff recommends including this condition in the motion to approve Ordinance No. 2020- ~~2998~~.

EXHIBIT #1

PAGE(S) - 2

One item that needs to be addressed is whether or not the City of McCook will continue to provide building code services to the Calabria Subdivision. Per the subdivision agreement executed between Calabria's developer and the City of McCook, the City has provided building code services to the residents of Calabria since its inception. Red Willow County and the City of McCook believe continued building code services provided by the City of McCook is in the best interest of the Calabria Subdivision's residents. It also keeps the City of McCook in compliance with the Calabria Subdivision agreement. To this end, an inter-local agreement will be proposed to the Council for consideration at a later date.

APPROVALS:



Nathan A. Schneider, City Manager

February 12, 2020



Lea Ann Doak, City Clerk

February 12, 2020



Barry Mooney, Building Inspector

February 12, 2020

**CITY MANAGER'S REPORT
MARCH 16, 2020 MCCOOK CITY COUNCIL MEETING**

5.C.
ITEM NO. ___ Approve Resolution No. 2020-05 approving an Interlocal Agreement between the City of McCook and Red Willow County for the continued provision of building inspection and permitting services for Calabria Subdivision.

BACKGROUND:

In conjunction with the City of McCook's redrawing of its Extraterritorial Jurisdiction (ETJ) boundary, the City of McCook and Red Willow County recognize the need to enter into an Interlocal Agreement to assure building inspection and permitting services continue for Calabria Subdivision. The newly adopted boundary will exclude Calabria Subdivision from the City's two-mile ETJ. However, at the time Calabria Subdivision was approved, an agreement was executed by the City of McCook and the Developer to assure building services were provided to the Subdivision. In order to comply with the terms of the Calabria Subdivision Agreement, it is necessary for the City of McCook and Red Willow County to enter into a separate agreement permitting the continuation of building code services.

The proposed agreement contemplates that the City of McCook will continue to provide minimum building inspection and permitting services for all new and existing structures. The City of McCook will forward all building permit documents to Red Willow County for its records. The term of this Agreement is 10 years and it can be extended beyond that time period.

APPROVALS:



March 12, 2020

Nathan A. Schneider, City Manager



March 12, 2020

Lea Ann Doak, City Clerk

**JOINT
CITY OF MCCOOK - RED WILLOW COUNTY
BUILDING INSPECTION AND PERMITTING SERVICES FOR CALABRIA
SUBDIVISION
INTERLOCAL AGREEMENT**

This Interlocal Agreement made and entered into between the City of McCook, Nebraska, hereinafter called "McCook", and Red Willow County, Nebraska, hereinafter called "the County".

WITNESSETH:

MCCOOK and the COUNTY hereby enter into this Interlocal Agreement under and by virtue of the power to do so granted by the Interlocal Cooperation Act, Sections 13-801 thru 13-807, inclusive, of the Nebraska Revised Statutes, as amended.

The COUNTY is desirous of entering into an Interlocal Agreement to establish a building inspection and permitting program which provides a skilled and experienced inspector to the Calabria Subdivision in its entirety.

MCCOOK is desirous of entering into an Interlocal Agreement to provide building inspection and permitting services to the Calabria Subdivision in its entirety.

NOW, THEREFORE, the parties of the Interlocal Agreement, in consideration of the mutual covenants and stipulations set out herein, agree as follows:

1. MCCOOK will provide minimum building inspection and permitting services for all new and existing structures. Inspection services will include the following inspections:
 - 1.1. Footing/Foundation
 - 1.2. Underfloor Plumbing
 - 1.3. Framing
 - 1.4. Rough-in Plumbing
 - 1.5. Rough-in Mechanical
 - 1.6. Final Inspection
 - 1.7. Remodel/Addition Inspection
2. MCCOOK will forward all building permit documentation, including, but not limited to, permits and reports to the county zoning administrator as soon as reasonably possible after completion.
3. MCCOOK will provide these services for a period of ten (10) years from the date of this Agreement. The Agreement will continue from year to year, subject to negotiations between MCCOOK and the COUNTY for the following years. All said negotiations for the extended term shall be concluded at least sixty (60) days prior to the expiration date of this Agreement.
4. In the event that the parties fail to agree to a negotiated agreement, the Interlocal Agreement will remain in effect under the terms and conditions of the last negotiated Interlocal Agreement in the year preceding subject to the following exception:
 - 4.1. This Interlocal Agreement may be altered or terminated at any time upon filing of written notice by either party, MCCOOK or the COUNTY, sixty (60) days prior to the effective termination date. Notice of Cancellation may be served by regular mail upon either the City Manager as representative of MCCOOK or upon a County Commissioner as representative of the COUNTY.

5. Inspection services performed in the Calabria Subdivision by MCCOOK will require a twenty-four (24) hour notice to allow adequate time for scheduling.
6. This instrument contains the entire Interlocal Agreement between the parties, and no statement, promises, or inducements made by other party or agent of either party that is not continued in the written Agreement shall be valid or binding; and this Interlocal Agreement may not be enlarged, modified, or altered except in writing signed by the parties and endorsed hereon.
7. This Agreement shall insure to the benefit and be binding upon to the heirs, executors, administrators, assignees and successors of the respective parties.

Dated this 16th day of March, 2020.

CITY OF MCCOOK, NEBRASKA

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer

Dated this _____ day of _____, 2020.

RED WILLOW COUNTY, NEBRASKA

Earl McNutt, Chairman
Board of Commissioners

ATTEST:

Tami Teel, County Clerk

RESOLUTION NO. 2020-05

A RESOLUTION ADOPTING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF MCCOOK, NEBRASKA AND RED WILLOW COUNTY, NEBRASKA FOR BUILDING INSPECTION AND PERMITTING SERVICES FOR CALABRIA SUBDIVISION.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1. The Joint City of McCook - Red Willow County Building Inspection and Permitting Services for Calabria Subdivision Interlocal Agreement, a copy of which is attached hereto, is hereby adopted and has been determined to be in the interest of both parties that the City of McCook staff will provide building inspection and permitting services for up to ten (10) years.

SECTION 2. The Mayor be and is hereby authorized and directed to execute the said Interlocal Agreement on behalf of the City of McCook.

PASSED AND ADOPTED by the City Council of the City of McCook, Nebraska, this 16th day of March, 2020.

ATTEST:

Michael D. Gonzales, Mayor

Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 5.d.

Approve Ordinance No. 2020-3000 on its third and final reading, adding Section 130.33 to the City of McCook Code of Ordinances and amending Section 130.99 of the City of McCook Code of Ordinances, Chapter 130: General Offenses.

BACKGROUND:

The City Manager's Report prepared for the February 17 meeting is attached for your reference.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 11, 2020



Nathan A. Schneider, City Manager

March 11, 2020

ORDINANCE NO. 2020-3000

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 130: GENERAL OFFENSES, OF THE CITY OF MCCOOK CODE OF ORDINANCES; ADDING SECTION 130.33 - OBSTRUCTING/HARASSING A PEACE OFFICER; AMENDING SECTION 130.99 - PENALTY; TO PROVIDE THAT OBSTRUCTION OF A POLICE ANIMAL IS AN OFFENSE; TO PROVIDE THAT HARASSMENT OF A POLICE ANIMAL IS AN OFFENSE; TO CLARIFY THE DEFINITION OF "POLICE ANIMAL"; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MCCOOK NEBRASKA:

SECTION 1. That Chapter 130: General Offenses, of the City of McCook Code of Ordinances, Section 130.33 - Obstructing/Harassing A Peace Officer, shall be added to read as follows:

§ 130.33 OBSTRUCTING/HARASSING A PEACE OFFICER.

(A) A person commits the offense of obstructing a peace officer when, by using or threatening to use violence, force, physical interference, or obstacle, he or she intentionally obstructs, impairs, or hinders:

(1) The enforcement of the penal law or the preservation of the peace by a peace officer or judge acting under color of his or her official authority; or

(2) A police animal assisting a peace officer acting pursuant to the peace officer's official authority.

(B) A person commits harassment of a police animal if he or she knowingly and intentionally teases or harasses a police animal in order to distract, agitate, or harm the police animal for the purpose of preventing such animal from performing its legitimate official duties. (Neb. RS 28-1009).

(C) For purposes of this section, POLICE ANIMAL means a horse or dog owned or controlled by the state or any county, city, or village for the purpose of assisting a peace officer acting pursuant to his or her official authority. (Neb, RS 28-906).

SECTION 2. That Chapter 130: General Offenses, of the City of McCook Code of Ordinances, Section 130.99 - Penalty, shall be amended to read as follows:

§ 130.99 PENALTY.

(A) Any person violating any provision of this chapter for which no specific penalty is prescribed shall be subject to § 10.99.

(B) Any person violating § 130.01 shall, upon conviction therefore, be punished as follows:

(1) If the conviction is for a first offense, the person shall be punished by a fine of not less than \$100;

(2) If the conviction is for a second offense, the person shall be punished by a fine of not less than \$100 and shall be confined jail for not less than six days nor more than 30 days; and

(3) If the conviction is for a third offense, or subsequent offense thereafter, the person shall be punished by a fine of not less than \$100 and confinement, with or without hard labor, in the city jail for not less than six days nor more than three months.

(Prior Code, § 6-409)

(C) Any person who violates any of the prohibitions or provisions of §§ 130.30 through 130.32 shall be deemed guilty of a misdemeanor. Unless otherwise specified in this particular section, the penalty for the violation shall be in any amount not less than \$25 and not to exceed \$1,000 and/or imprisonment for any length of time not to exceed three months, in the discretion of the court, provided whenever §§ 130.30 through 130.32 shall declare a nuisance, a violation of that section shall be penalized by a fine of not more than \$1,000, in which case a new violation shall be deemed to have been committed every 24 hours of the failure to comply.

(Prior Code, § 6-412)

(D) Any person who violates § 130.33 shall, upon conviction therefore, be guilty of a misdemeanor and be punished as follows:

(1) If the conviction is for a first offense, the person shall be punished by a fine of not less than \$750 and not to exceed \$1,000.00.

(2) If the conviction is for a second offense or for any offense thereafter, the person shall be punished by a fine of not less than \$1,500.00.

(E) Whenever a nuisance exists as defined in this chapter, the municipality may proceed by a suit in equity to enjoin and abate the same, in the manner provided by law. Whenever, in any action, it is established that a nuisance exists, the court may, together with the fine or penalty imposed, enter an order of abatement as a part of the judgment in the case.

(Prior Code, § 6-413)

Statutory reference:

Authority, see Neb. RS 16-227, 16-228, 18-1720, 18-1722

Similar state law provisions, see Neb. RS 28-519

SECTION 3. Any other ordinance or code section passed and approved prior to passage, approval, and publication or posting of this ordinance and in conflict with its provisions is repealed.

SECTION 4. This ordinance shall take effect and be in full force from and after its passage, approval, and publication or posting as required by law.

PASSED AND APPROVED this _____ day of _____, 2020.

Mayor

ATTEST:

Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT
FEBRUARY 17, 2020 MCCOOK CITY COUNCIL MEETING**

5.A.

ITEM NO. ___ Approve Ordinance No. 2020- 3000 on first reading adding 130.33 to the City of McCook Code of Ordinances and amending 130.99 of the City of McCook Code of Ordinances, Chapter 130: General Offenses.

BACKGROUND:

At the recommendation of the City Attorney, Staff is proposing the addition of a new ordinance, 130.33, which makes it a general offense under the City of McCook Code of Ordinances to: 1) obstruct a peace officer from enforcing the law or hindering a police animal assisting a peace officer in his or her official duties, or 2) harass a police animal for the purpose of preventing such animal from performing its official duties.

Further, an amendment to the penalty provision attached to 130.33 is recommended. The proposed amendment to 130.99 provides that any person who violates 130.33 shall be punished by a fine of not less than \$750 and not to exceed \$1,000 for the first offense, and by a fine of not less than \$1,500 for a second offense or for any subsequent offense thereafter.

APPROVALS:



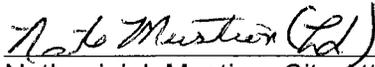
Nathan A. Schneider, City Manager

February 12, 2020



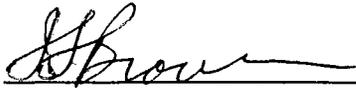
Lea Ann Doak, City Clerk

February 12, 2020



Nathaniel J. Mustion, City Attorney

February 12, 2020



Isaac S. Brown, Police Chief

February 12, 2020

CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING

ITEM:

5.E

Consider on its third and final reading Ordinance No. 2020-2999 repealing Section 90.24; amending Sections 90.08, 90.20, 90.22, 90.23, 90.30, and 90.99; and adding 90.33, 90.34, 90.35, 90.36, and 90.37, to the City of McCook Code of Ordinances and amending Section 130.99 of the City of McCook Code of Ordinances, Chapter 90: Animals.

BACKGROUND:

The City Manager's Report prepared for the February 17 meeting is attached for your reference.

FISCAL

IMPACT: None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 12, 2020



Nathan A. Schneider, City Manager

March 12, 2020

ORDINANCE NO. 2020-2999

AN ORDINANCE ADDING SECTIONS 90.33, 90.34, 90.35, 90.36, 90.37 AMENDING SECTIONS 90.08, 90.20, 90.22, 90.23, 90.30, 90.99 AND REPEALING SECTION 90.24 IN ITS ENTIRETY; AS THEY PERTAIN TO CHAPTER 90 - ANIMALS, OF THE CITY OF MCCOOK CODE OF ORDINANCES; PROVIDING FOR THE REPEAL OF ANY AND ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE ENFORCED.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1 That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.08 - Off-Leash Dog Areas in City, shall be amended to read as follows:

§ 90.08 OFF-LEASH DOG AREAS IN CITY.

Notwithstanding anything in this section to the contrary, dogs that have been vaccinated and display proper immunization tags and that have not been determined to be dangerous and/or potentially dangerous by a court of law and which are healthy and not in heat may be exercised off-leash within the areas designated in paragraph 2 below if under the care, custody or control of a responsible person for the off-leash dog.

1. **Responsible Person.** A person having possession, charge, custody or control of the off-leash dog must remain present with the off-leash dog at all times, must carry a leash, must leash the dog at the first sign of aggression, must clean up dog feces created by the dog, and bears full responsibility for filling any holes and repairing any damage created by the dog. The person responsible for the off-leash dog must comply with rules and regulations regarding the park, and must remove the dog when the off-leash dog park is closed.

2. **Off-Leash Dog Areas.** Dogs may be exercised off-leash in the following areas:

a. **Barnett Park,** within the fenced area designated as an off-leash dog park subject to the rules and regulations of the operator of the park.

SECTION 2. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.20 - Definitions, shall be amended to read as follows:

§90.20 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

DOG. All dogs, male and female, of all ages.

HYBRID ANIMAL. Any animal that results from cross breeding between an

exotic animal and a domestic animal.

OWNER, POSSESSOR. Any person who shall harbor or permit any dog, cat, and/or hybrid animal to be for ten days or more in or about his or her house, store, or enclosure, or remain to be fed, shall be deemed the owner and possessor of such dog, cat, and/or hybrid animal and shall be deemed to be liable for all penalties herein prescribed.

(Prior Code, § 6-101) (Ord. 2009-2826, passed 8-17-2009)

Statutory reference:

Similar state law provisions, see Neb. RS 54-606, 77-4401

SECTION 3. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.22 - Number of Dogs and Hybrid Dogs Per Residence, shall be amended to read as follows:

§ 90.22 NUMBER OF DOGS AND HYBRID ANIMALS PER RESIDENCE.

No owner shall be allowed to own or harbor more than three dogs and/or hybrid animals in their household within the limits of the city. This section does not include dogs, and/or hybrid animals that are younger than 12 weeks of age.

SECTION 4. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.23 - Running At Large Prohibited, shall be amended to read as follows:

§ 90.23 RUNNING AT LARGE PROHIBITED.

Except as provided for in § 90.08, it shall be unlawful for the owner of any dog and/or hybrid animal to allow such dog and/or hybrid animal to run at large at any time within the corporate limits of the city. It shall be the duty of the police department or other officer designated by the City Manager to cause any dog and/or hybrid animal found to be running at large within the municipality to be taken up and impounded. "Running at large" shall mean any dog and/or hybrid animal found off the premises of the owner, and not under control of the owner or a responsible person, either by leash, cord, chain, wire, rope, cage or other suitable means of physical restraint.

SECTION 5. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.24 - Dangerous/Vicious Dogs and Hybrid Animals, is hereby repealed in its entirety.

SECTION 6. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.30 - Impounding, shall be amended to read as follows:

§ 90.30 IMPOUNDING.

It shall be the duty of the police department or other officer designated by the City Manager to capture, secure, and remove in a humane manner to an animal shelter any dog, cat, and/or hybrid animal violating any of the provisions of this subchapter. The dog, cat, and/or hybrid animal so impounded shall be treated in a humane manner and shall be provided with a sufficient supply of food and fresh water each day. Each impounded dog, cat, and/or hybrid animal shall be kept and maintained at the animal shelter for a period of 120 hours. Any dog, cat, and/or hybrid animal may be reclaimed by its owner during the period

of impoundment by payment of daily board fee and general impoundment fee set out in the Chapter 38 Fee Schedule in the McCook Code of Ordinances. The owner of an impounded dog, cat, and/or hybrid animal shall then be required to comply with the rabies vaccination requirements within 120 hours after release. If the dog, cat, and/or hybrid animal is not claimed at the end of the required waiting period the police department or other officer designated by the City Manager may direct the appropriate facility to dispose of the dog, cat, and/or hybrid animal in accordance with the applicable rules and regulations pertaining to the same; provided, that if, in the judgment of the police department or other officer designated by the City Manager, a suitable home can be found for any such dog, cat, and/or hybrid animal within the city, the dog, cat, and/or hybrid animal shall be turned over to that person and the new owner shall then be required to pay all fees and meet all vaccination requirements provided in this subchapter. The city shall acquire legal title to any dog, cat, and/or hybrid animal impounded in the animal shelter for a period longer than the required waiting period.

(Neb. RS 16-236) (Prior Code, § 6-111) (Ord. 2009-2826, passed 8-17-2009)

SECTION 7. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.33 - Dangerous Dogs and/or Hybrid Animals; Terms, Defined; shall be added to read as follows:

§ 90.33 DANGEROUS DOGS AND/OR HYBRID ANIMALS; TERMS, DEFINED.

(1) (a) Dangerous dog and/or hybrid animal means a dog and/or hybrid animal that, according to the records of the police department:

(i) Has killed a human being;

(ii) has inflicted injury on a human being resulting in a puncture wound and/or an injury that requires medical treatment;

(iii) has killed a domestic animal without provocation; or

(iv) has been previously determined to be a potentially dangerous dog by a court order, the owner has received notice of such determination, and the dog and/or hybrid animal inflicts an injury on a human being that does not require medical treatment, injures a domestic animal, or threatens the safety of humans or domestic animals.

(b) (i) A dog and/or hybrid animal shall not be defined as a dangerous dog and/or hybrid animal under subdivision (1)(a)(ii) of this section, if the individual was tormenting, abusing, or assaulting the dog and/or hybrid animal at the time of the injury or has, in the past, tormented, abused, or assaulted the dog and/or hybrid animal.

(ii) A dog and/or hybrid animal shall not be defined as a dangerous dog and/or hybrid animal under subdivision (1)(a)(iv) of this section, if the injury, damage, or threat was sustained by an individual who, at the time, was committing a willful trespass as defined by Nebraska statute, was committing any other tort upon the property of the owner of the dog and/or hybrid animal, was tormenting, abusing, or assaulting the dog and/or hybrid animal, or has, in

the past, been observed or reported to have tormented, abused, or assaulted the dog and/or hybrid animal, or was committing or attempting to commit a crime.

(iii) A dog and/or hybrid animal shall not be defined as a dangerous dog and/or hybrid animal under subdivision (1)(a) of this section if the dog and/or hybrid animal is a police animal as defined by Nebraska statute;

(2) Domestic animal means a cat, a dog, or livestock. Livestock includes buffalo, deer, antelope, fowl, and any other animal in any zoo, wildlife park, refuge, wildlife area, or nature center intended to be on exhibit;

(3) Medical treatment means treatment administered by a physician or other licensed health care professional that results in sutures or surgery or treatment for one or more broken bones;

(4) Owner means any person, firm, corporation, organization, political subdivision, or department possessing, harboring, keeping, or having control or custody of a dog and/or hybrid animal; and

(5) Potentially dangerous dog and/or hybrid animal means

(a) any dog and/or hybrid animal that when unprovoked

(i) inflicts an injury on a human being that is not a puncture wound and does not require medical treatment,

(ii) injures a domestic animal, or

(iii) chases or approaches a person upon streets, sidewalks, or any public grounds in a menacing fashion or apparent attitude of attack or

(b) any specific dog and/or hybrid animal with a known propensity, tendency, or disposition to attack when unprovoked, to cause injury, or to threaten the safety of humans or domestic animals.

(Neb. Rev. Stat. § 54-617) (Prior Code, § 90.24) Penalty, see § 90.99

SECTION 8. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.34 - Dangerous Dogs and/or Hybrid Animals; Actions Required; Costs; Limitations on Transport; Permanent Relocation; Procedure, shall be added to read as follows:

§ 90.34 DANGEROUS DOGS AND/OR HYBRID ANIMALS; ACTIONS REQUIRED; COSTS; LIMITATIONS ON TRANSPORT; PERMANENT RELOCATION; PROCEDURE.

(1) A dangerous dog and/or hybrid animal that has been declared as such shall be spayed or neutered and implanted with a microchip identification number by a licensed veterinarian within thirty days after such declaration. The cost of both procedures is the responsibility of the owner of the dangerous dog and/or hybrid animal. Written proof of both procedures and the microchip identification number shall be provided to the police department after the procedures are completed.

(2) No owner of a dangerous dog and/or hybrid animal shall permit the dog and/or hybrid animal to go beyond the property of the owner unless the dog and/or hybrid animal is restrained securely by a chain or leash.

(3) Except for a reasonable veterinary purpose, no owner of a dangerous dog and/or hybrid animal shall transport such dog and/or hybrid animal or permit such dog and/or hybrid animal to be transported to another county, city, or village in this state.

(Neb. Rev. Stat. § 54-618)

SECTION 9. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.35 - Dangerous Dogs and/or Hybrid Animals; Confinement Required; Warning Signs, shall be added to read as follows:

§ 90.35 DANGEROUS DOGS AND/OR HYBRID ANIMALS; CONFINEMENT REQUIRED; WARNING SIGNS.

(1) No person, firm, partnership, limited liability company, or corporation shall own, keep, or harbor or allow to be in or on any premises occupied by him, her, or it or under his, her, or its charge or control any dangerous dog and/or hybrid animal without such dog and/or hybrid animal being confined so as to protect the public from injury.

(2) While unattended on the owner's property, a dangerous dog and/or hybrid animal shall be securely confined, in a humane manner, indoors or in a securely enclosed and locked pen or structure suitably designed to prevent the entry of young children and to prevent the dog and/or hybrid animal from escaping. The pen or structure shall have secure sides and a secure top. If the pen or structure has no bottom secured to the sides, the sides shall be embedded into the ground at a depth of at least one foot. The pen or structure shall also protect the dog and/or hybrid animal from the elements. The pen or structure shall be at least ten feet from any property line of the owner. The owner of a dangerous dog and/or hybrid animal shall post warning signs on the property where the dog and/or hybrid animal is kept that are clearly visible from all areas of public access and that inform persons that a dangerous dog and/or hybrid animal is on the property. Each warning sign shall be no less than ten inches by twelve inches and shall contain the words warning and dangerous animal in high-contrast lettering at least three inches high on a black background.

(3) It is hereby required that the owner of a dangerous dog and/or hybrid animal or potentially dangerous dog and/or hybrid animal obtain liability insurance for each and every dog and/or hybrid animal they own that has been declared to be a dangerous dog and/or hybrid animal or potentially dangerous dog and/or hybrid animal with the minimum policy amount being \$150,000 per dog and/or hybrid animal.

(Neb. Rev. Stat. § 54-619)

SECTION 10. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.36 - Dangerous Dogs and/or Hybrid Animals; Confiscation; When; Costs, shall be added to read as follows:

§ 90.36 DANGEROUS DOGS AND/OR HYBRID ANIMALS; CONFISCATION; WHEN; COSTS.

Any dangerous dog and/or hybrid animal may be immediately confiscated by the police department if the owner is in violation of sections 90.33 to 90.37. The

owner shall be responsible for the reasonable costs incurred by the police department and the animal shelter for the care of a dangerous dog and/or hybrid animal confiscated by the police department or for the destruction of any dangerous dog and/or hybrid animal if the action by the police department is pursuant to law and if the owner violated sections 90.33 to 90.37.
(Neb. Rev. Stat. § 54-620)

SECTION 11. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.37 - Dangerous Dogs and/or Hybrid Animals; Disposal by Court Order, shall be added to read as follows:

§ 90.37 DANGEROUS DOGS AND/OR HYBRID ANIMALS; DISPOSAL BY COURT ORDER.

In addition to any other penalty, a court may order the police department to dispose of a dangerous dog and/or hybrid animal in an expeditious and humane manner.

(Neb. Rev. Stat. § 54-621)

SECTION 12. That Chapter 90 - Animals of the City of McCook Code of Ordinances, Section 90.99 - Penalty, shall be amended to read as follows:

§ 90.99 PENALTY.

(A) Any person violating any provision of this chapter for which no specific penalty is prescribed shall be subject to § 10.99.

(B) Any person who violates § 90.23 and the dog and/or hybrid animal has been determined to be dangerous shall be deemed to be guilty of a misdemeanor. The penalty for such violation shall be in the amount of \$750. A person who violates § 90.23 and the dog and/or hybrid animal has been determined to be a potentially dangerous dog and/or hybrid animal, shall be deemed guilty of a misdemeanor. The penalty for such violation shall be in the amount of \$500.

(C) Any person who violates § 90.23 and the dog and/or hybrid animal has not been determined to be dangerous or potentially dangerous shall be deemed to be guilty of misdemeanor. The penalty for such violation shall be in an amount of \$50 for the first, second, and third offenses; and \$100 for a fourth and all subsequent offenses.

(D) Any person who violates § 90.33(1) shall be deemed guilty of a misdemeanor. The penalty for such violation shall be in an amount not less than \$750 nor more than \$1,250; provided that where licenses are due the city, the court shall order such license secured and sums paid in addition to the fine fixed by the court. Any person who violates § 90.33(5) shall be deemed guilty of a misdemeanor. The penalty for such violation shall be in an amount not less than \$500 nor more than \$750;

(E) Any person who violates § 90.31 shall be guilty of a misdemeanor. The penalty for such violation shall be \$20 for the first offense and \$50 for each subsequent offense.

SECTION 13. Any and all other ordinances or parts of ordinances in conflict herewith shall be and are hereby repealed.

SECTION 14. This ordinance shall take effect and be in full force from and after its passage, approval, and publication as required by law in its entirety or in pamphlet form.

PASSED AND APPROVED this ____ day of _____, 2020.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk

**CITY MANAGER'S REPORT
FEBRUARY 17, 2020 MCCOOK CITY COUNCIL MEETING
5.B.**

ITEM NO. ___ Approve Ordinance No. 2020-2999 on first reading repealing 90.24; amending 90.08, 90.20, 90.22, 90.23, 90.30, and 90.99; and adding 90.33, 90.34, 90.35, 90.36, and 90.37, to the City of McCook Code of Ordinances, Chapter 90: Animals.

BACKGROUND:

Eleven years ago, the City of McCook amended its Code of Ordinances, updating numerous provisions found in Chapter 90: Animals. In particular, the City Council approved changes to code sections that dealt with animals running at large, dangerous and potentially dangerous animals, and the impounding of animals, just to name a few. After passage of the modifications, our City Attorney's office found the application of some of these ordinances to be difficult. A prime example of this could be found with the addition of cat at large. Also, while the 2009 ordinances were based on State law, it has been determined that some of the language added to the animal ordinance needed to be cleaned up to assure clarity. Our intent is to make sure the animal ordinances hold up to potential judicial challenges.

Over the past few months, Staff and the City Attorney reviewed Chapter 90 of the City's Code of Ordinances. We also reviewed the language contained within the State of Nebraska's animal statutes. Based on our review, it is our belief a number of the ordinances need to be repealed or amended. Additionally, Staff and the City Attorney believe there are provisions within the State of Nebraska's animal statute that need to be added to the City's Code of Ordinances to make sure our provisions are as airtight as possible. The proposed ordinances will serve to synchronize McCook's ordinances with Nebraska's Revised Statutes.

A quick run down of the proposed amendments and/or additions include:

- **90.08** - Allows for an off-leash dog area at Barnett Park;
- **90.20** - Removes cat from the definitions found within the Chapter;
- **90.22** - Replaces hybrid dog with hybrid animal (this occurs in subsequent language as well);
- **90.23** - Harmonizes the running at large ordinance with the off-leash dog area at Barnett Park;
- **90.30** - Removes the requirement that notice of impounding be posted on a bulletin board (this language does not comport with current practice);
- **90.33** - This proposed ordinance would replace current ordinance 90.24 (which is slated to be repealed) and parallels Nebraska State Statute 54-617 (dangerous/potentially dangerous dog and/or hybrid animal);
- **90.34** - This is a new ordinance that parallels Nebraska State Statute 54-618 detailing the actions required of a dangerous dog and/or hybrid animal's owner, limits the ability of the animal to go beyond its property absent a leash, and restricts transportation of the animal;
- **90.35** - This is a new ordinance that parallels Nebraska State Statute 54-619 requiring confinement of a dangerous dog and/or hybrid animal so as to protect the public, details confinement and warning sign requirements for the animal, and establishes an insurance procurement policy (the insurance provision includes potentially dangerous dogs/hybrid animals);
- **90.36** - This is a new ordinance that parallels Nebraska State Statute 54-620 granting the police department the immediate right to confiscate a dangerous dog and/or hybrid animal and places

an obligation on the owner to pay the costs of the animal shelter and police department associated with caring for the animal;

• **90.37** - This is a new ordinance that parallels Nebraska State Statute 54-621 and specifies that a court may order the police department to dispose of a dangerous dog and/or hybrid animal.

As part of this review, Staff also looked at the penalty provisions included in Chapter 90. Staff recommends increasing some of the penalty amounts found in McCook Municipal Code 90.99. In particular, the proposed ordinance contains an increase in the penalty for dogs and hybrid animals found running at large that have been determined to be dangerous. The proposed penalty for dangerous dogs/hybrid animals running at large would increase from \$500 to \$750. The proposed penalty for potentially dangerous dogs/hybrid animals running at large would increase from \$250 to \$500. The proposed ordinance also calls for an increase in the penalty for owners who have dogs that are determined to be dangerous or potentially dangerous. For dangerous dogs, the penalty range will increase from \$500 to \$1,000 to \$750 to \$1,250. For potentially dangerous dogs, the penalty range will increase from \$250 to \$500 to \$500 to \$750.

A copy of the proposed ordinance and the current code provisions at issue are included with this report.

APPROVALS:



Nathan A. Schneider, City Manager

February 12, 2020

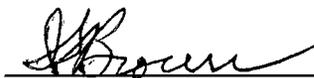


Lea Ann Doak, City Clerk

February 12, 2020

Nathaniel J. Mustion, City Attorney

February 12, 2020



Isaac S. Brown, Police Chief

February 12, 2020

CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING

ITEM: 5.F

Consider Ordinance No. 2020-3001 amending Chapter 38: Fee Schedule - Appendix H: Animal Impoundment and Boarding Fees of the City of McCook Code of Ordinances, upon its second reading and consider suspension of the statutory rule requiring reading on three separate occasions be suspended.

BACKGROUND:

The Council is considering Ordinance No. 2020-2999 on its third reading at the March 16 meeting. Section 6 of that proposed ordinance amends §90.30 - Impounding, and references the fees established in Chapter 38. A copy of the current fee schedule is attached for your reference. The daily boarding fee needs to be amended to reflect the amount currently charged by the McCook Humane Society.

Staff recommends the approval of this proposed ordinance under suspension of the rule, to coincide with the approval of Ordinance No. 2020-2999 which refers to the established impounding fees.

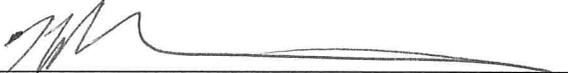
**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 11, 2020



Nathan A. Schneider, City Manager

March 11, 2020

ORDINANCE NO. 2020-3001

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 38: FEE SCHEDULE - APPENDIX H: ANIMAL IMPOUNDMENT AND BOARDING FEES, OF THE CITY OF MCCOOK CODE OF ORDINANCES; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR A TIME AND DATE FROM AND AFTER WHICH THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE.

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1. That Chapter 38: Fee Schedule - Appendix H: Animal Impoundment and Boarding Fees, of the City of McCook Code of Ordinances, shall be and is hereby amended to read as follows:

APPENDIX H: ANIMAL IMPOUNDMENT AND BOARDING FEES

Pursuant to §90.30 of this code, the following fees have been set for any dog, cat, and/or hybrid animal impounded within the City Animal Shelter.

(1) Shelter impoundment fee: \$15.00

(2) Daily board fee (Per day): \$15.00

(Ord. 1768, passed 2-4-1985)

SECTION 2. Any and all other ordinances or parts of ordinances in conflict herewith shall be and are hereby repealed and abrogated.

SECTION 3. This ordinance shall take effect and be in full force from and after its passage, approval and publication as required by law in its entirety or in pamphlet form, as the case may be.

PASSED AND APPROVED THIS ____ day of _____, 2020.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk

Publish:

APPENDIX H: ANIMAL IMPOUNDMENT AND BOARDING FEES

90-30

Pursuant to ~~§ 90.28~~ of this code, the following fees have been set for dogs impounded within the City Animal Shelter.

- (1) Shelter impoundment fee: \$15
- (2) Daily board fee (per day): \$3
(Ord. 1768, passed 2-4-1985)

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 5.G.

Approve Ordinance No. 2020-3002 on its second reading, amending 90.03 and 95.35, and repealing 95.05 of the City of McCook Code of Ordinances, Chapter 95: Nuisance; Health and Sanitation.

BACKGROUND:

The City Manager's Report prepared for the March 2 meeting is attached for your reference.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 12, 2020



Nathan A. Schneider, City Manager

March 12, 2020

ORDINANCE NO. 2020-3002

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 95: NUISANCE; HEALTH AND SANITATION, OF THE CITY OF MCCOOK CODE OF ORDINANCES; RELATING TO ABATEMENT OF NUISANCES; CLARIFYING LANGUAGE RELATING TO COSTS OF ABATEMENTS BEING COLLECTED AS A SPECIAL ASSESSMENT; AND RELATING TO WEEDS, LITTER AND STAGNANT WATER; CLARIFYING EXTRATERRITORIAL JURISDICTION TO ENFORCE REGULATIONS; DELETING SECTION 95.05 - INTERVENTION OF ADJOINING LAND OWNER; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1. That Chapter 95: Nuisance; Health and Sanitation, of the City of McCook Code of Ordinances, Section 95.03 - Abatement Procedure, shall be amended to read as follows:

§ 95.03 ABATEMENT PROCEDURE.

(A) It shall be the duty of every owner, occupant, lessee, or mortgagee of real estate in the municipality to keep such real estate free of public nuisances. The Board of Health shall inspect the property as shall come to its attention as being in violation of these requirements. Should the owner of any property prohibit the Board of Health from entering upon the property to make inspection, the Board shall apply to the County or District Court for an order authorizing inspection of the property.

(B) Upon determination by the Board of Health or designated official that the owner or occupant of any such real estate has failed to keep the real estate free of nuisances, notice to abate and remove such nuisance and notice of the right to a hearing before the governing body and the manner in which it may be requested shall be given to each owner or owner's duly authorized agent and to the occupant, if any, by personal service or by certified mail. If notice by personal service or certified mail is unsuccessful, notice shall be given by publication in a newspaper of general circulation in the municipality or by conspicuously posting the notice on the real estate upon which the nuisance is to be abated and removed. The notice shall describe the condition as found by the Board of Health or designated official and state that the condition has been declared a nuisance and must be remedied at once.

(C) If within five days after receipt of such notice or publication or posting, whichever is applicable, the owner or occupant of the real estate does not request a hearing with the municipality or fails to comply with the order to abate and remove the nuisance, the municipality may have such work done.

(D) If within five days after receipt of such notice or publication or posting,

whichever is applicable, the owner or occupant requests in writing a hearing with the governing body, the governing body shall fix a time and place at which a hearing will be held. Notice of the hearing shall be given by personal service or certified mail and require the owner or occupant to appear before the governing body to show cause why such condition should not be found to be a nuisance and remedied. The notice shall be given not less than 7 nor more than 14 days before the time of the hearing. Upon the date fixed for the hearing and pursuant to the notice, the governing body shall hear all objections made by the owner or occupant and shall hear evidence submitted by the Board of Health or designated official. If after consideration of all the evidence, the governing body finds that the condition is a nuisance, it shall, by resolution, order and direct the owner or occupant to remedy the nuisance at once. If the owner or occupant refuses or neglects to promptly comply with the order to abate and remove the nuisance, the governing body may have such work done.

(E) The costs and expenses of any such work shall be paid by the owner. If unpaid for two months after such work is done, the municipality may either:

(1) Levy and assess the costs and expenses of the work upon the real estate so benefitted as a special assessment in the same manner as other special assessments for improvements are levied and assessed; or

(2) Recover in a civil action the costs and expenses of the work upon the real estate and the adjoining streets and alleys.

SECTION 2. That Chapter 95: Nuisance; Health and Sanitation, of the City of McCook Code of Ordinances, Section 95.05 - Intervention of Adjoining Land Owner, shall be deleted in its entirety.

SECTION 3. That Chapter 95: Nuisance; Health and Sanitation, of the City of McCook Code of Ordinances, Section 95.35 - Weeds; Litter; Stagnant Water shall be amended to read as follows:

§ 95.35 WEEDS; LITTER; STAGNANT WATER.

(A) Lots or pieces of ground within the municipality or within its extraterritorial zoning jurisdiction shall be drained or filled so as to prevent stagnant water or any other nuisance accumulating thereon.

(B) The owner or occupant of any lot or piece of ground within the municipality or within its extraterritorial zoning jurisdiction shall keep the lot or piece of ground and the adjoining streets and alleys free of any growth of 12 inches or more in height of weeds, grasses, or worthless vegetation.

(C) The throwing, depositing, or accumulation of litter on any lot or piece of ground within the municipality or within its extraterritorial zoning jurisdiction is prohibited.

(D) It is hereby declared to be a nuisance to permit or maintain any

growth of 12 inches or more in height of weeds, grasses, or worthless vegetation on any lot or piece of ground within the municipality or within its extraterritorial zoning jurisdiction or on the adjoining streets or alleys or to litter or cause litter to be deposited or remain thereon except in proper receptacles.

(E) Any owner or occupant of a lot or piece of ground shall, upon conviction of violating this section, be guilty of an offense.

(F) (I) Notice to abate and remove such nuisance shall be given to each owner or owner's duly authorized agent and to the occupant, if any. Notice shall be given by first-class mail or by personal service. If notice is given by first-class mail, such mail shall be conspicuously marked as to its importance. Within five days after receipt of such notice, the owner or occupant of the lot or piece of ground may request a hearing with the municipality to appeal the decision to abate or remove a nuisance by filing a written appeal with the office of the Clerk. A hearing on the appeal shall be held within 14 days after the filing of the appeal and shall be conducted by the City Manager. The City Manager shall render a decision on the appeal within five business days after the conclusion of the hearing. If the appeal fails, the municipality may have such work done. Within five days after receipt of such notice, if the owner or occupant of the lot or piece of ground does not request a hearing with the municipality or fails to comply with the order to abate and remove the nuisance, the municipality may have such work done.

(2) The costs and expenses of any such work shall be paid by the owner. If unpaid for two months after such work is done, the municipality may either:

(a) Levy and assess the costs and expenses of the work upon the lot or piece of ground so benefitted as a special assessment in the same manner as other special assessments for improvements are levied and assessed; or

(b) Recover in a civil action the costs and expenses of the work upon the lot or piece of ground and the adjoining streets and alleys.

(G) For the purpose of this section, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

LITTER. Includes but is not limited to:

(a) Trash, rubbish, refuse, garbage, paper, rags, and ashes;

(b) Wood, plaster, cement, brick, or stone building rubble;

(c) Grass, leaves, and worthless vegetation except when used as ground mulch or in a compost pile;

(d) Offal and dead animals; and

(e) Any machine or machines, vehicle or vehicles, or parts of a machine or vehicle which have lost their identity, character, utility, or serviceability as such through deterioration, dismantling, or the ravages of time, are inoperative or unable to perform their intended functions, or are cast off, discarded, or thrown away or left as waste, wreckage, or junk.

WEEDS. Includes, but are not limited to: bindweed (*Convolvulus arvensis*), puncture vine (*Tribulus terrestris*), leafy spurge (*Euphorbia esula*), Canada thistle (*Cirsium arvense*), perennial peppergrass (*Lepidium draba*), Russian knapweed (*Centaurea picris*), Johnson grass (*Sorghum halepense*), nodding or musk thistle, quack grass (*Agropyron repens*), perennial sow thistle (*Sonchus arvensis*), horse nettle (*Solanum carolinense*), bull thistle (*Cirsium lanceolatum*), buckthorn (*Rhamnus sp.*) (tourn), hemp plant (*Cannabis sativa*), and ragweed (*Ambrosiaceae*).

Weeds, grasses, and worthless vegetation does not include vegetation applied or grown on a lot or piece of ground outside the corporate limits of the municipality but inside the municipality's extraterritorial zoning jurisdiction expressly for the purpose of weed or erosion control.
(Neb. RS 16-230, 17-563)

SECTION 4. Any other ordinance or code section passed and approved prior to passage, approval, and publication or posting of this ordinance and in conflict with its provisions is repealed.

SECTION 5. This ordinance shall take effect and be in full force from and after its passage, approval, and publication or posting as required by law.

PASSED AND APPROVED THIS _____ day of _____, 2020.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk

Publish:

**CITY MANAGER'S REPORT
MARCH 2, 2020 MCCOOK CITY COUNCIL MEETING**

4.E.
ITEM NO. Approve Ordinance No. 2020- 3002 on first reading amending 90.03 and 95.35, and repealing 95.05 to the City of McCook Code of Ordinances, Chapter 95: Nuisance; Health and Sanitation.

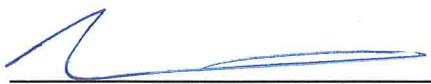
BACKGROUND:

Every year, the League of Nebraska Municipalities Codification Service reviews legislation passed during the year and prepares model ordinances based on the legislation. Staff and the city attorney have reviewed the recently proposed model ordinances. Based on our review, there are some ordinance changes staff recommends. We will present each recommendation separately, with its own individual staff report.

With respect to Chapter 95: Nuisance; Health and Sanitation, staff recommends an amendment to Section 95.03: Abatement Procedure. In particular, the amendment will provide more clarity regarding the notice requirements provided to the stakeholders, assuring that the City of McCook complies with state law. Additionally, the proposed ordinance spells out an appeals procedure whereby definite timelines are established. In addition to the amendment to Section 95.03, staff recommends repealing Section 95.05: Intervention of Adjoining Land Owner. During the review of the City's current ordinance, it was determined that it is not in the best interest of the nuisance case to allow an adjacent property owner to intervene.

Additionally, staff is recommending the amendment of Section 95.35: Control of Weeds, Litter, Stagnant Water. The proposed amendment establishes an appeals process whereby a hearing on an appeal will be held within 14 days after the filing of the appeal. The ordinance also sets the time in which the governing body may render an order pursuant to the appeal.

APPROVALS:



Nathan A. Schneider, City Manager

February 27, 2020



Lea Ann Doak, City Clerk

February 27, 2020

Nathaniel J. Mustion, City Attorney

February 27, 2020

Isaac S. Brown, Police Chief

February 27, 2020

CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING

ITEM: 5.H.

Approve Ordinance No. 2020-3003 on its second reading, amending 130.32 of the City of McCook Code of Ordinances, Chapter 130: General Offenses as it pertains to Abandoned Vehicles.

BACKGROUND:

The City Manager's Report prepared for the March 2 meeting is attached for your reference.

FISCAL
IMPACT: None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 12, 2020



Nathan A. Schneider, City Manager

March 12, 2020

ORDINANCE NO. 2020-3003

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 130: GENERAL OFFENSES - OFFENSES AGAINST THE PEACE, OF THE CITY OF MCCOOK CODE OF ORDINANCES; AMENDING SECTION 130.32 - ABANDONED AUTOMOBILES; ADDING NEW PROVISIONS RELATED TO REMOVING ABANDONED VEHICLES FROM PRIVATE PROPERTY; REVISING PROVISIONS RELATING TO REMOVING ABANDONED VEHICLES FROM PUBLIC PROPERTY; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1. That Chapter 130: General Offenses, of the City of McCook Code of Ordinances, Section 130.32 - Abandoned Automobiles, shall be and is hereby amended to read as follows:

§ 130.32 ABANDONED VEHICLES.

(A) For the purpose of this section, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

ABANDONED VEHICLE.

(a) A motor vehicle is an ***ABANDONED VEHICLE:***

(i) If left unattended, with no license plates or valid In Transit stickers issued pursuant to the Motor Vehicle Registration Act affixed thereto, for more than six hours on any public property;

(ii) If left unattended for more than 24 hours on any public property, except a portion thereof on which parking is legally permitted;

(iii) If left unattended for more than 48 hours, after the parking of such vehicle has become illegal, if left on a portion of any public property on which parking is legally permitted;

(iv) If left unattended for more than seven days on private property if left initially without permission of the owner, or after permission of the owner is terminated;

(v) If left for more than 30 days in the custody of a city law enforcement agency after the agency has sent a letter to the last-registered owner under division (D) of this section; or

(vi) If removed from private property by the municipality pursuant to a city ordinance or this code.

(b) An all-terrain vehicle or minibike is an ***ABANDONED VEHICLE:***

(i) If left unattended for more than 24 hours on any public property, except a portion thereof on which parking is legally permitted;

(ii) If left unattended for more than 48 hours, after the parking of such vehicle has become illegal, if left on a portion of any public property on which parking is legally permitted;

(iii) If left unattended for more than seven days on private property if left initially without permission of the owner, or after permission of the owner is terminated;

(iv) If left for more than 30 days in the custody of a municipality law enforcement agency after the agency has sent a letter to the last-registered owner under division (D) of this section; or

(v) If removed from private property by the municipality pursuant to a city ordinance or this code.

(c) A **MOBILE HOME** is an abandoned vehicle if left in place on private property for more than 30 days after a local governmental unit, pursuant to an ordinance or resolution, has sent a certified letter to each of the last-registered owners and posted a notice on the mobile home, stating that the mobile home is subject to sale or auction or vesting of title as set forth in Neb. RS 60-1903.

(d) No motor vehicle subject to forfeiture under Neb. RS 28-431 shall be an **ABANDONED VEHICLE** under this division (A).

MOBILE HOME. A movable or portable dwelling constructed to be towed on its own chassis, connected to utilities, and designed with or without a permanent foundation for year-round living. It may consist of one or more units that can be telescoped when towed and expanded later for additional capacity, or of two or more units, separately towable but designed to be joined into one integral unit, and shall include a manufactured home as defined in Neb. RS 71-4603. **MOBILE HOME** does not include a mobile home or manufactured home for which an affidavit of affixture has been recorded pursuant to Neb. RS 60-169.

PRIVATE PROPERTY. Any privately owned property which is not included within the definition of public property.

PUBLIC PROPERTY. Any public right-of-way, street, highway, alley, or park or other state, county, or city-owned property.
(Neb. RS 60-1901)

(B) If an abandoned vehicle, at the time of abandonment, has no license plates of the current year or valid In Transit stickers issued pursuant to Neb. RS 60-376 affixed and is of a wholesale value, taking into consideration the condition of the vehicle, of \$250 or less, title shall immediately vest in the municipality. Any certificate of title issued under this division to the municipality shall be issued at no cost to the municipality. (Neb. RS 60-1902)

(C) (1) Except for vehicles governed by division (B) of this section, the municipality shall make an inquiry concerning the last-registered owner of such vehicle as follows:

(a) Abandoned vehicle with license plates affixed, to the

jurisdiction which issued such license plates; or

(b) Abandoned vehicle with no license plates affixed, to the Department of Motor Vehicles.

(2) The municipality shall notify the last-registered owner, if any, that the vehicle in question has been determined to be an abandoned vehicle and that, if unclaimed, either:

(a) It will be sold or will be offered at public auction after five days from the date such notice was mailed; or

(b) Title will vest in the municipality 30 days after the date such notice was mailed.

(3) If the agency described in division (C)(1)(a) or (b) of this section also notifies the municipality that a lien or mortgage exists, such notice shall also be sent to the lienholder or mortgagee. Any person claiming such vehicle shall be required to pay the cost of removal and storage of such vehicle.

(4) Title to an abandoned vehicle, if unclaimed, shall vest in the municipality:

(a) Five days after the date the notice is mailed if the vehicle will be sold or offered at public auction under division (C)(2)(a) of this section;

(b) Thirty days after the date the notice is mailed if the municipality will retain the vehicle; or

(c) If the last-registered owner cannot be ascertained, when notice of such fact is received.

(5) After title to the abandoned vehicle vests pursuant to division (C)(4) of this section, the municipality may retain for use, sell, or auction the abandoned vehicle. If the municipality has determined that the vehicle should be retained for use, the municipality shall, at the same time that the notice, if any, is mailed, publish in a newspaper of general circulation in the jurisdiction an announcement that the municipality intends to retain the abandoned vehicle for its use and that title will vest in the municipality 30 days after the publication. (Neb. RS 60-1903)

(D) (1) If a municipality law enforcement agency has custody of a motor vehicle for investigatory purposes and has no further need to keep it in custody, it shall send a certified letter to each of the last-registered owners stating that the vehicle is in the custody of the law enforcement agency, that the vehicle is no longer needed for law enforcement purposes, and that after 30 days the agency will dispose of the vehicle.

(2) This division shall not apply to motor vehicles subject to forfeiture under Neb. RS 28-431.

(3) No storage fees shall be assessed against the registered owner of a motor vehicle held in custody for investigatory purposes under this

division (D) unless the registered owner or the person in possession of the vehicle when it is taken into custody is charged with a felony or misdemeanor related to the offense for which the law enforcement agency took the vehicle into custody. If a registered owner or the person in possession of the vehicle when it is taken into custody is charged with a felony or misdemeanor but is not convicted, the registered owner shall be entitled to a refund of the storage fees. (Neb. RS 60-1903.01)

(E) (1) A law enforcement agency is authorized to remove an abandoned or trespassing vehicle from private property upon the request of the private property owner on whose property the vehicle is located and upon information indicating that the vehicle is an abandoned or trespassing vehicle. After removal, the law enforcement agency with custody of the vehicle shall follow the procedures in Neb. RS 60-1902 and 60-1903.

(2) A law enforcement agency is authorized to contact a private towing service in order to remove an abandoned or trespassing vehicle from private property upon the request of the private property owner on whose property the vehicle is located and upon information indicating that the vehicle is an abandoned or trespassing vehicle. A vehicle towed away under this subsection is subject to Neb. RS 52-601.01 - 52-605 and 60-2410 by the private towing service which towed the vehicle.

(3) A private property owner is authorized to remove or cause the removal of an abandoned or trespassing vehicle from such property and may contact a private towing service for such removal. A private towing service that tows the vehicle shall notify, within 24 hours, the designated law enforcement agency in the jurisdiction from which the vehicle is removed and provide the registration plate number, the vehicle identification number, if available, the make, model, and color of the vehicle, and the name of the private towing service and the location, if applicable, where the private towing service is storing the vehicle. A vehicle towed away under this subsection is subject to Neb. RS 52-601.01 - 52-605 and 60-2410 by the private towing service that towed the vehicle.

(4) For purposes of this section, a trespassing vehicle is a vehicle that is parked without permission on private property that is not typically made available for public parking. (Neb. RS 1903.02)

(F) If a state agency caused an abandoned vehicle described in division (A)(a)(5) or (A)(b)(4) of this section to be removed from public property in this municipality, the state agency shall be entitled to custody of the vehicle. If a state agency caused an abandoned vehicle described in division (A)(a)(1), (2), (3), or (4) or (A)(b)(1), (2), or (3) of this section to be removed from public property in this municipality, the state agency shall deliver the vehicle to the municipality which shall have custody. (Neb. RS 60-1904)

(G) Any proceeds from the sale of an abandoned vehicle in the municipality's custody less any expenses incurred by the city shall be held by the city without interest, for the benefit of the owner or lienholders of such vehicle for a period of two years. If not claimed within such two-year period, the proceeds shall be paid into the general fund of the municipality. (Neb. RS 60-1905)

(H) Neither the owner, owner's agent, owner's employee, lessee, nor occupant of the premises from which any abandoned vehicle is removed, nor the municipality, shall be liable for any loss or damage to such vehicle which occurs during its removal or while in the possession of the municipality or its contractual agent, while in the possession of a private towing service, or as a result of any subsequent disposition. (Neb. RS 60-1906)

(I) No person shall cause any vehicle to be an abandoned vehicle as described in division (A)(a)(1), (2), (3), or (4) or (A)(b)(1), (2), or (3) of this section. (Neb. RS 60-1907)

(J) No person other than one authorized by the municipality or appropriate state agency shall destroy, deface, or remove any part of a vehicle which is left unattended on a highway or other public place without license plates affixed or which is abandoned. Anyone violating this division shall be guilty of an offense. (Neb. RS 60-1908)

(K) The last-registered owner of an abandoned vehicle shall be liable to the municipality for the costs of removal and storage of such vehicle. (Neb. RS 60-1909)

(L) Any person violating the provisions of this section shall be guilty of an offense, subject to penalty provided in Section 130.99.

SECTION 2. Any other ordinance or code section passed and approved prior to passage, approval, and publication or posting of this ordinance and in conflict with its provisions is repealed.

SECTION 3. This ordinance shall take effect and be in full force from and after its passage, approval, and publication or posting as required by law.

PASSED AND APPROVED THIS ____ day of _____, 2020.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk

Publish:

**CITY MANAGER'S REPORT
MARCH 2, 2020 MCCOOK CITY COUNCIL MEETING**

ITEM NO. 4.F Approve Ordinance No. 2020- 3003 on first reading amending 130.32 to the City of McCook Code of Ordinances; Chapter 130: General Offenses.

BACKGROUND:

Every year, the League of Nebraska Municipalities Codification Service reviews legislation passed during the year and prepares model ordinances based on the legislation. Staff and the city attorney have reviewed the recently proposed model ordinances. Based on our review, there are some ordinance changes staff recommends. We will present each recommendation separately, with its own individual staff report.

Staff recommends amending Section 130.32: Abandoned Automobiles. This section regulates the process for removing abandoned vehicles. On review, staff found that Nebraska law has significantly changed regarding abandoned vehicles. Some of the changes include:

- A change in the definition of abandoned vehicles to include vehicles left for more than 30 days in the custody of the City's police department after the department sends a letter to the last-registered owner;
- Provisions for the removal of vehicles from private property;
- A definition for mobile homes; and
- Provisions regarding how to give notice of vehicles in law enforcement custody for investigatory purposes that are no longer needed, and if nobody claims the vehicle, how to dispose of the vehicles.

APPROVALS:



Nathan A. Schneider, City Manager

February 27, 2020



Lea Ann Doak, City Clerk

February 27, 2020

Nathaniel J. Mustion, City Attorney

February 27, 2020

**CITY MANAGER'S REPORT
MARCH 16, 2020 CITY COUNCIL MEETING**

ITEM: 5.I

Approve Ordinance No. 2020-3004 on its second reading, amending 33.03 of the City of McCook Code of Ordinances, Chapter 33: Budget Regulations.

BACKGROUND:

The City Manager's Report prepared for the March 2 meeting is attached for your reference.

**FISCAL
IMPACT:** None.

APPROVALS:



Lea Ann Doak, City Clerk-Treasurer

March 12, 2020



Nathan A. Schneider, City Manager

March 12, 2020

ORDINANCE NO. 2020-3004

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 30: BUDGET REGULATIONS, OF THE CITY OF MCCOOK CODE OF ORDINANCES; SECTION 33.03 - PROPOSED BUDGET STATEMENT; HEARING; ADOPTION; CERTIFICATION OF TAX AMOUNT; RELATING TO BUDGET HEARING NOTICE; CHANGING BUDGET HEARING NOTICE PROVISIONS FROM FIVE TO FOUR CALENDAR DAYS; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1. That Chapter 30: Budget Regulations, of the City of McCook Code of Ordinances, Section 33.03 - Proposed Budget Statement; Hearing; Adoption; Certification of Tax Amount, shall be amended to read as follows:

§ 33.03 PROPOSED BUDGET STATEMENT; BEARING; ADOPTION; CERTIFICATION OF TAX AMOUNT.

(A) The governing body shall each year or biennial period conduct a public hearing on its proposed budget statement. Notice of the place and time of the hearing, together with a summary of the proposed budget statement, shall be published four calendar days prior to the date set for hearing in a newspaper of general circulation within the municipality's jurisdiction. For purposes of such notice, the four calendar days shall include the day of publication but not the day of hearing. When the total operating budget, not including reserves, does not exceed \$10,000 per year or \$20,000 per biennial period, the proposed budget summary may be posted at the governing body's principal headquarters.

(B) After the hearing, the proposed budget statement shall be adopted, or amended and adopted as amended, and a written record shall be kept of the hearing. The amount to be received from personal and real property taxation shall be certified to the levying board after the proposed budget statement is adopted or is amended and adopted as amended. The certification of the amount to be received from personal and real property taxation shall specify separately the amount to be applied to the payment of principal or interest on bonds issued by the governing body and the amount to be received for all other purposes.

(C) If the adopted budget statement reflects a change from that shown in the published proposed budget statement, a summary of the changes shall be published within 20 calendar days after its adoption in the manner provided in this section, but without provision for hearing, setting forth the items changed and the reasons for the changes.

(D) Upon approval by governing body, the budget shall be filed with the Auditor of Public Accounts. The Auditor may review the budget for errors in

mathematics, improper accounting, and noncompliance with the Nebraska Budget Act or Neb. RS 13-518 to 13-522. If the Auditor detects such errors, he or she shall immediately notify the Governing body of such errors. The governing body shall correct any such error as provided in § 35.34. Warrants for the payment of expenditures provided in the budget adopted under this section shall be valid notwithstanding any errors or noncompliance for which the Auditor has notified the governing body.

(Neb. RS 13-506)

(E) When a levy increase has been authorized by vote of the electors, the adopted budget statement shall indicate the amount of the levy increase.

(Neb. RS 13-507)

SECTION 2. Any other ordinance or code section passed and approved prior to passage, approval, and publication or posting of this ordinance and in conflict with its provisions is repealed.

SECTION 3. This ordinance shall take effect and be in full force from and after its passage, approval, and publication or posting as required by law.

PASSED AND APPROVED THIS _____ day of _____, 2020.

Michael D. Gonzales, Mayor

ATTEST:

Lea Ann Doak, City Clerk

Publish:

**CITY MANAGER'S REPORT
MARCH 2, 2020 MCCOOK CITY COUNCIL MEETING**

ITEM NO. 4.G Approve Ordinance No. 2020-3004 on first reading amending 33.03 to the City of McCook Code of Ordinances; Chapter 33: Budget Regulations.

BACKGROUND:

Every year, the League of Nebraska Municipalities Codification Service reviews legislation passed during the year and prepares model ordinances based on the legislation. Staff and the city attorney have reviewed the recently proposed model ordinances. Based on our review, there are some ordinance changes staff recommends. We will present each recommendation separately, with its own individual staff report.

Staff recommends amending Section 33.03: Proposed Budget Statement; Hearing; Adoption; Certification of Tax Amount. This section contains the process for providing printed notice of the annual budget hearing. Nebraska law requires notice of the public hearing to be published four days prior to the date set for the hearing in a newspaper of general circulation within McCook's jurisdiction. Originally, the State of Nebraska required publication to occur five days prior to the date set for the hearing. The City of McCook needs to amend its ordinance to reflect the notice requirement change.

APPROVALS:



Nathan A. Schneider, City Manager

February 27, 2020



Lea Ann Doak, City Clerk

February 27, 2020

Nathaniel J. Mustion, City Attorney

February 27, 2020