

# MCCOOK CITY COUNCIL

## REGULAR MEETING

**Monday, April 20, 2020**  
**5:30 PM - City Council Chambers**

**[Stream Meeting Here](#)**

Call to Order and Roll Call.

Statement from Mayor and Open Meetings Act Announcement.

**Rationale:**

### **INTRODUCTION TO ZOOM TELECONFERENCE MEETING FORMAT**

Thank you for joining us for tonight's regularly scheduled City Council meeting being held via public audio/teleconference means. I ask that you please mute your microphones so as not to disrupt the meeting progression.

If you wish to public comment and or have questions during the scheduled public hearing regarding N-Stant Convenience Redevelopment Plan, you will be asked to provide your name and address at that time. Members of the public may also provide comment for the hearing by calling 308-345-2022, extension 224.

### **OPEN MEETINGS ACT ANNOUNCEMENT**

In accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act is available for public review on the City of McCook's website.  
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 N-Stant Convenience 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.

3. Adopt Resolution No. CDA 2020-03 approving an amendment to the Redevelopment Plan for the City of McCook, to the City Council, and adopting a Cost Benefit Analysis for the N-Stant Convenience Redevelopment Project.

4. Recess as a Community Development Agency.

C. Adopt Resolution No. 2020-07 approving an amendment of the Redevelopment Plan of the City of McCook, Nebraska, including the N-Stant Convenience Redevelopment Project.

1. Recess as a City Council.

D. Approve Resolution No. CDA 2020-04 authorizing and approving a Redevelopment Agreement including the use of Tax Increment Financing for the N-Stant Convenience 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. 2020-08 approving the form of the Redevelopment Agreement for the N-Stant Convenience Redevelopment Project and authorizing the Community Development Agency to enter into said agreement.

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 April 6, 2020 regular City Council meeting.
  - B. Receive and file the City of McCook - Tax Increment Financing Annual Report - dated April 2020.
  - C. Receive and file the Financial Report for the period ending March 31, 2020.
  - D. Receive and reject all bids for the construction of a new garage at Memorial Park Cemetery.
  - E. Adopt Resolution No. 2020-09 granting a Waiver of Payment in Lieu of Taxes to the McCook Housing Agency.
  - F. Approve an addendum to the existing rental lease between the City of McCook and the Southwest Nebraska Community Theater Association for a portion of the southwest basement of the City Auditorium.
  - G. Approve a lease between the City of McCook and the Southwest Nebraska Community Theater Association to allow for the occupation and use of the southeast portion of the City Auditorium.
  - H. Approve the agreement between the City of McCook and Red Willow County for provision of Dispatch Services to Red Willow County Sheriff's Department and authorize the Mayor to sign the agreement.
  - I. Receive and file the minutes of the April 13, 2020 Planning Commission meeting.
  - J. Receive and file the claims for the month of March 2020 as published April 10, 2020.
8. Regular Agenda.
- A. Approve Resolution No. 2020-10 authorizing city staff to temporarily suspend utility disconnections and to waive utility administrative handling charges and required utility deposits due to the economic hardships caused by the federal, state, and local Covid-19 health emergency.
  - B. Approve on its second reading Ordinance No. 2020-3005 amending Chapter 31: City of McCook Policies, of the City of McCook Code of Ordinances, Section 31.56 - Sale or Conveyance of Property.
    - 1. Chairperson asks Clerk to read Ordinance by title.
    - 2. Consider approval of Ordinance No. 2020-3005 upon its second reading.

C. Approve on its second reading Ordinance No. 2020-3006 amending Chapter 30: Government Officials, of the City of McCook Code of Ordinances, Section 30.002 - Bonds Required and Section 30.040 - City Clerk.

1. Chairperson asks Clerk to read Ordinance by title.

2. Consider approval of Ordinance No. 2020-3006 upon its second reading.

D. Council Comments.

Adjournment.

**CITY MANAGER'S REPORT  
APRIL 20, 2020 MCCOOK CITY COUNCIL MEETING**

ITEM NO. 3.A. Public Hearing - Regarding a Redevelopment Plan for the N-Stant Convenience Redevelopment Project.

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**BACKGROUND:**

A Tax Increment Financing (TIF) application has been filed by Smoker's Outlet d/b/a N-Stant Convenience. Pursuant to Nebraska's Community Redevelopment Law, for every TIF application the City of McCook receives, public hearings must be held by the Planning Commission and City Council. On April 13, 2020, the McCook Planning Commission held a public hearing with regard to N-Stant Convenience's request. The Planning Commission voted unanimously to recommend approval of the application and passed a Resolution as such.

In January of 2020, Redevelopment Area #4 was approved, declaring an area located near the intersection of Highways 83 and 6/34 as blighted and substandard. Smoker's Outlet, Inc., d/b/a N-Stant Convenience submitted a TIF application after the blight designation was made. City Staff and TIF legal council have had an opportunity to review the application. A Redevelopment Plan was developed based upon the representations in the application, as is required by the Community Redevelopment Law.

The Redevelopment Plan states that the Redeveloper currently owns a convenience store directly to the northeast of the Highway 83 and 6/34 intersection. To the west of the convenience store, the Redeveloper owns vacant land. The Redeveloper is proposing to expand its business to offer fuel sales on the vacant land. In particular, the project would consist of the construction and development of a fuel station site that will contain 8-fuel pumps, or a 4-island double-sided fuel canopy on the vacant lot (ie. Project Site). The Redeveloper is requesting the CDA to consider issuing a TIF note in order to assist with the project's eligible TIF expenses. The Redeveloper asserts that but for the approval of TIF assistance, the project will not occur.

According to the Redevelopment Plan, the project contains a number of eligible costs that would qualify for TIF consideration. The eligible costs include: 1) land acquisition (\$125,000); 2) site preparation/stabilization which requires retaining wall improvements (\$75,000); 3) sewer line relocation (\$25,000); 4) CDA required administrative fee (\$6,000), and 5) cost of issuance (\$6,000). In total, the Redeveloper has \$237,000 of total estimated TIF uses. A cost-benefit analysis was conducted as part of the Redevelopment Plan to determine the amount that could be financed with the proceeds of the TIF generated by the improvements to the Project Site. Based on the analysis, it is anticipated that a TIF note in the amount of \$196,500 can be issued. The eligible uses exceed the amount of the anticipated note, assuring there will be enough costs to justify the issuance amount.

On examination of the cost-benefit analysis, the current project valuation is \$125,000. It is estimated the completed project will be assessed at \$1,107,724, generating a projected tax increment base of \$982,724. At the estimated tax levy of 1.9115555, the annual projected tax shift is \$18,785. This tax shift amount would be available to the Redeveloper to pay TIF related indebtedness that would be memorialized by a Redevelopment Agreement. The exact terms of a TIF backed note would be for a principal amount of \$196,500 with interest at 5% over a term

**EXHIBIT #1**

**PAGE(S) - 2**

of 15 years. The Redeveloper estimates that the total project costs will be \$1,110,000. This means that for every \$1 dollar of TIF assistance, the Redeveloper will privately spend \$5.64.

As for any TIF project, the Redeveloper must show that the requirements of Nebraska's Community Redevelopment Law are met. The proposed Redevelopment Plan demonstrates the proposed project's compliance with State law. First, the project will not negatively affect population density in the project area. Second, the project will meet the applicable land-coverage ratios and zoning requirements. Third, there will be no adverse impacts with respect to traffic flow. Fourth, there are no parking concerns related to the project. Finally, the land is zoned appropriately for the intended use.

With respect to the City's Comprehensive Plan, the proposed Redevelopment Plan meets the City's stated goals. The Redevelopment Plan encourages local reinvestment in McCook by both the public and private sectors. It provides needed amenities to support future growth of commercial, industrial, and residential areas. Finally, the Plan utilizes available public programs of financing to fund development.

**APPROVALS:**



April 16, 2020

Nathan A. Schneider, City Manager



April 16, 2020

Lea Ann Doak, City Clerk

**REDEVELOPMENT PLAN FOR THE  
N-STANT CONVENIENCE 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 #4 (the “Redevelopment Area”). A Blight and Substandard Analysis for the Redevelopment Area was prepared in January, 2020 by Miller & Associates Consulting Engineers, P.C., the Redevelopment Area was declared blighted and substandard in January, 2020. This Redevelopment Plan is a project-specific 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 overall plan of redevelopment 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 legally described on the attached and incorporated Exhibit “A” (the “Project Site”).

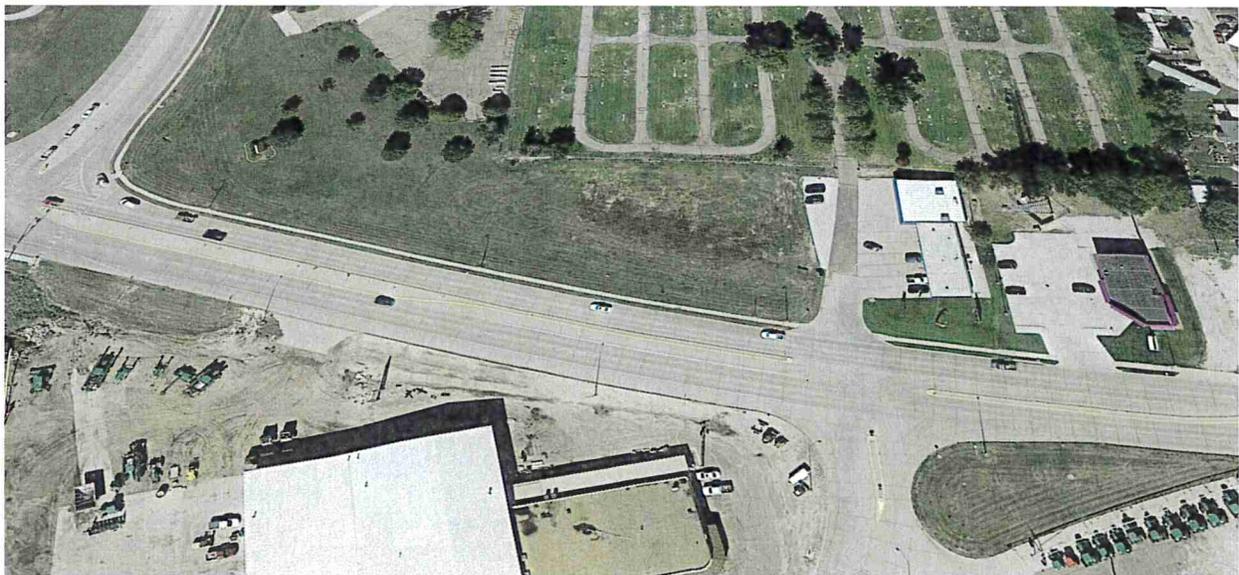
**The Project Site**

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.

Depictions of the general area and the Project Site are set forth below.

**EXHIBIT #3**

**PAGE(S) - 14**



The Project Site is currently vacant and requires substantial improvements to be developable. Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience (the "Redeveloper"), recently acquired the Project Site from the Nebraska Department of Roads subject to several conditions and restrictions, including the following: no ingress or egress over the Project Site to the adjacent highway, Department of Roads retained all mineral rights, restriction against using the Project Site for the storage, processing, sorting, transfer or any other use related to or connected with scrap material of any nature or kind; or any other use which would cause an unsightly or obnoxious appearance upon the premises herein conveyed, a reserved an easement for the Department of Roads for the operation, maintenance and use of any and all existing utilities which are located over, under or upon the Project Site, and a reserved permanent easement to the State of Nebraska for highway vehicular impacts and disturbances (noise, air, light, dust, etc.). The Project Site has an existing sewer line running across the property diagonally underneath the surface that must be relocated prior to the construction of the Project and the development of the Project Site.

Additionally, the grade of the Project Site will require a retaining wall to stabilize the property and allow for the safe development of the Project Site.

### **Description of the Project**

Redeveloper owns and operates a convenience store adjacent to the Project Site and desires to expand its business to offer fuel sales. The project under consideration will consist of the construction and development of a fuel station site that will consist of 8-fuel pumps, or 4-island double-sided fuel canopy on the Project Site and associated improvements on the Project Site to create a commercial fuel site (the "Project"). The Project is anticipated to offer unleaded, super-unleaded, and premium unleaded fuels from Shell Oil Company and diesel fuel from a different company as part of the Project. In order to construct the Project on the Project Site, Redeveloper must grade and prepare the site for any use. The steep existing grade of the Project Site will require Redeveloper to stabilize the Project Site and construct a retaining wall prior to the use of the Project Site and the operation of the Project. Additionally, the Project Site has an underground sewer line currently running diagonally across the property which inhibits any real development of the property. Redeveloper must relocated the existing sewer line as part of the Project in order to fully utilize the Project Site.

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.

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, site preparation and stabilization, utility relocation, 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.

A preliminary site plan is 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 approximately \$125,000. The Redeveloper has discussed the proposed Project with the Red Willow County Assessor, and the Assessor has provided a preliminary appraisal of the proposed project with a projected completed valuation of the Project of approximately \$1,107,724. 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 \$1,107,724 and a 5.0% interest rate for the TIF Note, the Project will yield TIF Indebtedness in the amount of approximately \$196,500. Redeveloper estimates that the total Project costs shall be approximately \$1,110,000. 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 \$237,500 TIF-eligible expenditures. The estimated TIF uses are set forth below:

CDA Administrative Fee	\$6,000
Cost of Issuance	\$6,000
Land Acquisition	\$125,000
Site Preparation/Stabilization (Retaining Wall Improvements)	\$75,000
Sewer Line Relocation	\$25,000
<hr/>	
Total estimated TIF uses:	\$237,000

All TIF uses identified above are estimated amounts and the actual TIF Uses shall be determined based upon actual costs and documented invoices for all eligible public uses. The list of TIF uses identified above is not exhaustive and additional documented eligible public uses may be considered by the CDA.

### **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 Act.

### **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:

#### **COMMUNITY GROWTH, LAND USE & ZONING**

##### **Goal 1: Population Growth Activities.**

**Action Step 3:** ... The location of future automotive-oriented commercial uses are recommended along the Highway 6/34 and 83 Corridors.

#### **EDUCATION AND COMMUNITY/ECONOMIC DEVELOPMENT**

##### **Goal 3: Community Development.**

**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...

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

Additionally, the following selections from the McCook Comprehensive Plan are supported and implemented by the Project:

- The majority of the future “automotive orientated” commercial uses are recommended along the right-of ways of Highways 6/34 and 83.

- 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.
- The strategic development of infill lots and other vacant land areas within the Corporate Limits would allow for managed growth and the utilization of the existing infrastructure, including streets, electrical, gas, water and sewer systems.
- Future commercial land use areas are anticipated to include replacing vacant lots and existing deteriorated and/or abandoned buildings along the Highway 6/34 and 83 Corridors. Automotive oriented commercial uses ... should continue to be Developed along the Highway 83 Corridor.
- To develop the Community in the most efficient and orderly manner possible, the focus should be placed, first, on the development of suitable vacant land within the Corporate Limits of McCook.
- Encourage property and business owners to utilize the provisions of Tax Increment Financing as both a development and redevelopment tool ... along the commercial highway corridors.

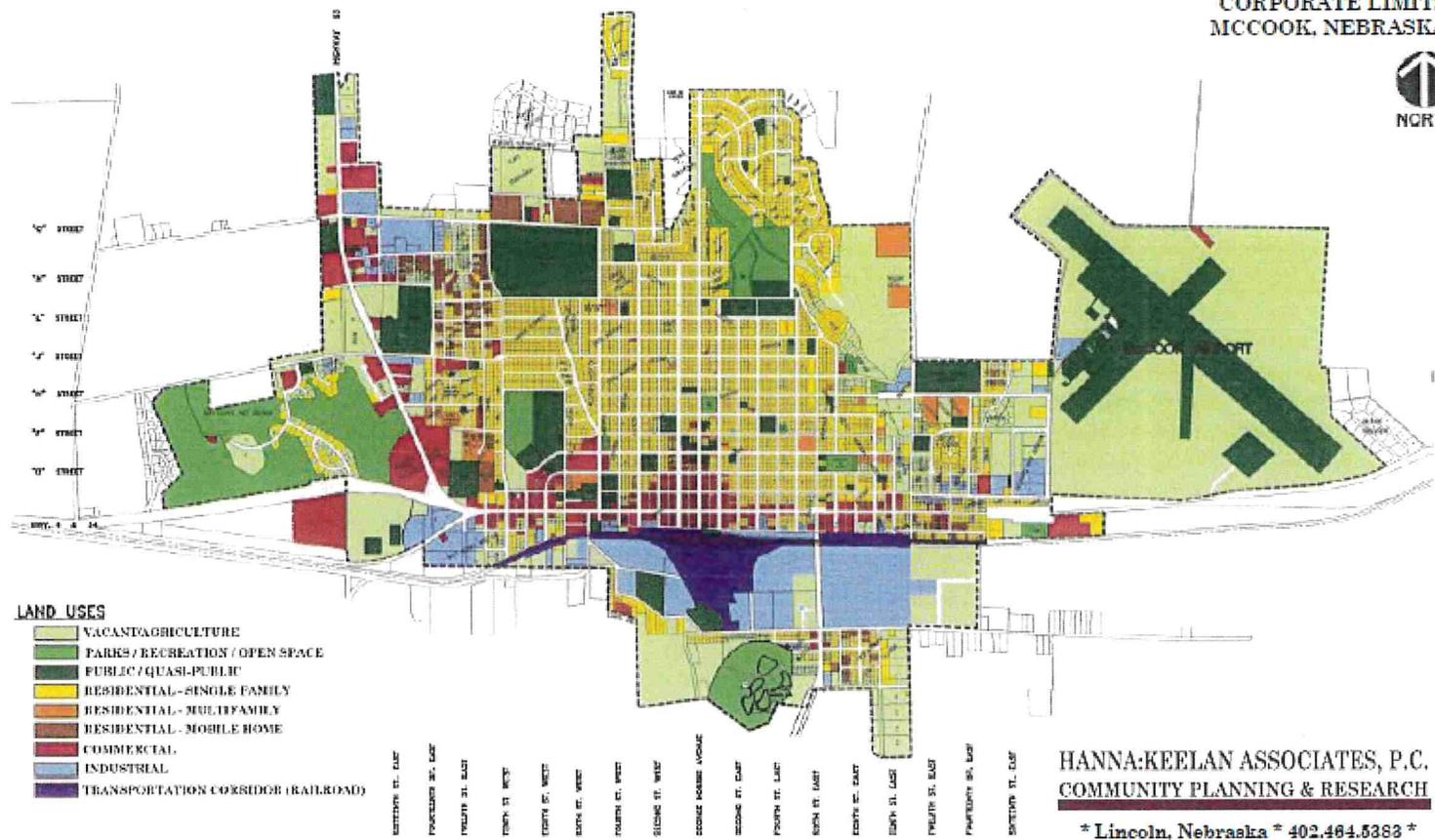
The existing land use map and future land use map from the McCook Comprehensive Plan are included for reference in this Redevelopment Plan. The future land use of the site is designated for commercial use, so the Project conforms to the future land use designation of the Project Site.

*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**

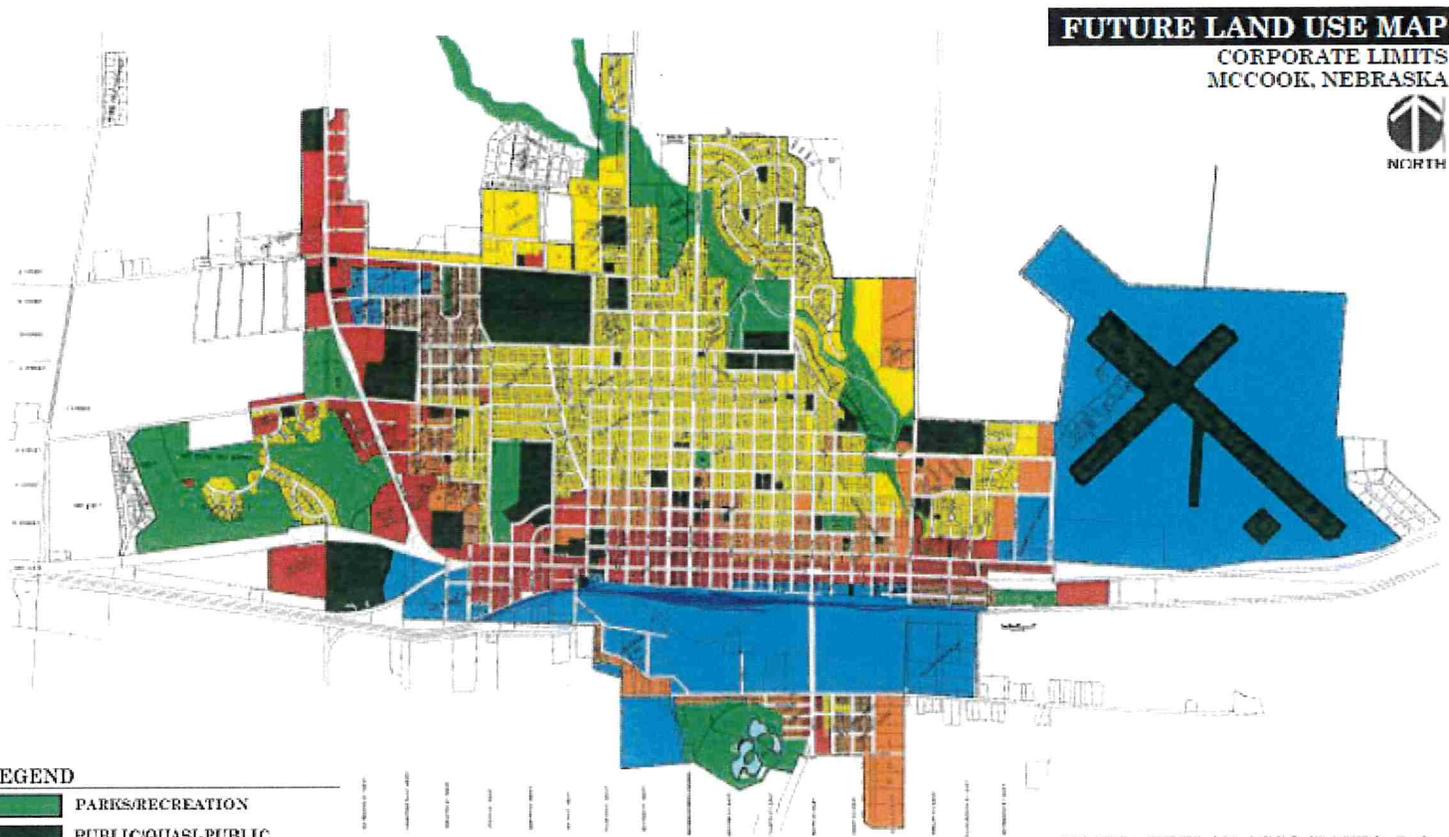
Redeveloper has represented that without the use of TIF, this Project would not be feasible and Redeveloper could not develop this Project on the Project Site. Redeveloper has further represented that it does not intend to file an application with the Department of Revenue to receive tax incentives under 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 \* 402.464.5383 \*

ILLUSTRATION 4.4

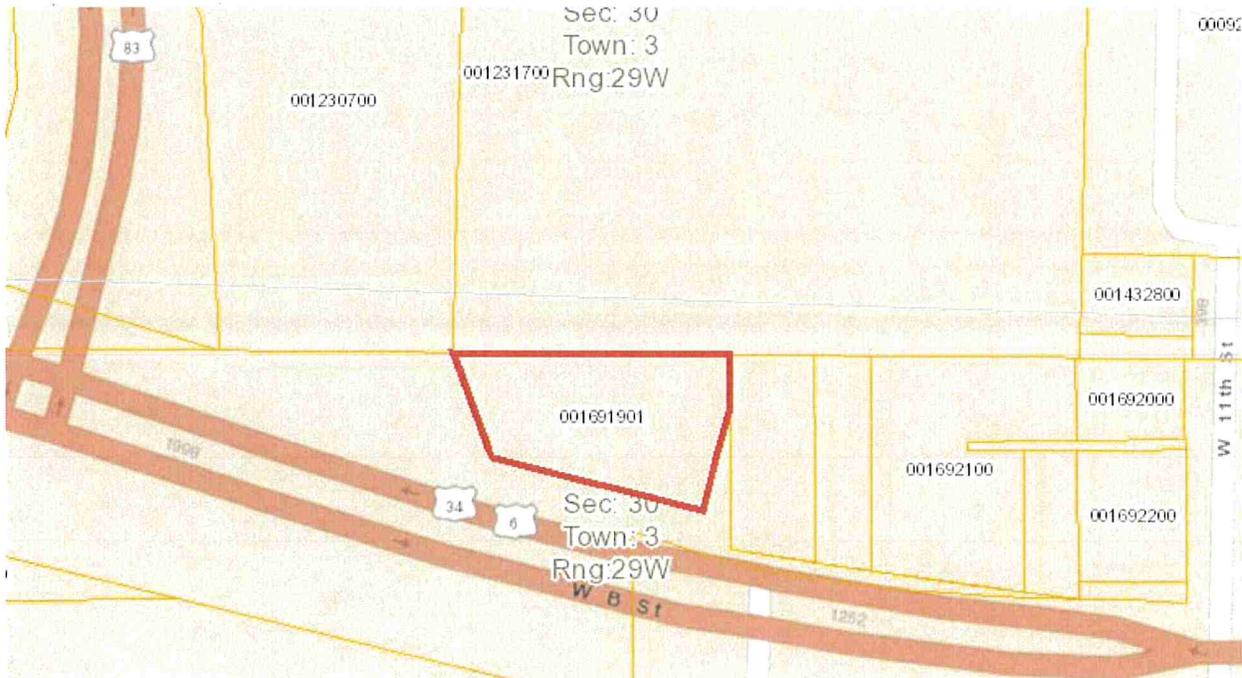
**EXHIBIT "A"**  
**Legal Description of the Project Site**

The property is identified as Parcel No. 001691901 and legally described as follows:

A TRACT OF LAND LOCATED IN PART OF LOT 1, BLOCK 6, WEST MCCOOK ADDITION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 29 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RED WILLOW COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI A VENUE (WEST 12th STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS.

The general location of the Project Site is depicted below:



**EXHIBIT "B"**  
**Preliminary Site Plan**

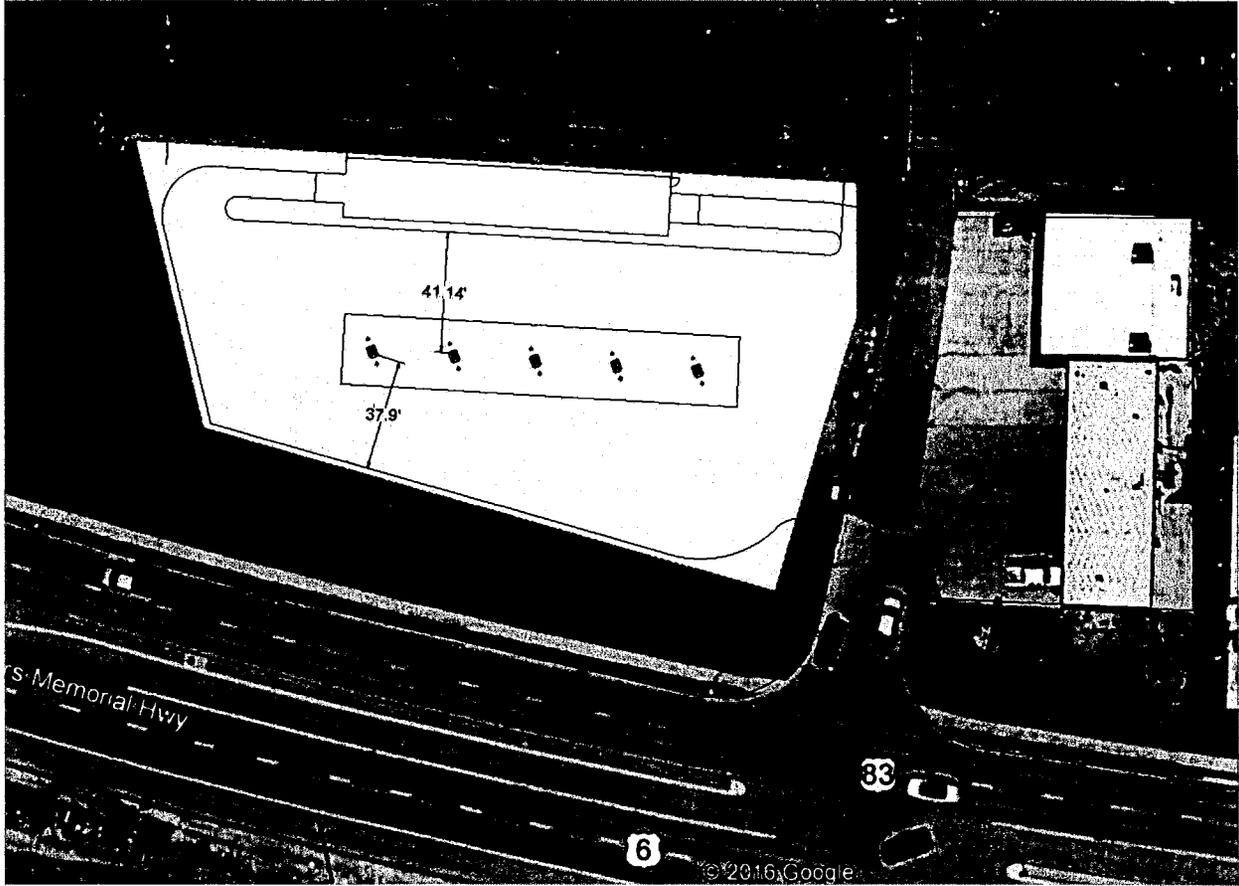


Exhibit "B"

**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 recently purchased the Project Site in preparation to undertake the Project.

B. Population Density

The proposed Project on the Project Site is the construction and development of a fuel station 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 construction and development of 8-fuel pumps, or 4-island double-sided fuel canopy and associated improvements on the Project Site to create a commercial fuel site. 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. The Project Site is adjacent to highway 6 and 83. The Project Site does not have direct access from the Highway but, as depicted on the Site Plan attached as Exhibit "B", the Project Site has sufficient access and plenty of room for traffic turnaround and navigations on the Project Site.

E. Parking

No parking concerns have been identified. 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 N-Stant Convenience 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:	\$125,000
b.	Projected Completed Project Assessed Valuation:	\$1,107,724
c.	Projected Tax Increment Base:	\$982,724
d.	Estimated Tax Levy:	1.911555
e.	Annual Projected Tax Shift:	\$18,785

*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. Public infrastructure serving the Project Site is sufficient for the Project. The Project will require the relocation of a sewer line on the Project Site, but TIF will be used to assist with this expense and no adverse effects are anticipated from the relocation of the line. 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 \$1,110,000 for the Project. It is anticipated that approximately \$196,500 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 fuel service station, and the businesses on the Project Site should generate immediate state motor fuels tax and personal property tax revenue that would otherwise not be produced. Additionally, the Redeveloper owns a convenience store on the adjacent property and this will expand the Redeveloper's business into the fuel service industry, but Project may also result in increased traffic to the convenience store, resulting in higher sales tax revenue. It is not anticipated that the Project will have any material adverse impact on such City 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 fuel service location, which should have a general positive impact on businesses in the Redevelopment Area. The fuel service station will encourage traffic to stop and potentially undertake other business while refueling. There are only two or three other locations in the City that currently offer diesel fuel, and all of these locations are not as convenient for the Red Willow County fairgrounds business as the Project Site. The Project Site will offer a convenient location for large trucks and equipment requiring diesel fuel for business at and relating to the fairgrounds, and the large space on the Project Site will aid with the accessibility and mobility of large equipment on the Project Site for the large equipment's fueling needs. 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 will offer another fueling location option in the City and this additional amenity 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. According to the McCook Comprehensive Plan (based on 2011 from U.S. Census Workforce Employment Data), 1,862 workers commute to McCook for employment, and approximately 1,405 (or 42.7%) of employees that live in McCook

commute out of the City for work. An estimated 831 employees commute more than 50 miles to work. This provides competition between the City and other communities for fueling and the relating commerce that goes along with fueling personal vehicles. The Project will include Shell branded gasoline, which is a new product for the City. Redeveloper intends to include Shell loyalty and rewards programs, which encourage brand loyalty through consumer benefits, which may increase the frequency of fueling in the City verses other communities on either end of a daily commute.

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

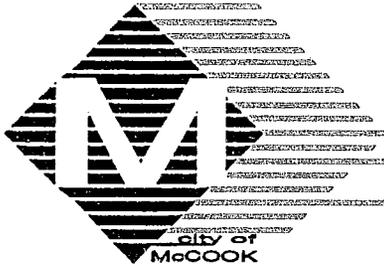
It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the City.

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

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 an additional fueling service station in the City and this Project shall fill that need. The initial site preparation requirements that make this Project infeasible without TIF (particularly the sewer line relocation and the stabilization/retaining wall expenses) would also make the development of the Project Site for any business operations infeasible.

**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

April 2, 2020

CERTIFIED MAIL

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

Re: **NOTICE OF PUBLIC HEARING**

Public notice is hereby given by the Mayor and City Council that a public hearing will be held at 5:30 p.m. on Monday, April 20, 2020, in the City Council Chambers at the McCook Municipal Center, 505 W C Street, McCook, Nebraska. The purpose of the hearing is to obtain public comment prior to consideration of a redevelopment plan of 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 at 1111 West B Street, in the City of McCook, Nebraska and legally described as follows:

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REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12TH STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI AVENUE (WEST 12TH STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS.

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. Individuals requiring physical or sensory accommodations including interpreter service, Braille, large print or recorded materials please contact the City Clerk at the City Clerk's office.

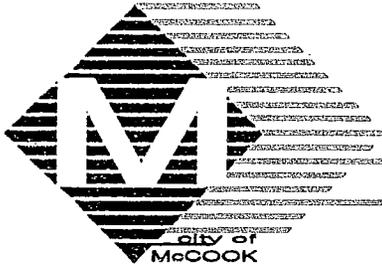
Respectfully,

Lea Ann Doak  
City Clerk

**EXHIBIT #4**

Enclosure: Map of redevelopment area

**PAGE(S) - 5**



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



April 2, 2020

CERTIFIED MAIL

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

Re: **NOTICE OF PUBLIC HEARING**

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Respectfully,

Lea Ann Doak  
City Clerk

Enclosure: Map of redevelopment area



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

April 2, 2020

CERTIFIED MAIL

Chairman of the Board  
Middle Republican NRD  
PO Box 81 - 208 Center Ave  
Curtis, NE 69025

Re: **NOTICE OF PUBLIC HEARING**

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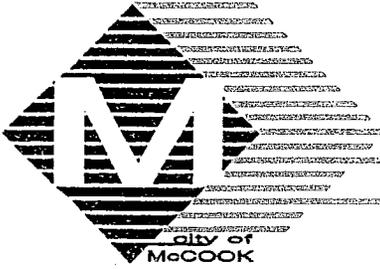
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Respectfully,

Lea Ann Doak  
City Clerk

Enclosure: Map of redevelopment area



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

April 2, 2020

CERTIFIED MAIL

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

Re: **NOTICE OF PUBLIC HEARING**

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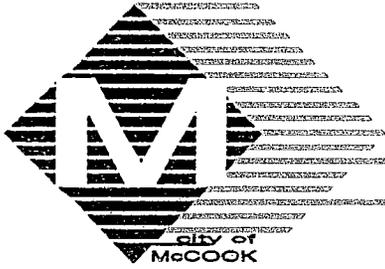
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Respectfully,

Lea Ann Doak  
City Clerk

Enclosure: Map of redevelopment area



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

April 2, 2020

CERTIFIED MAIL

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

Re: **NOTICE OF PUBLIC HEARING**

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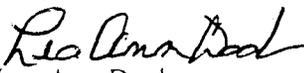
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Respectfully,

  
Lea Ann Doak  
City Clerk

McCook Planning Commission  
April 13, 2020  
5:15 PM Central

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in via public audio/teleconference means at 5:15 o'clock P.M. in the City Council Chambers. The meeting was open to the public via audio/teleconference means pursuant to the Governor's Executive Order No. 20-03 issued on March 17, 2020.

Present via audio/teleconference means were: Chair Vosburg; Vice Chair Hilker; Commissioners Dueland, Friehe, Lyons, McDowell, Stevens.

Absent: Commissioners Bradley, Davidson, Graham.

City Officials present via video and teleconference means were: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Deputy City Clerk Burkey.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on April 9, 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 public via audio/teleconference means.

Chair Vosburg announced that in accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act was available for public review on the Home Page of the City of McCook website.

1. Approve the minutes of the March 9, 2020 regular Planning Commission meeting.

Motion to approve the minutes of the March 9, 2020 regular Planning Commission meeting. This motion, made by Hilker and seconded by Vosburg, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: ABSENT, Dueland: YEA, Friehe: YEA, Graham: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA  
YEA: 7, NAY: 0, ABSENT: 3

2. Public Hearings and Regular Agenda.

2.A. Public Hearing - Regarding the Redevelopment Plan for the N-Stant Convenience 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 N-Stant

**EXHIBIT #5**

**PAGE(S) - 4**

Convenience 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 Dueland, passed.

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

YEA: 7, NAY: 0, ABSENT: 3

The City Attorney received into evidence Exhibit #1 - City Manager's Report prepared for the April 13, 2020 Planning Commission meeting (2 pages), Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - proposed Resolution No. PC2020-02 (4 pages); Exhibit #4 - Redevelopment Plan for the N-Stant Convenience Redevelopment Project (14 pages); Exhibit #5 - copies of notice of public hearing mailed by certified mail to the required taxing jurisdictions; McCook Community College, Educational Service Unit No. 15, Middle Republican NRD, Red Willow County Commissioners, McCook School District (5 pages); and Exhibit #6 - Project Site Map (1 page).

City Manager Schneider reviewed the following information contained in Exhibit #1: "Earlier this year, Redevelopment Area #4 was approved, declaring an area located near the intersection of Highways 83 and 6/34 as blighted and substandard. A redevelopment application has been received from Smoker's Outlet, Inc., d/b/a N-Stant Convenience, said business owning property within Redevelopment Area #4. City Staff has reviewed the application and found that the request was eligible for Tax Increment Financing (TIF)."

"The project site at issue is located on a lot directly northeast of the Highway 83 and Highway 6/34 intersection. The site is currently a vacant lot that was purchased from the State of Nebraska. In order for development to occur, the Redeveloper is requesting redevelopment assistance."

"The Redeveloper owns and operates a convenience store adjacent to the Project Site and desires to expand its business to offer fuel sales. The project under consideration will consist of the construction and development of a fuel station site that will contain eight-fuel pumps, or four-island double-sided fuel canopies on the Project Site. TIF assistance is being requested in order to assure funding is available for the project. The Redeveloper has confirmed, but for the approval of TIF assistance, the project will not occur."

"The N-Stant Convenience Redevelopment Plan includes a number of costs that would qualify for Tax Increment Finance consideration. Page 4 of the Redevelopment Plan lists the eligible TIF uses in the amount of \$237,000. Pursuant to the Redevelopment Plan's Cost-Benefit Analysis (ie. Exhibit "D"), it is anticipated that approximately \$196,500 of the public improvements can be financed with the proceeds of the TIF generated improvements. There are enough TIF uses to cover the issuance of a Promissory Note in the amount of \$196,500."

"With respect to the statutory elements necessary to qualify under the Nebraska Community Development Law, the N-Stant Convenience Redevelopment Plan qualifies for TIF consideration. The project will not negatively affect population density in the project area. The project will meet the applicable land-coverage ratios and zoning requirements. There will be no adverse impacts with respect to traffic flow. There are no parking concerns related to the project. The land is zoned

appropriately for the intended use.”

“With respect to the City's Comprehensive Plan, the Redevelopment Plan addresses several important goals. The Plan encourages local reinvestment in McCook by both the public and private sectors. It provides needed amenities to support future growth of commercial, industrial, and residential areas. The Plan utilizes available public programs of financing to fund development.”

“As far as how the Plan's Cost-Benefit Analysis works, the current project valuation is \$125,000. It is estimated the completed project will be assessed at \$1,107,724, generating a projected tax increment base of \$982,724. At the estimated tax levy of 1.911555, the annual projected tax shift is \$18,785. This annual projected tax shift will be available to the developer to pay TIF related indebtedness that will be memorialized in a Redevelopment Agreement. While \$196,500 of public improvements will be financed with TIF proceeds, the redeveloper will privately infuse approximately \$1,000,000 of its own money into the project. This means that for every \$1 of public financing the redeveloper will privately spend approximately \$5.”

Discussion included what was the purchase price of the property and when was it purchased?; does the project include a car wash?; what is the location of the current sewer line?; will the bond be paid off sooner?; who provides the projected completed valuation of the project?; will it be necessary to improve the city street which is currently asphalt?

Applicant Nick Nothnagel addressed the Commissions question; the land was purchased in December 2015 for \$125,000; a car wash was proposed in the original plan, but is not included at this time; the current sewer lines runs diagonally (from the NW to the SE) across the property; without knowing the final property value, it is unknown how soon the bond would be paid in full; the County Assessor works with the State to determine the projected completed valuation of the project; and they are aware of the potential improvement needs, but have not discussed that with City Staff.

Andy Long, McCook Economic Development Director, spoke in support of the proposed Redevelopment Plan.

With no further comment, motion to adjourn the public hearing and to reconvene as a Planning Commission. This motion, made by Vosburg and seconded by Stevens, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: ABSENT, Dueland: YEA, Friehe: YEA, Graham: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA  
YEA: 7, NAY: 0, ABSENT: 3

2.B. Approve Resolution No. PC2020-02 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 N-Stant Convenience Redevelopment Project.

Motion to approve Resolution No. PC2020-02 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 N-Stant Convenience Redevelopment Project. This motion, made by Vosburg and seconded by Dueland, passed.

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

YEA: 7, NAY: 0, ABSENT: 3

Commissioner Dueland expressed concerns with the approval of two projects so close together, are we going to far to fast; this project is on vacant property, his preference would be for housing projects and projects that create jobs.

City Manager Schneider noted that the City is below the TIF property allowed percentage and neither of the two projects create hardship for the City or any of the other taxing entities.

Chair Vosburg requested that election of officers be placed on the agenda for the next meeting.

**Adjournment.**

With no further business, Chair Vosburg declared the Planning Commission meeting adjourned at 5:48 P.M.

---

Lea Ann Doak, Recording Secretary

## NOTICE OF PUBLIC HEARING

Public notice is hereby given by the Mayor and City Council that a public hearing will be held at 5:30 p.m. on Monday, April 20, 2020, in the City Council Chambers at the McCook Municipal Center, 505 W C Street, McCook, Nebraska. The purpose of the hearing is to obtain public comment prior to consideration of a redevelopment plan of the City of McCook, including a specific redevelopment project.

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-s- Lea Ann Doak, City Clerk

Publish: April 3, 2020 and April 10, 2020

**EXHIBIT #2**

**PAGE(S) - 1**

**CITY MANAGER'S REPORT**  
**APRIL 20, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING**

ITEM NO. 3.B.3. Recommend approval of Resolution No. CDA 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 N-Stant Convenience Redevelopment Project.

---

**BACKGROUND:**

This item is required per the Nebraska Community Development Act. After the Public Hearing, the CDA is required to approve a Resolution approving the N-Stant Convenience Redevelopment Plan for the Plan to move forward.

Please refer to Agenda Item 3.A. for details regarding the N-Stant Convenience Redevelopment Plan.

**APPROVALS:**

  
\_\_\_\_\_

Nathan A. Schneider, City Manager

April 16, 2020

  
\_\_\_\_\_

Lea Ann Doak, City Clerk

April 16, 2020

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

**RESOLUTION NO. CDA 2020-03**

(Redevelopment Plan – N-Stant Convenience Redevelopment Project)

**A RESOLUTION RECOMMENDING APPROVAL OF A 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 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 a Redevelopment Plan in the form attached as Exhibit “A” (“Redevelopment Plan”).

B. The Redevelopment Plan would create a redevelopment project in Redevelopment Area #4 on property described in the Redevelopment Plan identified as the N-Stant Convenience Redevelopment Project (the “Project”).

C. The Project would use Tax Increment Financing pursuant to Section 18-2147 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.

D. 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.

E. The CDA has conducted a cost benefit analysis for the Project, and said cost benefit analysis is attached to the Redevelopment Plan as Exhibit “D” (the “Project Cost Benefit Analysis”).

F. 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.

G. 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 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 of McCook.

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 is in conformance with the general Comprehensive Plan of the City of McCook.

2. The Redevelopment Plan 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 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 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 20th day of April, 2020.

COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
MCCOOK, NEBRASKA

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Michael D. Gonzales, Chairman

ATTEST:

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Lea Ann Doak, City Clerk/Secretary

**EXHIBIT "A"**  
**Redevelopment Plan**

4842-7479-2120, v. 1

Exhibit "A"

**CITY MANAGER'S REPORT  
APRIL 20, 2020 MCCOOK CITY COUNCIL MEETING**

ITEM NO. 3.C. Approve Resolution No. 2020-07 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 N-Stant Convenience Redevelopment Project.

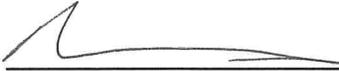
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**BACKGROUND:**

This item is required per the Nebraska Community Development Act. 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 also approve a resolution approving the Redevelopment Plan.

The background for this agenda item is the same as the background provided in Agenda Item 3.A. Please refer to City Manager's Report for Agenda Item 3.A. to provide context.

**APPROVALS:**

  
\_\_\_\_\_

April 15, 2020

Nathan A. Schneider, City Manager

  
\_\_\_\_\_

April 15, 2020

Lea Ann Doak, City Clerk

**CITY OF MCCOOK, NEBRASKA**

**RESOLUTION NO. 2020-07**

(Redevelopment Plan – N-Stant Convenience Redevelopment Project)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCCOOK, NEBRASKA, APPROVING A 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 prepared a Redevelopment Plan for a portion of Redevelopment Area #4 (the “Redevelopment Plan”). The proposed Redevelopment Plan is on file and available for public inspection with the McCook City Clerk.
- B. The Redevelopment Plan includes a redevelopment project (the “Project”) that will utilize Tax Increment Financing pursuant to Neb. Rev. Stat. § 18-2147.
- C. The CDA submitted the question of whether the Redevelopment Plan should be recommended to the City Council to the Planning Commission of the City of McCook.
- D. The Planning Commission recommended the approval of the Redevelopment Plan Amendment.
- E. Notice of public hearing regarding the adoption and approval of the Redevelopment Plan 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.
- F. On April 20, 2020, the City Council held a public hearing relating to the question of whether the Redevelopment Plan 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.
- G. The City Council has reviewed the Redevelopment Plan, the cost benefit analysis prepared by the CDA and attached to the Redevelopment Plan, 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 identified in the Redevelopment Plan is in need of redevelopment to remove blight and substandard conditions identified pursuant to the Act.
2. The Redevelopment Plan 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 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 is hereby approved and adopted by the City Council as the governing body for the City of McCook.

Dated this 20<sup>th</sup> day of April, 2020.

CITY OF MCCOOK, NEBRASKA

By: \_\_\_\_\_  
Michael D. Gonzales, Mayor

ATTEST: \_\_\_\_\_  
Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT**  
**APRIL 20, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING**

CDA

ITEM NO. 3.D. Approve Resolution No. 2020-04 approving the Redevelopment Agreement between the City of McCook/CDA and Smoker's Outlet, Inc., d/b/a N-Stant Convenience.

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**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 McCook's City Council 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 \$196,500. The TIF indebtedness will be issued as a Promissory Note with Smoker's Outlet, Inc. listed as the registered holder of the Note. Smoker's Outlet, Inc. (or Smoker's Outlet's lender) will purchase the debt. The TIF indebtedness will be secured by a pledge of the Tax Increment. The issued debt 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 with sufficient evidence to establish the developer has the necessary funds to carry out the proposed project. 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 \$1,107,724. 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 \$1,107,724, 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.

**APPROVALS:**



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April 16, 2020

Nathan A. Schneider, City Manager



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April 16, 2020

Lea Ann Doak, City Clerk

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

**RESOLUTION NO. CDA 2020-04**

(Redevelopment Agreement – N-Stant Convenience 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 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 a Redevelopment Plan for a portion of Redevelopment Area #4 (“Redevelopment Plan”).

B. The Planning Commission of the City of McCook has recommended approval of the Redevelopment Plan.

C. The CDA shall submit the Redevelopment Plan to the City Council of the City of McCook, Nebraska for final approval and adoption pursuant to the Act.

D. The Redevelopment Plan authorizes and creates a specific redevelopment project on a portion of Redevelopment Area #4 identified in the Redevelopment Plan as the N-Stant Convenience Redevelopment Project (the “Project”).

E. 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”).

F. 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 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, 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 for the Project, and if the City Council does not approve and adopt the Redevelopment Plan, 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 20th day of April, 2020.

COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
MCCOOK, NEBRASKA

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Michael D. Gonzales, Chairman

ATTEST:

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Lea Ann Doak, City Clerk/Secretary

**EXHIBIT "A"**  
**Redevelopment Agreement**

Exhibit "A"

**REDEVELOPMENT AGREEMENT**

**(N-Stant Convenience 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 Smoker’s Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience (“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 construction of 8-fuel pumps, or 4-island double-sided fuel canopy on the Project Site and associated improvements on the Project Site to create a commercial fuel site.

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 Seven Thousand Seven Hundred Twenty Four and No/100 Dollars (\$1,107,724.00).

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 Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience.

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

P. "Redevelopment Area" means Redevelopment Area #4 in the City as set forth in the Blight and Substandard Analysis for the Redevelopment Area was prepared in January, 2020 by Miller & Associates Consulting Engineers, P.C., and approved by the City pursuant to the Act.

Q. "Redevelopment Plan" means the Blight and Substandard Analysis for the Redevelopment Area, together with the Redevelopment Plan for the Project, as 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 corporation 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 One Hundred Ninety Six Thousand Five Hundred and No/100 Dollars (\$196,500.00), 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.

**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: Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience, 801 East B Street, McCook, NE 69001. Email: nicksdistribution@yahoo.com and ctjewellco@yahoo.com.

**[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”**

Smoker’s Outlet, Inc., a Nebraska  
corporation d/b/a N-Stant Convenience

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, \_\_\_\_\_ of Smoker’s Outlet, Inc., a Nebraska corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

**EXHIBIT "A"**  
**DESCRIPTION OF PROJECT**

The Project undertaken by Redeveloper on the Project Site, identified as Parcel No. 001691901 and legally described as follows:

A TRACT OF LAND LOCATED IN PART OF LOT 1, BLOCK 6, WEST MCCOOK ADDITION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 29 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RED WILLOW COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI A VENUE (WEST 12th STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS

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

- (a) **Private Improvements.** The construction and development of a fuel station site that will consist of 8-fuel pumps, or 4-island double-sided fuel canopy on the Project Site and associated improvements on the Project Site to create a commercial fuel site.
- (b) **Public Improvements.** Land acquisition, site preparation, site stabilization and retaining wall improvements, relocation of a sewer line on the Project Site, 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: \$125,000
2. Projected Minimum Final Value: \$1,107,724
3. Projected Incremental Valuation: \$982,724
4. Assumed Tax Levy: 1.911555
5. Anticipated Tax Increment: \$18,785 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 \$196,500, 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	\$125,000	\$2,389
Completed Project	\$1,107,724	\$21,175
Difference	\$982,724	\$18,785

**TIF Calculations:**

Annual TIF Amount	\$18,785
TIF Indebtedness	\$196,500
less 3% Admin Fee	(\$5,895)
TIF Available to Redeveloper	\$190,605

**2. TIF USES:**

CDA Administrative Fee	\$5,895
Cost of Issuance	\$6,000
Land Acquisition	\$125,000
Site Preparation/Stabilization (Retaining Wall Improvements)	\$75,000
Sewer Line Relocation	\$25,000
Total estimated TIF uses:	\$236,895

The Projected TIF sources and uses set forth above are preliminary estimates and subject to change. The actual TIF Sources shall be determined by the annual assessed value of the Project Site and the annual tax levy applicable to the Project Site. The TIF Uses shall be actual costs verified as set forth in the Redevelopment Agreement.

**EXHIBIT "D"**

After recording please return to:

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

**MEMORANDUM OF REDEVELOPMENT AGREEMENT**

**(N-Stant Convenience 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 Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience ("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:

A TRACT OF LAND LOCATED IN PART OF LOT 1, BLOCK 6, WEST MCCOOK ADDITION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 29 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RED WILLOW COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI A VENUE (WEST 12th STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS (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”**  
Smoker’s Outlet, Inc., a Nebraska  
corporation d/b/a N-Stant Convenience

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, \_\_\_\_\_ of Smoker’s Outlet, Inc., on behalf of the corporation.

\_\_\_\_\_  
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.

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

REDEVELOPMENT REVENUE NOTE  
(N-STANT CONVENIENCE REDEVELOPMENT PROJECT)  
SERIES 2020A

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

Registered Holder	Principal Amount
Smoker's Outlet, Inc.	\$196,500.00

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 (N-Stant Convenience Redevelopment Project), Series 2020A, aggregating One Hundred Ninety Six Thousand Five Hundred and

No/100 Dollars (\$196,500.00) ("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 Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience (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.

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**  
**(N-Stant Convenience 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:

A TRACT OF LAND LOCATED IN PART OF LOT 1, BLOCK 6, WEST MCCOOK ADDITION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 29 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RED WILLOW COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI A VENUE (WEST 12th STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS

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"**

Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience

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**

**(N-Stant Convenience Redevelopment Project)**

Date: \_\_\_\_\_

Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience ("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 indicated 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	\$ _____
Site Preparation/Stabilization	\$ _____
Sewer Line Relocation	\$ _____
<hr/>	
Total:	\$ _____ *

**\*Principal Amount of TIF Indebtedness shall not exceed \$196,500.**

Smoker's Outlet, Inc., a Nebraska  
corporation d/b/a N-Stant Convenience

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

**Approved the by Chairman of the CDA:**

\_\_\_\_\_  
Chairman

**CITY MANAGER'S REPORT**  
**APRIL 20, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING**

ITEM NO. 3.D. Approve Resolution No. 2020-04 approving the Redevelopment Agreement between the City of McCook/CDA and Smoker's Outlet, Inc., d/b/a N-Stant Convenience.

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**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 McCook's City Council 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 \$196,500. The TIF indebtedness will be issued as a Promissory Note with Smoker's Outlet, Inc. listed as the registered holder of the Note. Smoker's Outlet, Inc. (or Smoker's Outlet's lender) will purchase the debt. The TIF indebtedness will be secured by a pledge of the Tax Increment. The issued debt 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 with sufficient evidence to establish the developer has the necessary funds to carry out the proposed project. 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 \$1,107,724. 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 \$1,107,724, 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.

**APPROVALS:**



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April 16, 2020

Nathan A. Schneider, City Manager



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April 16, 2020

Lea Ann Doak, City Clerk

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

**RESOLUTION NO. 2020-04**

(Redevelopment Agreement – N-Stant Convenience 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 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 a Redevelopment Plan for a portion of Redevelopment Area #4 (“Redevelopment Plan”).
- B. The Planning Commission of the City of McCook has recommended approval of the Redevelopment Plan.
- C. The CDA shall submit the Redevelopment Plan to the City Council of the City of McCook, Nebraska for final approval and adoption pursuant to the Act.
- D. The Redevelopment Plan authorizes and creates a specific redevelopment project on a portion of Redevelopment Area #4 identified in the Redevelopment Plan as the N-Stant Convenience Redevelopment Project (the “Project”).
- E. 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”).
- F. 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 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 for the Project, and if the City Council does not approve and adopt the Redevelopment Plan, 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 20th day of April, 2020.

COMMUNITY DEVELOPMENT  
AGENCY OF THE CITY OF  
MCCOOK, NEBRASKA

---

Michael D. Gonzales, Chairman

ATTEST:

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Lea Ann Doak, City Clerk/Secretary

**EXHIBIT "A"**  
**Redevelopment Agreement**

Exhibit "A"

**REDEVELOPMENT AGREEMENT**

**(N-Stant Convenience 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 Smoker’s Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience (“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 construction of 8-fuel pumps, or 4-island double-sided fuel canopy on the Project Site and associated improvements on the Project Site to create a commercial fuel site.

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 Seven Thousand Seven Hundred Twenty Four and No/100 Dollars (\$1,107,724.00).

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 Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience.

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

P. "Redevelopment Area" means Redevelopment Area #4 in the City as set forth in the Blight and Substandard Analysis for the Redevelopment Area was prepared in January, 2020 by Miller & Associates Consulting Engineers, P.C., and approved by the City pursuant to the Act.

Q. "Redevelopment Plan" means the Blight and Substandard Analysis for the Redevelopment Area, together with the Redevelopment Plan for the Project, as 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 corporation 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 One Hundred Ninety Six Thousand Five Hundred and No/100 Dollars (\$196,500.00), 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.

**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: Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience, 801 East B Street, McCook, NE 69001. Email: nicksdistribution@yahoo.com and ctjewellco@yahoo.com.

**[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”**

Smoker’s Outlet, Inc., a Nebraska  
corporation d/b/a N-Stant Convenience

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, \_\_\_\_\_ of Smoker’s Outlet, Inc., a Nebraska corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

**EXHIBIT "A"**  
**DESCRIPTION OF PROJECT**

The Project undertaken by Redeveloper on the Project Site, identified as Parcel No. 001691901 and legally described as follows:

A TRACT OF LAND LOCATED IN PART OF LOT 1, BLOCK 6, WEST MCCOOK ADDITION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 29 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RED WILLOW COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS

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

- (a) **Private Improvements.** The construction and development of a fuel station site that will consist of 8-fuel pumps, or 4-island double-sided fuel canopy on the Project Site and associated improvements on the Project Site to create a commercial fuel site.
- (b) **Public Improvements.** Land acquisition, site preparation, site stabilization and retaining wall improvements, relocation of a sewer line on the Project Site, 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: \$125,000
2. Projected Minimum Final Value: \$1,107,724
3. Projected Incremental Valuation: \$982,724
4. Assumed Tax Levy: 1.911555
5. Anticipated Tax Increment: \$18,785 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 \$196,500, 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	\$125,000	\$2,389
Completed Project	\$1,107,724	\$21,175
Difference	\$982,724	\$18,785

**TIF Calculations:**

Annual TIF Amount	\$18,785
TIF Indebtedness	\$196,500
less 3% Admin Fee	(\$5,895)
TIF Available to Redeveloper	\$190,605

**2. TIF USES:**

CDA Administrative Fee	\$5,895
Cost of Issuance	\$6,000
Land Acquisition	\$125,000
Site Preparation/Stabilization (Retaining Wall Improvements)	\$75,000
Sewer Line Relocation	\$25,000
Total estimated TIF uses:	\$236,895

The Projected TIF sources and uses set forth above are preliminary estimates and subject to change. The actual TIF Sources shall be determined by the annual assessed value of the Project Site and the annual tax levy applicable to the Project Site. The TIF Uses shall be actual costs verified as set forth in the Redevelopment Agreement.

**EXHIBIT "D"**

After recording please return to:

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

**MEMORANDUM OF REDEVELOPMENT AGREEMENT**

**(N-Stant Convenience 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 Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience ("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:

A TRACT OF LAND LOCATED IN PART OF LOT 1, BLOCK 6, WEST MCCOOK ADDITION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 29 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RED WILLOW COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS (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”**  
Smoker’s Outlet, Inc., a Nebraska  
corporation d/b/a N-Stant Convenience

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, \_\_\_\_\_ of Smoker’s Outlet, Inc., on behalf of the corporation.

\_\_\_\_\_  
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.

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

REDEVELOPMENT REVENUE NOTE  
(N-STANT CONVENIENCE REDEVELOPMENT PROJECT)  
SERIES 2020A

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

Registered Holder	Principal Amount
Smoker's Outlet, Inc.	\$196,500.00

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 (N-Stant Convenience Redevelopment Project), Series 2020A, aggregating One Hundred Ninety Six Thousand Five Hundred and

No/100 Dollars (\$196,500.00) ("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 Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience (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.

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**  
**(N-Stant Convenience 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:

A TRACT OF LAND LOCATED IN PART OF LOT 1, BLOCK 6, WEST MCCOOK ADDITION IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 29 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RED WILLOW COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

REFERRING TO THE NORTHWEST CORNER OF SAID QUARTER SECTION; THENCE S86°50'11"E (ASSUMED AND ALL BEARINGS RELATIVE TO), A DISTANCE OF 1964.38 FEET ALONG THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; THENCE S86°45'44"E, A DISTANCE OF 245.39 FEET TO THE NORTHWEST CORNER OF PLATTED MISSISSIPPI AVENUE (WEST 12th STREET); THENCE S01°50'20"W, A DISTANCE OF 45.86 FEET ALONG THE WEST LINE OF SAID PLATTED MISSISSIPPI A VENUE (WEST 12th STREET); THENCE S15°05'58"W, A DISTANCE OF 98.34 FEET; THENCE N74°11'03"W, A DISTANCE OF 204.42 FEET; THENCE N12°06'48"W, A DISTANCE OF 101.18 FEET TO A POINT ON THE NORTH LINE OF SAID QUARTER SECTION TO THE POINT OF BEGINNING; CONTAINING 27,087.88 SQUARE FEET, MORE OR LESS

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"**

Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience

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**

**(N-Stant Convenience Redevelopment Project)**

Date: \_\_\_\_\_

Smoker's Outlet, Inc., a Nebraska corporation d/b/a N-Stant Convenience ("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	\$ _____
Site Preparation/Stabilization	\$ _____
Sewer Line Relocation	\$ _____
<hr/>	
Total:	\$ _____ *

**\*Principal Amount of TIF Indebtedness shall not exceed \$196,500.**

Smoker's Outlet, Inc., a Nebraska  
corporation d/b/a N-Stant Convenience

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COPIES OF PROOF OF PAYMENT ARE ATTACHED HERETO.

**Approved the by Chairman of the CDA:**

\_\_\_\_\_  
Chairman

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

---

**ITEM:**        4.A.

Approve the minutes of the April 6, 2020 regular City Council meeting.

---

**BACKGROUND:**

Receive and approve the minutes.

**FISCAL  
IMPACT:**     None.

**APPROVALS:**

  
\_\_\_\_\_  
Lea Ann Doak, City Clerk

April 16, 2020

McCook City Council  
April 6, 2020  
5:30 PM Central

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

Present: Mayor Gonzales, Councilmembers Hepp, Calvin, Weedin.

Present via audio/teleconference means: Councilmember Muehlenkamp.

Absent: None.

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

City Officials and members of the public present via audio/teleconference means: City Attorney Mustion, Police Chief Brown, Utilities Director Dutcher, Fire Chief Harpham, Public Works Director Potthoff, and McCook Economic Development Corporation Executive Director, Andy Long.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on April 2, 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 and via audio/teleconference means.

Mayor Gonzales's introduction to zoom teleconference meeting format:

Good evening and thank you for joining us for tonight's unique yet regularly scheduled City Council meeting. Prior to opening the meeting, I wanted to provide some insight on how this meeting will proceed as this is the first time the City Council has been allowed to hold a public meeting through videoconference means. We anticipate that we may encounter a few technological glitches along the way, so please remain patient as we work through this new process. Throughout the meeting, I am sure we will have attendees connect and disconnect which is acceptable; however, I ask that you please mute your microphones so as not to disrupt the meeting progression. City staff will try to have all attendees muted unless they are scheduled to speak, but as a courtesy, we ask that attendees do the same. I will provide reminders of this throughout the meeting as needed.

Typically, we have a citizen's comment agenda item. There will be no citizen's comment agenda item tonight. Also, there will be no invocation by the McCook Ministerial Association tonight.

Individuals who have a specific item that is being presented to the Council will be allowed to be present at the meeting. For those presenting on a specific agenda item tonight, please be prepared to begin your presentation upon the opening of your agenda item. Prior to the opening of your specific agenda item, you will be required to wait in the foyer until summoned to the Council Chambers by the City Council. The presenter will be asked to provide information pertaining to their agenda item. For the public hearing regarding Blackwood Enterprises, members of the public who are attending the meeting via Zoom who wish to ask a question or provide a comment regarding the proposed Redevelopment Plan will need to call 308-345-2022, extension 231. You will be asked to provide your name and address at that time. A moderator will relay the question and/or comment to the other meeting attendees. This process will be utilized for each Zoom attendee who wishes to comment on the Public Hearing.

Pursuant to Nebraska Revised Statute 84-1412(2), for this particular meeting, citizens will not be allowed to speak on the other agenda items. It is our hope to get back to our normal practice of allowing citizens to speak at future meetings.

As a reminder, participants are encouraged to follow along with the agenda. The agenda and meeting documents including presentations can be found on the City's website. Should you encounter audio and/or video issues or concerns, I ask that you simply try to reconnect into the meeting. If problems persist, please do not interrupt the meeting; instead, call 308-345-2022, extension 231. With that, let's proceed with tonight's meeting.

In accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act is available for review and is posted at the front door of the McCook Municipal Building and on the City of McCook's website. Following the Pledge of Allegiance to the flag of the United States of America, Mayor Gonzales called the meeting to order.

## **1. Announcements & Recognitions.**

City Manager Schneider informed the Council that in response to the COVID-19 pandemic, that playground equipment at all City Parks was closed until further notice. The parks themselves will remain open to citizens to walk and run. Also, Karrer Park was closed to all camping except Medical Personnel and First Responders that are working and required to self-isolate.

## **2. Proclamations.**

- 2.A. Proclaim the week of April 12 - 18, 2020 "National Public Safety Telecommunicators Week" and authorize the Mayor to sign said proclamation.

Motion to proclaim the week of April 12 - 18, 2020 "National Public Safety Telecommunicators Week" and authorize the Mayor to sign said proclamation. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

- 2.B. Approve the proclamation designating each Tuesday from April 7, 2020 through April 28, 2020 as "Takeout Tuesday" throughout the City and authorize the Mayor to sign.

Motion to approve the proclamation designating each Tuesday from April 7, 2020 through April 28, 2020 as "Takeout Tuesday" throughout the City and authorize the Mayor to sign. This motion, made by Calvin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

### **3. Public Hearings.**

- 3.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 City Council 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 Calvin and seconded by Weedon, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

The City Attorney received into evidence Exhibit #1 - City Manager's Report prepared for the March 16, 2020 City Council meeting (1 page), Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - Redevelopment Plan for the Blackwood Enterprises Redevelopment Project (14 pages); Exhibit #4 - copies of notice of public hearing mailed by certified mail to the required taxing jurisdictions (5 pages); Exhibit #5 - minutes of the March 9, 2020 Planning Commission meeting (2 pages); and Exhibit #6 - Drawing of proposed parking spaces (1 page)

City Manager Schneider reviewed the following information contained in Exhibit #1: "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."

"The original Public Hearing scheduled for March 16, 2020 was postponed to April 6, 2020 to allow the Redeveloper time to address potential parking concerns on the Redevelopment Site. The

Redeveloper and City Staff met to discuss parking on March 27, 2020. Based on our discussion, and after reviewing the McCook Zoning Ordinance, it was determined the Redeveloper must provide one parking space per 500 square feet of building. The building is just under 10,000 square feet in size. Accordingly, the Redeveloper needs 20 parking spaces. Attached to this report is a proposed layout of the building and corresponding parking stalls. The plan includes 20 parking stalls, which satisfies the City's parking requirements. Based on the drawing, Staff and the Redeveloper will need to discuss the location of the proposed stalls located on the west side of the building, as well as the possibility of the need for a right-of-way permit to occupy a portion of the City's right-of-way. That issue would be brought to Council at a future meeting. In addition to the stalls identified on the overlay drawing, the Redeveloper will have additional space available on the east side of the lot for parking. Finally, the old public safety center has some space available for a few parking stalls for overflow parking. Staff is confident that an additional ten spaces could be made available for parking, which would be open to the Redeveloper and other businesses in the area if needed."

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

With no other public comment, motion to adjourn the public hearing and to reconvene as a City Council. This motion, made by Calvin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

### 3.B. Meeting of the Community Development Agency.

Motion to recess as a City Council and to convene as the McCook Community Development Agency for consideration of CDA Agenda at 6:18 P.M. This motion, made by Calvin and seconded by Weedon, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

A meeting of the Mayor and City Council of the City of McCook, Nebraska, acting as the governing body of the Community Development Agency of the City of McCook, Nebraska was convened in open, regular/audio conferencing, and public session at 6:18 o'clock P.M. on April 6, 2020, at the McCook Municipal Center in McCook, Nebraska. Agency Members present were: Gonzales, Hepp, Calvin, Weedon, Muehlenkamp (via audio/teleconference means). Absent: None. Notice of the meeting was given in advance thereof by publication, one of the City's designated methods for giving notice, a copy of the proof of publication being attached to these minutes. Advanced notice of the meeting was given to each member of the Agency and a copy of their acknowledgment of receipt of notice and the agenda is attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the Mayor and all members of the Council. Mayor Gonzales presided and City Clerk Doak recorded the proceedings. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public and via audio/teleconference means.

In accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act is available for review and is posted at the front door of the McCook Municipal

Building and on the City of McCook's website.

- 3.B.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.

Motion to 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. This motion, made by Calvin and seconded by Weedon, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

City Manager Schneider reviewed the proposed contract.

Motion to recess as the McCook Community Development Agency and reconvene as the McCook City Council. This motion, made by Calvin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

- 3.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.

Motion to adopt Resolution No. 2020-03 approving an amendment of the Redevelopment Plan of the City of McCook, Nebraska, including the Blackwood Enterprises Redevelopment Project.

This motion, made by Calvin and seconded by Weedon, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

Motion to recess as a City Council and to convene as the McCook Community Development Agency for consideration of CDA agenda item. This motion, made by Calvin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

- 3.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.

Motion to 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. This motion, made by Calvin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

Motion to adjourn the meeting of the McCook Community Development Agency at 6:29 P.M. and to reconvene as the McCook City Council. This motion, made by Calvin and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

- 3.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.

Motion to 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. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

#### **4. Consent Agenda.**

Councilmember Weedon requested that Item G be removed from the Consent Agenda and placed on the Regular Agenda.

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

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

- 4.A. Approve the minutes of the March 16, 2020 regular City Council meeting.
- 4.B. Recommend approval to the Nebraska Liquor Control Commission the Application for Addition to Liquor License submitted by Fraternal Order of Eagles 2769 - License #I-03700, located at 805 East "B" Street, McCook, Nebraska.
- 4.C. Receive and file the minutes of the January 8, 2020 Library Advisory Board meeting.
- 4.D. Approve and authorize the Mayor to sign a Professional Engineering Agreement with Miller & Associates, Consulting Engineers, P.C., for the design and construction inspection of the improvements to the West Golf Course Life Station.
- 4.E. Approve and authorize the Mayor to sign Change Order No. 1 for the West 5th and East 14th Water Main Project extending the Substantial Completion date to October 15, 2020 and Final Completion to November 1, 2020.
- 4.F. Authorize the McCook Evangelical Free Church to construct a concrete alleyway that meets city standards on city right of way adjacent to their properties, between East "H" Street and

East "F" Street, contingent upon the owners transferring their property interest to the City in fee at completion of the project.

**5. Regular Agenda.**

- 4.G. Approve the Insurance Services Agreement between Hays Companies, Inc. and the City of McCook for medical insurance brokerage services.

Motion to approve the Insurance Services Agreement between Hays Companies, Inc., and the City of McCook for medical insurance brokerage services. This motion, made by Weedin and seconded by Calvin.

After discussion, motion to amend the agreement from a 3 year term to a 1 year term. This motion, made by Muehlenkamp and seconded by Weedin, failed.

Gonzales: NAY, Hepp: NAY, Calvin: NAY, Weedin: NAY, Muehlenkamp: YEA  
YEA: 1, NAY: 4

Motion to amend the agreement from a 3 year term to a 2 year term. This motion, made by Muehlenkamp and seconded by Calvin, passed.

Gonzales: YEA, Hepp: NAY, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA  
YEA: 4, NAY: 1

Motion to approve the Insurance Services Agreement between Hays Companies, Inc., and the City of McCook for medical insurance brokerage services, as amended, passed.

Gonzales: YEA, Hepp: NAY, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA  
YEA: 4, NAY: 1

- 5.A. Approve the LB840 Economic Development Revolving Loan Fund Program loan for Young Bison Childcare in the amount of \$56,500 to assist with the necessary financing to purchase Kingdom Kids Daycare.

Motion to approve the LB840 Economic Development Revolving Loan Fund Program loan for Young Bison Childcare in the amount of \$56,500 to assist with the necessary financing to purchase Kingdom Kids Daycare. This motion, made by Muehlenkamp and seconded by Hepp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedin: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

- 5.B. Receive and file a presentation from Andy Long regarding the LB840 Economic Development Revolving Loan Fund Program and the potential restructuring of current loan terms to allow qualifying LB840 Revolving Loan Fund Program borrowers to defer principal payments for 3 months as a result of Covid-19.

Andy Long, McCook Economic Development Corporation Executive Director, presented information regarding the LB840 Economic Development Revolving Loan Fund Program and the potential restructuring of current loan terms to allow qualifying LB840 Revolving Loan Fund

Program borrowers to defer principal payments for 3 months as a result of Covid-19.

- 5.C. Receive and file a request from the Southwest Nebraska Community Theater Association to lease the southwest portion of the City of McCook Municipal Auditorium for storage purposes.

Gene Weedon, President of the Southwest Nebraska Community Theater Association, asked the Council to consider renting to them the old city offices on the south side of the City Auditorium for storage of their costumes that are used in productions.

It was the consensus of the Council to have this item brought back for consideration at the April 20, 2020 meeting.

- 5.D. Adopt Resolution No. 2020-06 authorizing and designating the City Manager to declare that a local emergency exists; temporarily delegating the City Council's and Mayor's responsibility and authority under the City of McCook's Local Emergency Operation Plan to the City Manager to coordinate and manage the prevention preparations and the disaster and recovery operations during the current COVID-19 pandemic; and temporarily designating Nancy Pick to serve as the Public Information Officer under the City of McCook's Local Emergency Operation Plan with Jennifer Doucet to serve as the alternate.

Motion to adopt Resolution No. 2020-06 authorizing and designating the City Manager to declare that a local emergency exists; temporarily delegating the City Council's and Mayor's responsibility and authority under the City of McCook's Local Emergency Operation Plan to the City Manager to coordinate and manage the prevention preparations and the disaster and recovery operations during the current COVID-19 pandemic; and temporarily designating Nancy Pick to serve as the Public Information Officer under the City of McCook's Local Emergency Operation Plan with Jennifer Doucet to serve as the alternate. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

- 5.E. Consider on its third and final 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.

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 read by title and I move to approve upon its third and final reading. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

Mayor Gonzales stated for the record that Ordinance No. 2020-3002 is declared lawfully passed and adopted upon publication as required by law.

5.F. Consider on its third and final 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 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.

Ordinance No. 2020-3003 has been read by title and I move to approve upon its third and final reading. This motion, made by Muehlenkamp and seconded by Weedon, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

Mayor Gonzales stated for the record that Ordinance No. 2020-3003 is declared lawfully passed and adopted upon publication as required by law.

5.G. Consider on its third and final 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 33: 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 read by title and I move to approve upon its third and final reading. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

Mayor Gonzales stated for the record that Ordinance No. 2020-3004 is declared lawfully passed and adopted upon publication as required by law.

5.H. Introduce and approve on its first reading Ordinance No. 2020-3005 amending Chapter 31: City of McCook Policies, of the City of McCook Code of Ordinances, Section 31.56 - Sale or Conveyance of Property.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3005 by title.

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 31: CITY POLICIES, OF THE CITY OF MCCOOK CODE OF ORDINANCES; SECTION 31.56 - SALE OR CONVEYANCE OF PROPERTY; TO UPDATE LANGUAGE REGARDING REMONSTRANCE AND PETITION; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

Ordinance No. 2020-3005 has been introduced, read by title, and I move to approve upon its first reading. This motion, made by Muehlenkamp and seconded by Weedon, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

5.I. Introduce and approve on its first reading Ordinance No. 2020-3006 amending Chapter 30: Government Officials, of the City of McCook Code of Ordinances, Section 30.002 - Bonds Required and Section 30.040 - City Clerk.

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3006 by title.

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 30: GOVERNMENT OFFICIALS, OF THE CITY OF MCCOOK CODE OF ORDINANCES; SECTION 30.002 - BONDS REQUIRED; RELATING TO OFFICIAL BONDS AND OATHS; TO CHANGE PROVISIONS RELATING TO FILING REQUIREMENTS; SECTION 30.040 - CITY CLERK; TO CLARIFY CLERK IS UNDER THE DIRECTION OF THE CITY MANAGER; TO HARMONIZE WITH STATE LAW; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

Ordinance No. 2020-3006 has been introduced, read by title, and I move to approve upon its first reading. This motion, made by Calvin and seconded by Gonzales, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

5.J. Introduce and consider Ordinance No. 2020-3007 providing for the repeal of Ordinance

No. 2020-3000 in its entirety; providing for the amendment of Chapter 130: General Offenses, of the City of McCook Code of Ordinances; adding Section 130.34 - Obstructing/Harassing a Peace Officer; amending Section 130.99 - Penalty; to provide that Obstruction/Harassment of a Police Animal is an Offense; to Clarify the definition of "Police Animal".

Mayor Gonzales asked the Clerk to read Ordinance No. 2020-3007 by title.

AN ORDINANCE PROVIDING FOR THE REPEAL OF ORDINANCE NO. 2020-3000 IN ITS ENTIRETY; PROVIDING FOR THE AMENDMENT OF CHAPTER 130: GENERAL OFFENSES, OF THE CITY OF MCCOOK CODE OF ORDINANCES; ADDING SECTION 130.34 - 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. 2020-3007 has been introduced, read by title, and I move that the statutory rule requiring reading on three different days be suspended. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

I move for final passage of Ordinance No. 2020-3007. This motion, made by Calvin and seconded by Muehlenkamp, passed.

Gonzales: YEA, Hepp: YEA, Calvin: YEA, Weedon: YEA, Muehlenkamp: YEA  
YEA: 5, NAY: 0

Ordinance No. 2020-3007 is declared lawfully passed and adopted upon publication as required by law.

#### 5.K. Council Comments.

Council comments included the appreciation of being able to participate in the meeting via audio/teleconferencing; asking that the 1<sup>st</sup> Responders, Police Staff, Medical Personnel, and City Staff be careful and to be safe; thanking staff for making the decision for the closing of the Parks playground equipment and Karrer Park.

#### **Adjournment.**

There being no further business to come before the Council, Mayor Gonzales declared the meeting adjourned at 7:43 P.M.

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Michael D. Gonzales, Mayor

ATTEST:

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Lea Ann Doak, City Clerk-Treasurer

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM:**        4.B.

Receive and file the City of McCook - Tax Increment Financing Annual Report - dated April 2020.

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**BACKGROUND:**

On or before May 1 of each year, the City of McCook Community Development Agency (CDA) is required to compile information on the progress of redevelopment projects that are financed in whole or in part through Tax Increment Financing (TIF). The attached report is for calendar year 2019. The CDA must report this information to the City Council and other taxing entities affected by the division of taxes.

**FISCAL  
IMPACT:**    None.

**APPROVALS:**

  
\_\_\_\_\_  
Lea Ann Doak, City Clerk

April 16, 2020

  
\_\_\_\_\_  
Nathan A. Schneider, City Manager

April 16, 2020

**CITY OF MCCOOK  
TAX INCREMENT FINANCING ANNUAL REPORT  
APRIL 2020**

On or before May 1 of each year, the City of McCook Community Development Agency (CDA) is required to compile information on the progress of redevelopment projects that are financed in whole or in part through Tax Increment Financing (TIF). The CDA reports this information to the McCook City Council and other taxing entities affected by the division of taxes.

Redevelopment project plans are evaluated based on zoning regulations, land utilization, compliance with the City's Comprehensive Plan, TIF criteria set forth by the City, and the Nebraska Community Development Law. The City of McCook has three Redevelopment Areas as outlined in attached Exhibit #1.

Currently the City of McCook has seven active redevelopment projects that have been financed in whole or in part through TIF. The total estimated project costs for these redevelopment projects totals \$39,474,467.

Included with this report is a table which summaries the City of McCook's Tax Increment Projects through December 31, 2019. The table provides a comparison between the initial project valuation of property included in each redevelopment project (as described in the individual redevelopment contracts) and the assessed value of the property included in each redevelopment project. The table is attached hereto, marked as Exhibit #2, and is incorporated into this document by reference.

During 2019, there were no TIF project bonds paid in full or that reached the 15-year term and no plan amendments or new redevelopment projects were approved.

The percent of land within the corporate limits of the City of McCook designated as blighted as of 12/31/2019 was 28.6%

# REDEVELOPMENT AREAS MAP

McCOOK, NEBRASKA



## LEGEND

-  CITY OF McCOOK CORPORATE LIMITS
-  REDEVELOPMENT AREA #1
-  REDEVELOPMENT AREA #2
-  REDEVELOPMENT AREA #3
-  REDEVELOPMENT AREA #3 - AMENDED

EXHIBIT #1

**CITY OF MCCOOK**  
**TAX INCREMENT PROJECTS YEAR ENDING 12/31/2019**

PROJECT NAME	AREA	TYPE	CONTRACT DATE	TIF BOND	ESTIMATED PROJECT COST	INITIAL PROJECTED VALUATION	BASE VALUE	BASE VALUE DATE	TIF EXCESS VALUE TAX YEAR 2018
Keystone Hotel Rehabilitation Amended Area - removed undeveloped Lots 8 & 9	1	Commercial	05/18/09 11/20/17	\$ 320,000.00	\$ 3,931,264.00	\$ 2,000,000.00	\$ 120,000.00 \$ 109,500.00	08/03/09 12/18/17	\$ 1,496,500.00
North Pointe Properties, LLC (27 lots in three phases) Phase I - 6 lots Phase I-Amend No. 1 (Lots 1 & 3) Phase I-Amend No. 2 (Lots 2 & 4) Phase I-Amend No. 3 (Lots 5 & 6)	3	Housing	07/07/14  05/16/16 05/15/17 05/07/18	\$ 208,000.00	\$ 208,000.00 + Developer Costs	\$ 5,000,000.00 \$ 1,750,000.00 **	\$ 89,079.00 \$ 27,268.00 \$ 38,420.00	04/20/15  07/14/17	\$ 487,961.00 \$ 496,613.00 \$ 318,252.00
Clary Village Amended Plan Area	3	Housing	03/16/15 11/20/17	\$ 180,000.00	\$ 2,657,520.00	\$ 716,000.00 ***	\$ 12,778.00	03/10/16	\$ 452,345.00
McCook Hotel Group, LLC (Cobblestone)	3	Commercial	05/04/15	\$ 628,875.00	\$ 4,628,000.00	\$ 3,580,000.00	\$ 211,563.00	03/11/16	\$ 2,738,437.00
Quillan Courts	3	Housing	06/06/16	\$ 110,000.00	\$ 3,566,160.00	\$ 557,000.00 ***	\$ 85,074.00	07/14/17	\$ 343,989.00
Next Generation, Inc., Facility Amended Plan	2	Industrial	02/20/17 09/04/18	\$ 720,000.00 \$ 1,024,000.00	\$ 9,061,907.00 \$ 6,529,616.00	\$ 4,500,000.00 \$ 10,485,856.00	\$ 51,475.00	11/02/17	\$ 5,692,760.00
McCook Lodging, LLC (Holiday Inn & Suites) 1st Amendment 2nd Amendment 3rd Amendment	3	Commercial	03/21/16  08/29/16 07/16/18 10/15/18	\$ 1,400,000.00	\$ 8,892,000.00	\$ 6,750,000.00 ***	\$ 202,995.00 \$ 70,788.00	08/01/18	

**TOTAL ESTIMATED PROJECT COSTS**

**\$ 39,474,467.00**

\*\*Estimated Fair Market Value

\*\*\*Estimated valuation increase

COPIES OF ANNUAL REPORT TO:

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

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

Chairman of the Board  
Middle Republican NRD  
208 Center Ave  
PO Box 81  
Curtis, NE 69025

Earl McNutt, Chairman  
Red Willow County Commissioners  
502 Norris Avenue  
McCook, NE 69001

Tom Bredvick, President  
McCook School District  
600 West 7th  
McCook, NE 69001

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM: 4.C.**

Receive and file the Financial Report for the period ending March 31, 2020.

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**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 March 31, 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 March 31, 2020.

Attachment C is a Financial Summary of Revenue and Expense by Fund for the quarter ending March 31, 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

April 16, 2020

  
\_\_\_\_\_  
Nathan A. Schneider, City Manager

April 16, 2020

# ATTACHMENT

## A

City of McCook, Nebraska  
 TREASURER'S REPORT  
 Period Ending March 31, 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	
<b>TOTAL BEGINNING CASH</b>			<b>\$ 15,044,490.24</b>
Receipts:			
Taxes	\$	1,938,545.10	
Fees, Permits and Licenses	\$	217,730.28	
Intergovernmental Services	\$	2,092,516.63	
Charges - Current Services	\$	892,618.28	
Public Utilities	\$	1,671,927.28	
Use of Money & Property	\$	1,124,225.56	
Interfund Transfers	\$	2,204,577.47	
Other Revenue	\$	638,326.90	
Unapplied/Accounts Payable	\$	1,617.00	
<b>PLUS TOTAL RECEIPTS</b>			<b>\$ 10,782,084.50</b>
Disbursements:			
Personal Services	\$	3,106,642.57	
Supplies	\$	611,740.33	
Services & Charges	\$	4,152,357.38	
Budget Transfers	\$	1,507,089.63	
Capital Outlay	\$	2,399,443.13	
Unapplied/Accounts Payable	\$	(10.17)	
<b>MINUS TOTAL DISBURSEMENTS</b>			<b>\$ 11,777,262.87</b>
Ending Cash Balance March 31, 2020			
McCook National Bank - Public Funds	\$	13,194,198.21	
McCook National Bank - Primary Operating	\$	167,956.20	
McCook National Bank - LB840 Funds	\$	574,440.58	
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	\$	82,249.32	
McCook National Bank - Pension	\$	18,509.63	
<b>TOTAL ENDING CASH</b>	\$	14,049,311.87	<b>\$ 14,049,311.87</b>

Dated: March 31, 2020

-s- Lea Ann Doak, City Clerk

# ATTACHMENT B

City of McCook, Nebraska  
 TREASURER'S REPORT  
 CASH BALANCE BY FUNDS  
 Period Ending March 31, 2020 (unaudited)

Beginning Cash on Hand, October 1, 2019	Beginning Cash	YTD Revenue	YTD Expenditures	Ending Cash
General Fund - 10	\$ 2,690,439.97	\$ 3,162,815.62	\$ 3,884,153.86	\$ 1,969,101.73
General Fund Unapplied/Accts. Payable	\$ 3,341.00	\$ 1,617.00	\$ -10.17	\$ 4,968.17
Street Fund - 15	\$ 89,694.69	\$ 154,037.12	\$ 32,816.86	\$ 210,914.95
Special Revenue - 20	\$ 895,594.29	\$ 1,297,046.56	\$ 1,275,288.27	\$ 917,352.58
Debt Service - 30	\$ 347,818.45	\$ 10,272.80	\$ 0.00	\$ 358,091.25
Community Redevelopment Authority - 40	\$ 65,818.36	\$ 10,039.94	\$ 0.00	\$ 75,858.30
Economic Development Fund - 45	\$ 626,583.09	\$ 247,315.93	\$ 299,458.44	\$ 574,440.58
ED Fund Unapplied/Accts. Payable				\$ 0.00
Pension Trust - 50	\$ 17,923.39	\$ 10,023.22	\$ 9,436.98	\$ 18,509.63
Trust & Agency - 60	\$ 290,496.43	\$ 89,359.61	\$ 84,585.92	\$ 295,270.12
Internal Service Fund - 65	\$ 567,643.45	\$ 1,131,326.22	\$ 1,105,678.75	\$ 593,290.92
Enterprise Fund - 70	\$ 8,541,728.03	\$ 4,289,927.95	\$ 4,481,116.32	\$ 8,350,539.66
Enterprise Fund Unapplied/Accts. Payable	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Capital Improvement - 80	\$ 907,409.09	\$ 378,302.53	\$ 604,737.64	\$ 680,973.98
	\$ 15,044,490.24			\$ 14,049,311.87
		\$ 10,782,084.50	\$ 11,777,262.87	

Dated: March 31, 2020

-s- Lea Ann Doak, City Clerk

# ATTACHMENT C

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

10 -GENERAL FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
GENERAL REVENUE	8,679,944	8,679,944	543,257.93	3,099,815.62	3,393,348.54	5,580,128.38	64.29
RESERVES/CO TREASURER BAL	<u>1,512,071</u>	<u>1,512,071</u>	<u>10,500.00</u>	<u>63,000.00</u>	<u>66,998.00</u>	<u>1,449,071.00</u>	<u>95.83</u>
TOTAL REVENUES	<u>10,192,015</u>	<u>10,192,015</u>	<u>553,757.93</u>	<u>3,162,815.62</u>	<u>3,460,346.54</u>	<u>7,029,199.38</u>	<u>68.97</u>

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
ADMINISTRATION	628,920	628,920	38,249.94	274,255.06	275,821.06	354,664.94	56.39
PUBLICITY	7,750	7,750	242.63	2,521.93	2,464.61	5,228.07	67.46
AUDITORIUM	46,785	46,785	6,338.12	56,120.54	23,579.45	9,335.54	19.95
COUNCIL	648,537	648,537	28,683.68	201,233.16	226,865.81	447,303.84	68.97
POLICE	1,745,831	1,745,831	129,815.73	840,186.02	830,089.05	905,644.98	51.87
MUNICIPAL CENTER	98,303	98,303	12,718.10	54,322.91	50,523.25	43,980.09	44.74
FIRE	1,346,686	1,346,686	105,479.62	600,397.68	578,206.49	746,288.32	55.42
AMBULANCE	152,883	152,883	40,030.13	81,833.02	70,754.21	71,049.98	46.47
CIVIL DEFENSE	25,055	25,055	1,676.19	10,069.73	7,395.66	14,985.27	59.81
BUILDING & ZONING	84,939	84,939	6,115.79	39,809.57	37,795.01	45,129.43	53.13
LIBRARY	351,658	351,658	22,184.70	181,184.74	160,175.48	170,473.26	48.48
STREET	1,361,077	1,361,077	63,931.70	434,751.87	491,085.20	926,325.13	68.06
CEMETERY	202,726	202,726	11,204.10	86,371.79	103,608.69	116,354.21	57.39
PARKS	282,608	282,608	41,196.15	115,316.50	81,751.00	167,291.50	59.20
BALL PARKS	167,061	167,061	7,139.60	67,409.99	68,515.59	99,651.01	59.65
POOL	114,527	114,527	920.43	15,716.62	2,501.50	98,810.38	86.28
AIRPORT	169,504	169,504	13,215.58	75,309.53	72,762.85	94,194.47	55.57
UNEMPLOYMENT	10,000	10,000	0.00	0.00	0.00	10,000.00	100.00
UNCOLLECTABLE TAX	14,000	14,000	362.90	2,603.07	3,443.02	11,396.93	81.41
SENIOR CENTER	418,123	418,123	32,763.14	185,177.35	173,065.10	232,945.65	55.71
PUBLIC TRANSPORTATION	169,085	169,085	12,556.52	77,826.46	72,340.53	91,258.54	53.97
HEALTH OPERATING	586,150	586,150	48,838.00	293,028.00	293,028.00	293,122.00	50.01
RESERVES/CO TREASURER BAL	<u>562,071</u>	<u>562,071</u>	<u>27,620.01</u>	<u>188,708.32</u>	<u>0.00</u>	<u>373,362.68</u>	<u>66.43</u>
TOTAL EXPENDITURES	<u>9,194,279</u>	<u>9,194,279</u>	<u>651,282.76</u>	<u>3,884,153.86</u>	<u>3,625,771.56</u>	<u>5,310,125.14</u>	<u>57.75</u>
REVENUES OVER/(UNDER) EXPENDITURES	997,736	997,736	( 97,524.83)	( 721,338.24)	( 165,425.02)	1,719,074.24	172.30

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

15 -STREET FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
STREET IMPROVEMENTS	468,244	468,244	153,514.12	154,037.12	154,850.65	314,206.88	67.10
TOTAL REVENUES	468,244	468,244	153,514.12	154,037.12	154,850.65	314,206.88	67.10
<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
<hr/>							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	153,514.12	121,220.26	154,850.65	( 121,220.26)	0.00

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

20 -SPECIAL REVENUE  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
FAA GRANTS	1,581,834	1,581,834	5,610.00	1,090,930.49	0.00	490,903.51	31.03
ACE REVENUE SHARING	56,053	56,053	44.00	20,189.00	14,574.00	35,864.00	63.98
MCCOOK RECREATIONAL TRAIL	53,246	53,246	44.00	442.00	561.00	52,804.00	99.17
CDBG BOOE PUBLIC WORKS	0	0	0.00	0.00	0.00	0.00	0.00
ENHANCED E911	267,102	267,102	383.25	15,663.71	17,151.81	251,438.29	94.14
RAVENSWOOD RD PROJECT	0	0	137,500.00	137,500.00	0.00	( 137,500.00)	0.00
INSURANCE REIMBURSEMENT	419,611	419,611	348.00	3,468.00	4,421.00	416,143.00	99.17
PSAP FUNDS	130,987	130,987	4,763.06	28,853.36	29,145.36	102,133.64	77.97
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
<b>TOTAL REVENUES</b>	<b>2,548,260</b>	<b>2,548,260</b>	<b>148,692.31</b>	<b>1,297,046.56</b>	<b>65,853.17</b>	<b>1,251,213.44</b>	<b>49.10</b>

	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	( 44,606.81)	1,130,438.77	29,600.34	451,395.23	28.54
ACE REVENUE SHARING	56,053	56,053	757.00	23,072.00	765.00	32,981.00	58.84
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	3,288.14	26,150.83	14,605.49	240,951.17	90.21
RAVENSWOOD RD PROJECT	0	0	2,034.71	84,948.10	0.00	( 84,948.10)	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	4,932.20	10,678.57	31,892.56	120,308.43	91.85
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
<b>TOTAL EXPENDITURES</b>	<b>2,548,260</b>	<b>2,548,260</b>	<b>( 33,594.76)</b>	<b>1,275,288.27</b>	<b>76,863.39</b>	<b>1,272,971.73</b>	<b>49.95</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>182,287.07</b>	<b>21,758.29</b>	<b>( 11,010.22)</b>	<b>( 21,758.29)</b>	<b>0.00</b>

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

30 -DEBT SERVICE  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
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	593.00	10,272.80	9,946.78	342,149.20	97.09
BOND RESERVE	0	0	0.00	0.00	0.00	0.00	0.00
<b>TOTAL REVENUES</b>	<b>352,422</b>	<b>352,422</b>	<b>593.00</b>	<b>10,272.80</b>	<b>9,946.78</b>	<b>342,149.20</b>	<b>97.09</b>
<hr/>							
	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
<b>TOTAL EXPENDITURES</b>	<b>352,422</b>	<b>352,422</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>352,422.00</b>	<b>100.00</b>
<hr/>							
REVENUES OVER/ (UNDER) EXPENDITURES	0	0	593.00	10,272.80	9,946.78	( 10,272.80)	0.00

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

40 -COMMUNITY DEVELOPMENT  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
KEYSTONE BUS CENTER PROJ	31,000	31,000	771.51	771.51	640.77	30,228.49	97.51
CITY INVESTMENTS	65,574	65,574	55.00	545.00	690.74	65,029.00	99.17
NORTH POINTE	25,000	25,000	1,521.15	1,521.15	3,633.44	23,478.85	93.92
CLARY VILLAGE LLC	9,500	9,500	233.20	233.20	193.68	9,266.80	97.55
MCCOOK HOTEL GROUP/COBBL	70,000	70,000	1,411.78	1,411.78	1,172.54	68,588.22	97.98
QUILLAN COURTS	15,000	15,000	177.37	177.37	147.27	14,822.63	98.82
MCCOOK LODGING/HOLIDAY I	134,000	134,000	2,445.07	2,445.07	0.00	131,554.93	98.18
NEXT GENERATION	<u>150,000</u>	<u>150,000</u>	<u>2,934.86</u>	<u>2,934.86</u>	<u>2,437.50</u>	<u>147,065.14</u>	<u>98.04</u>
TOTAL REVENUES	500,074	500,074	9,549.94	10,039.94	8,915.94	490,034.06	97.99
=====							
	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	<u>150,000</u>	<u>150,000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>150,000.00</u>	<u>100.00</u>
TOTAL EXPENDITURES	500,074	500,074	0.00	0.00	0.00	500,074.00	100.00
=====							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	9,549.94	10,039.94	8,915.94 (	10,039.94)	0.00

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

45 -ECONOMIC DEVELOPMENT FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
ECONOMIC DEVELOPMENT FUN	1,015,417	1,015,417	33,684.83	247,315.93	206,291.14	768,101.07	75.64
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
<b>TOTAL REVENUES</b>	<b>1,015,417</b>	<b>1,015,417</b>	<b>33,684.83</b>	<b>247,315.93</b>	<b>206,291.14</b>	<b>768,101.07</b>	<b>75.64</b>
=====							
	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	108,866.12	299,458.44	75,572.00	715,958.56	70.51
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
<b>TOTAL EXPENDITURES</b>	<b>1,015,417</b>	<b>1,015,417</b>	<b>108,866.12</b>	<b>299,458.44</b>	<b>187,572.00</b>	<b>715,958.56</b>	<b>70.51</b>
=====							
REVENUES OVER/(UNDER) EXPENDITURES	0	0	( 75,181.29)	( 52,142.51)	18,719.14	52,142.51	0.00

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

50 -PENSION TRUST  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
POLICE OFFICER DISABILIT	27,925	27,925	3.83	10,023.22	15,016.85	17,901.78	64.11
TOTAL REVENUES	27,925	27,925	3.83	10,023.22	15,016.85	17,901.78	64.11
	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	9,436.98	9,436.98	18,488.02	66.21
TOTAL EXPENDITURES	27,925	27,925	1,572.83	9,436.98	9,436.98	18,488.02	66.21
REVENUES OVER/(UNDER) EXPENDITURES	0	0	( 1,569.00)	586.24	5,579.87	( 586.24)	0.00

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

60 -AGENCY FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
PERPETUAL CARE	144,580	144,580	118.00	2,392.00	2,979.00	142,188.00	98.35
SENIOR CENTER CONTRIBUTIO	68,431	68,431	407.00	5,554.00	6,054.00	62,877.00	91.88
SCHOOL	8,050	8,050	4,339.28	5,574.28	4,145.98	2,475.72	30.75
FIRE CONTRIBUTIONS	4,075	4,075	0.00	20.00	1,270.00	4,055.00	99.51
LIBRARY MEMORIAL	29,978	29,978	25.00	9,725.00	60.00	20,253.00	67.56
COMMUNITY BETTERMENT	121,199	121,199	8,399.36	57,604.77	58,568.43	63,594.23	52.47
DARE CONTRIBUTIONS	5,145	5,145	0.00	0.00	280.15	5,145.00	100.00
PUBLIC WORKS CONTRIBUTION	6,266	6,266	0.00	5,000.00	0.00	1,266.00	20.20
AMBULANCE CONTRIBUTIONS	5,619	5,619	200.00	1,762.50	203.66	3,856.50	68.63
COMMUNITY PARAMEDIC PROG	4,398	4,398	0.00	0.00	0.00	4,398.00	100.00
POLICE CONTRIBUTIONS	7,500	7,500	727.06	1,727.06	2,085.99	5,772.94	76.97
<b>TOTAL REVENUES</b>	<b>405,241</b>	<b>405,241</b>	<b>14,215.70</b>	<b>89,359.61</b>	<b>75,647.21</b>	<b>315,881.39</b>	<b>77.95</b>

	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	516.77	3,866.77	0.00	64,564.23	94.35
SCHOOL	8,050	8,050	30.00	1,235.00	480.00	6,815.00	84.66
FIRE CONTRIBUTIONS	4,075	4,075	202.00	585.41	1,191.87	3,489.59	85.63
LIBRARY MEMORIAL	29,978	29,978	514.19	4,176.06	2,620.12	25,801.94	86.07
COMMUNITY BETTERMENT	121,199	121,199	7,183.00	60,453.09	52,851.00	60,745.91	50.12
DARE CONTRIBUTIONS	5,145	5,145	61.08	2,072.02	0.00	3,072.98	59.73
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	386.50	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	323.91	7,251.47	0.00	248.53	3.31
<b>TOTAL EXPENDITURES</b>	<b>405,241</b>	<b>405,241</b>	<b>8,830.95</b>	<b>84,585.92</b>	<b>57,563.17</b>	<b>320,655.08</b>	<b>79.13</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>5,384.75</b>	<b>4,773.69</b>	<b>18,084.04</b>	<b>( 4,773.69)</b>	<b>0.00</b>

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

65 -INTERNAL SERVICE FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
FLEX DEPENDENT CARE	10,930	10,930	384.62	1,307.72	595.00	9,622.28	88.04
FLEX - MEDICAL	67,938	67,938	3,058.28	19,681.38	21,915.34	48,256.62	71.03
SELF INSURED HEALTH INSUR	<u>2,451,925</u>	<u>2,451,925</u>	<u>203,920.40</u>	<u>1,110,337.12</u>	<u>776,556.35</u>	<u>1,341,587.88</u>	<u>54.72</u>
TOTAL REVENUES	<u>2,530,793</u>	<u>2,530,793</u>	<u>207,363.30</u>	<u>1,131,326.22</u>	<u>799,066.69</u>	<u>1,399,466.78</u>	<u>55.30</u>
	=====	=====	=====	=====	=====	=====	=====
	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	464.00	1,149.86	635.00	9,780.14	89.48
FLEX - MEDICAL	67,938	67,938	4,501.89	26,853.06	29,462.62	41,084.94	60.47
SELF INSURED HEALTH INSUR	<u>2,451,925</u>	<u>2,451,925</u>	<u>120,840.85</u>	<u>1,077,675.83</u>	<u>987,026.57</u>	<u>1,374,249.17</u>	<u>56.05</u>
TOTAL EXPENDITURES	<u>2,530,793</u>	<u>2,530,793</u>	<u>125,806.74</u>	<u>1,105,678.75</u>	<u>1,017,124.19</u>	<u>1,425,114.25</u>	<u>56.31</u>
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	81,556.56	25,647.47 (	218,057.50) (	25,647.47)	0.00

CITY OF MCCOOK  
STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
AS OF: MARCH 31ST, 2020

70 -ENTERPRISE FUND  
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
SOLID WASTE-LANDFILL POST	0	0	0.00	0.00	0.00	0.00	0.00
SOLID WASTE - RECYCLING	275,800	275,800	6,481.36	38,132.52	118,597.28	237,667.48	86.17
SOLID WASTE - COLLECTION	883,613	883,613	65,520.05	402,703.54	396,592.23	480,909.46	54.43
SOLID WASTE - TRANSFER ST	1,061,347	1,061,347	86,782.07	493,930.02	430,719.04	567,416.98	53.46
LANDFILL RESERVE	760,280	760,280	6,729.00	42,533.00	29,310.00	717,747.00	94.41
SOLID WASTE - DISPOSAL	369,986	369,986	28,810.28	184,798.84	307,626.21	185,187.16	50.05
WATER MAINTENANCE & OPERA	4,169,322	4,169,322	146,711.43	1,028,809.05	967,556.80	3,140,512.95	75.32
WATER BOND & INTEREST RED	1,759,088	1,759,088	37,739.00	289,767.37	278,404.37	1,469,320.63	83.53
WATER CAPITAL - REPLACEME	2,627,307	2,627,307	28,912.00	180,802.00	184,081.00	2,446,505.00	93.12
WATER CAPITAL - DEVELOPME	0	0	0.00	0.00	0.00	0.00	0.00
WATER QUALITY SOLUTION	168,643	168,643	94.65	885.52	1,148.61	167,757.48	99.47
SEWER MAINTENANCE & OPERA	2,326,320	2,326,320	121,927.11	713,996.98	720,582.42	1,612,323.02	69.31
SEWER BOND & INTEREST RES	120,754	120,754	100.00	20,910.48	20,956.48	99,843.52	82.68
SEWER CAPITAL - REPLACEME	1,249,699	1,249,699	36,444.00	220,396.00	229,174.00	1,029,303.00	82.36
SEWER CAPITAL - DEVELOPME	1,361	1,361	1.00	11.00	13.00	1,350.00	99.19
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	<u>1,305,000</u>	<u>1,305,000</u>	<u>108,933.32</u>	<u>672,251.63</u>	<u>951,816.96</u>	<u>632,748.37</u>	<u>48.49</u>
<b>TOTAL REVENUES</b>	<b>17,778,845</b>	<b>17,778,845</b>	<b>675,185.27</b>	<b>4,289,927.95</b>	<b>4,636,578.40</b>	<b>13,488,917.05</b>	<b>75.87</b>

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXPENDITURES	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>EXPENDITURES SUMMARY</b>							
SOLID WASTE-LANDFILL POST	16,550	16,550	1,286.75	8,210.13	7,927.49	8,339.87	50.39
SOLID WASTE - RECYCLING	293,894	293,894	8,607.21	55,214.17	102,867.10	238,679.83	81.21
SOLID WASTE - COLLECTION	883,613	883,613	78,854.04	398,159.79	411,978.21	485,453.21	54.94
SOLID WASTE - TRANSFER ST	1,026,703	1,026,703	93,821.42	524,711.96	544,692.63	501,991.04	48.89
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	28,810.28	186,048.84	310,126.21	183,937.16	49.71
WATER MAINTENANCE & OPERA	4,169,322	4,169,322	159,916.33	1,168,611.57	945,893.93	3,000,710.43	71.97
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	3,500.96	41,185.75	47,424.20	2,586,121.25	98.43
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	139,429.77	658,795.63	669,318.75	1,667,524.37	71.68
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	0.00	23,714.78	224,628.13	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	<u>1,305,000</u>	<u>1,305,000</u>	<u>108,933.32</u>	<u>672,251.63</u>	<u>951,816.96</u>	<u>632,748.37</u>	<u>48.49</u>
<b>TOTAL EXPENDITURES</b>	<b>17,778,845</b>	<b>17,778,845</b>	<b>623,160.08</b>	<b>4,481,116.32</b>	<b>4,367,222.11</b>	<b>13,297,728.68</b>	<b>74.80</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>52,025.19</b>	<b>( 191,188.37)</b>	<b>269,356.29</b>	<b>191,188.37</b>	<b>0.00</b>

CITY OF MCCOOK  
 STATEMENT OF REVENUES - BUDGET VS. ACTUAL  
 AS OF: MARCH 31ST, 2020

80 -CAPITAL IMPROVEMENTS FUND  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<b>REVENUE SUMMARY</b>							
CAPITAL IMPROVE 2018	1,035,712	1,035,712	61,860.42	371,976.53	131,155.80	663,735.47	64.08
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>586.00</u>	<u>6,326.00</u>	<u>10,177.00</u>	<u>784,343.00</u>	<u>99.20</u>
<b>TOTAL REVENUES</b>	<b>1,826,381</b>	<b>1,826,381</b>	<b>62,446.42</b>	<b>378,302.53</b>	<b>336,820.17</b>	<b>1,448,078.47</b>	<b>79.29</b>
	=====	=====	=====	=====	=====	=====	=====
	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	95,520.04	497,172.19	9,657.50	538,539.81	52.00
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	238.47	98,395.45	79,159.38	147,766.55	60.03
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>
<b>TOTAL EXPENDITURES</b>	<b>1,826,381</b>	<b>1,826,381</b>	<b>95,758.51</b>	<b>604,737.64</b>	<b>88,816.88</b>	<b>1,221,643.36</b>	<b>66.89</b>
	=====	=====	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0	0	( 33,312.09)	( 226,435.11)	248,003.29	226,435.11	0.00

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM:**        4.D.

**RECOMMENDATION:**

**RECEIVE AND REJECT ALL BIDS FOR THE CONSTRUCTION OF A NEW GARAGE AT MEMORIAL PARK CEMETERY.**

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**BACKGROUND:**

On Tuesday April 7<sup>th</sup> bids were opened for the construction of a new garage at Memorial Park Cemetery. We had \$50,000.00 included in the FY 2019/2020 budget. We received the following two bids for this project:

- Chipperfield AG Erectors LLC - \$78,820.00
- Scott Martin Construction - \$128,270.00

Both bids were well over our budgeted amount. At this time, staff recommends that we put a hold on this project and reevaluate at a later date.

**FISCAL  
IMPACT:**        None.

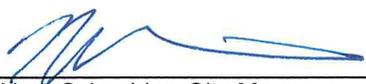
**RECOMMENDATION:**

**RECEIVE AND REJECT ALL BIDS FOR THE CONSTRUCTION OF A NEW GARAGE AT MEMORIAL PARK CEMETERY.**

**APPROVALS:**

  
\_\_\_\_\_  
Kyle Potthoff, Public Works Director

APRIL 16, 2020

  
\_\_\_\_\_  
Nate Schneider, City Manager

APRIL 16, 2020

**CEMETERY GARAGE  
ONE (1) NEW METAL BUILDING**

**MARCH 7, 2020  
2:00 P.M.**

<p><b>BIDDER:</b> Scott Martin Construction McCook Nebraska</p>	<p><b>BIDDER:</b> Chipperfield AG Erectors LLC McCook Nebraska</p>	<p><b>BIDDER:</b></p>
<p><u><b>CEMETERY GARAGE ONE (1) NEW METAL BUILDING</b></u></p> <p><b>TOTAL BID PRICE \$ 128,270.00</b></p> <p>Bid Bond Attached - No Subcontractors</p> <p>Completion Date: 11-01-2020</p>	<p><u><b>CEMETERY GARAGE ONE (1) NEW METAL BUILDING</b></u></p> <p><b>TOTAL BID PRICE \$ 78,820.00</b></p> <p>Tellers Check Attached Subcontractors-Volz Plumbing &amp; Heating Western Window &amp; Door</p> <p>Completion Date: 08-10-2020</p>	<p><u><b>CEMETERY GARAGE ONE (1) NEW METAL BUILDING</b></u></p> <p>TOTAL BID PRICE \$ _____</p> <p>Completion Date: _____</p>
<p><b>BIDDER:</b></p>	<p><b>BIDDER:</b></p>	<p><b>BIDDER:</b></p>
<p><u><b>CEMETERY GARAGE ONE (1) NEW METAL BUILDING</b></u></p> <p>TOTAL BID PRICE \$ _____</p> <p>Completion Date: _____</p>	<p><u><b>CEMETERY GARAGE ONE (1) NEW METAL BUILDING</b></u></p> <p>TOTAL BID PRICE \$ _____</p> <p>Completion Date: _____</p>	<p><u><b>CEMETERY GARAGE ONE (1) NEW METAL BUILDING</b></u></p> <p>TOTAL BID PRICE \$ _____</p> <p>Completion Date: _____</p>

*Lea Ann Deak*

Witness

Kyle Potthoff, Director of Public Works

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM:**        4.E.

Adopt Resolution No. 2020-09 granting a Waiver of Payment in Lieu of Taxes to the McCook Housing Agency.

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**BACKGROUND:**

The McCook Housing Agency has requested that the City Council approve a resolution waiving the payment in lieu of taxes for their housing projects.

This waiver is a requirement from HUD and is presented to the Council on an annual basis pursuant to the recommendation of the auditor for the McCook Housing Agency.

Attached for your reference, is a copy of the May 30, 2003 memorandum from legal counsel addressing the original request from the Housing Authority.

**FISCAL  
IMPACT:**     None.

**APPROVALS:**

  
\_\_\_\_\_  
Lea Ann Doak, City Clerk

April 16, 2020

  
\_\_\_\_\_  
Nathan A. Schneider, City Manager

April 16, 2020

RESOLUTION NO. 2020-09

BE IT RESOLVED, by the Mayor and City Council of the City of McCook, Nebraska:

THAT, the Mayor and City Council of the City of McCook, Nebraska hereby grant to the McCook Housing Agency a WAIVER OF PAYMENT IN LIEU OF TAXES for any public housing projects and for any other purposes as required by the Department of Housing and Urban Development.

PASSED AND APPROVED THIS 20<sup>th</sup> day of May, 2020.

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Michael D. Gonzales, Mayor

ATTEST:

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Lea Ann Doak, City Clerk

LAW OFFICES  
BURGER & BENNETT, P.C.  
116 WEST E STREET  
P.O. BOX 1205  
MCCOOK, NEBRASKA 69001-1205

G. PETER BURGER  
DAYLENE A. BENNETT

PHONE 308 945-7500  
FAX 308 945-7502

## MEMORANDUM

TO: Lea Ann Doak

FROM: Daylene Bennett <sup>lv</sup>

DATE: May 30, 2003

RE: McCook Housing Authority – Payment In Lieu of Taxes

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I have reviewed the Nebraska Statutes and also conferred with Stan Goodwin, the attorney for the McCook Housing Authority, regarding their request for a resolution waiving any payment in lieu of taxes.

The Nebraska Statutes provide that the property of the Housing Authority is not subject to taxation. However, the statutes also provide (in Section 71-1590) that a housing authority may agree to make payment in lieu of taxes.

Part of the original contract with HUD and the Housing Authority was that the City would annually waive any payment in lieu of tax. The fact that the Nebraska Statutes do not require housing authorities to make payment of tax is, apparently, immaterial to HUD.

The auditor for the McCook Housing Authority is requiring an annual waiver by the City of any payment in lieu of tax. This can be accomplished by resolution of the City Council.

Please place this item on the agenda for the second meeting in June. We also should docket the anniversary date so that the resolution can be presented to the Council annually.

I will touch base with you next week regarding the resolution.

DAB/mv

**71-1590. Taxation of property; Indian housing authorities; payments in lieu of taxes.**

(1) The real and personal property of a local housing agency and any wholly owned controlled affiliate thereof used solely (a) for the administrative offices of the housing agency or wholly owned controlled affiliate thereof, (b) to provide housing for persons of eligible income and qualifying tenants, and (c) for appurtenances related to such housing shall be exempt from all taxes and special assessments of any city, any county, the state, or any public agency thereof, including without limitation any special taxing district or similar political subdivision. All other real and personal property of the housing agency or wholly owned controlled affiliate thereof shall be deemed to not be used for a public purpose for purposes of section 77-202 and shall be taxable as provided in sections 77-201 and 77-202.11. Property owned jointly by a housing agency or its wholly owned controlled affiliates with other nongovernmental persons or entities shall be exempt from such taxes and assessments to the extent of the ownership interest which the housing agency and its wholly owned controlled affiliates hold in the property and to the extent the property is used solely to provide housing for persons of eligible income and qualifying tenants. Nothing in this section shall be deemed to preclude a housing agency and its wholly owned controlled affiliates from entering into an agreement for the payment of all or any portion of any special assessments which might otherwise be assessed except for the exemption created by this section.

(2) A housing agency may agree to make payments in lieu of all taxes or special assessments to the county within whose territorial jurisdiction any development of such housing agency or its controlled affiliates is located, for improvements, services, and facilities furnished by the city, county, or other public agencies, for the benefit of such development. Nothing contained in this section shall be deemed to require such an agreement by a local housing agency, and in no event shall the amounts payable by the housing agency exceed the amounts which, except for the exemption provided in this section, would otherwise be payable under regular taxes and special assessments for similar properties referred to in subsection (1) of this section. All payments in lieu of taxes made by any such housing agency shall be distributed by the county to all public agencies in such proportion that each public agency shall receive from the total payment the same proportion as its property tax rate bears to the total property tax which would be levied by each public agency against property of the housing agency if the same were not exempt from taxation.

(3) The property of Indian housing authorities created under Indian law shall be exempt from all taxes and special assessments of the state or any city, village, or public agency thereof. In lieu of such taxes or special assessments, an Indian housing authority may agree to make payments to any city, village, or public agency for improvements, services, or facilities furnished by such city, village, or public agency for the benefit of a housing project owned by the housing authority, but in no event shall such payments exceed the estimated cost to such city, village, or public agency of the improvements, services, or facilities to be so furnished. All payments made by any such housing authority in lieu of taxes, whether such payments are contractually stipulated or gratuitous voluntary payments, shall be distributed among the cities, villages, or public agencies within which the housing project is located, in such proportion that each city, village, or public agency shall receive from the total payment the same proportion as its ad valorem tax rate bears to the total ad valorem tax rate which would be levied by each city, village, or public agency against the properties of the Indian housing authority if the same were not exempt from taxation. For purposes of this section, (a) Indian housing authority means an entity that is authorized by federal law to engage or assist in the development or operation of

low-income housing for Indians and which is established by the exercise of the power of self-government of an Indian tribe and (b) Indian law means the code of an Indian tribe recognized as eligible for services provided to Indians by the United States Secretary of the Interior.

**Source:** Laws 1999, LB 105, § 19; Laws 2000, LB 1107A, § 1.

**CITY MANAGER'S REPORT  
APRIL 20, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING**

**4.F.**  
ITEM NO. \_\_\_ Approve an addendum to the existing rental lease between the City of McCook and the Southwest Nebraska Community Theater Association for a portion of the southwest basement of the City Auditorium.

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**BACKGROUND:**

While reviewing the current lease between the City of McCook and the Southwest Nebraska Community Theater Association (SWNCTA), Staff found the agreement did not contain an Indemnification and Insurance provision. Staff and SWNCTA agree that an addendum needs to be executed in order to insert these provisions.

**APPROVALS:**

  
\_\_\_\_\_

April 16, 2020

Nathan A. Schneider, City Manager

  
\_\_\_\_\_

April 16, 2020

Lea Ann Doak, City Clerk

~ ADDENDUM TO LEASE ~

THIS ADDENDUM is made to be effective the \_\_\_ day of April, 2020, between the City of McCook, 505 West C Street, McCook, Nebraska, hereinafter called the **Lessor** and the Southwest Nebraska Community Theater Association, McCook, Nebraska, hereinafter called the **Lessee**.

WHEREAS: The Lessor and Lessee entered into a rental agreement on February 4, 2020 whereby the **Lessor** leased to the **Lessee** the following premises: a portion of the southwest portion of the basement of the McCook City Auditorium building located on 302 West 5<sup>th</sup> Street, said area identified by a drawing labeled Exhibit A. The total area rented by the **Lessee** from the **Lessor** was 1,300 square feet. The Lease has been extended since its origination date of February 4, 2020 pursuant to the terms of the Lease and it remains in full force and effect.

WHEREAS: The **Lessor** and **Lessee** agree that the Lease is in need of modification to ensure the **Lessee** indemnifies the **Lessor** for any damage or injury that may be sustained as a result of this Lease.

WHEREAS: The **Lessor** and **Lessee** agree that the Lease is in need of modification to address the need for the **Lessee** to provide and maintain general liability insurance including bodily injury and property damage.

WHEREFORE: The **Lessor** and **Lessee** agree to amend the lease to add the following provision:

17.     **INSURANCE AND INDEMNITY:** **Lessee** is required to maintain general liability insurance including bodily injury and property damage in the amount of \$1,000,00. The **Lessee** shall provide the **Lessor** with a Certificate of Insurance showing the **Lessor** as an additional insured.

The **Lessor** shall not be liable for any damage or injury to the **Lessee**, or any other person, or to any property, occurring on the premises. Upon signing this lease, the **Lessee** agrees to indemnify and hold the **Lessor** harmless from any claims for damages, except for those caused by the negligence or unlawful conduct of the **Lessor**.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to Lease.

LESSEE:

Southwest Nebraska Community Theater Association

By: \_\_\_\_\_  
President

LESSOR:

By: \_\_\_\_\_  
Michael D. Gonzales, Mayor

ATTEST:

\_\_\_\_\_  
Lea Ann Doak, City Clerk

**CITY MANAGER'S REPORT  
APRIL 20, 2020 MCCOOK COMMUNITY DEVELOPMENT AGENCY MEETING**

**4.G.**  
ITEM NO. \_\_\_ Approve a lease between the City of McCook and the Southwest Nebraska Community Theater Association to allow for the occupation and use of the southeast portion of the City Auditorium.

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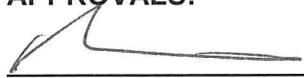
**BACKGROUND:**

At the April 6, 2020 City Council meeting, the Southwest Nebraska Community Theater Association (SWNCTA) inquired whether the southeast portion of the City Auditorium (ie. the administrative office location) would be available for rent. SWNCTA would like to store costumes in this part of the Auditorium. Currently, the southeast portion of the building is empty. The City Council instructed Staff to meet with SWNCTA to discuss the terms of a potential lease.

On April 8<sup>th</sup>, Staff members met with SWNCTA representative Gene Weedin to discuss a possible lease. After physically viewing the property and discussing possible terms, City Staff created a potential lease agreement. Per the proposal, the City would lease 1,162 square feet of the southeast portion of the auditorium to SWNCTA. In return, SWNCTA would pay rent to the City at a rate of \$1.33 per square foot. The total yearly rent would be \$1,545. An escalator provision would cause a yearly rate increase of \$0.03 per square feet.

The other terms are similar to the lease between the City of McCook and SWNCTA for the rental of the Auditorium's southwest basement. One item that the City is proposing to add to both leases is an Indemnity and Insurance clause.

**APPROVALS:**

  
\_\_\_\_\_

Nathan A. Schneider, City Manager

April 16, 2020

  
\_\_\_\_\_

Lea Ann Doak, City Clerk

April 16, 2020

~ LEASE ~

THIS AGREEMENT made to be effective the \_\_\_ day of April, 2020, between the City of McCook, 505 West C Street, McCook, Nebraska, hereinafter called the **Lessor** and the Southwest Nebraska Community Theater Association, McCook, Nebraska, hereinafter called the **Lessee**.

WTTNESSETH: The **Lessor** hereby leases to the **Lessee** the following premises: a portion of the southeast basement of the McCook City Auditorium building located at 302 West 5<sup>th</sup> Street (ie. the portion of the Auditorium that contained the administrative offices), as shown on the attached drawing labeled Exhibit A, said Exhibit A made a part of this agreement by this reference, for a term of one year, beginning May 1, 2020 and terminating on April 30, 2021. The total area rented by the **Lessee** from the **Lessor** is 1,162 square feet. This lease may be extended by the **Lessor** and **Lessee** upon written agreement or, if there is no agreement to extend the lease and the **Lessee** remains in possession of the demised premises, the terms of this agreement may be extended for additional one year periods of time under the terms found herein. It is agreed to by the **Lessor** and **Lessee** that the **Lessee** is allowed to move items into the premises beginning April 21, 2020, said premises to be used and occupied only for the purpose of storing **Lessee's** personal property. This lease is further subject to the following conditions and covenants:

1. **RENT:** That the **Lessee** will pay rent for the demised premises as follows:

One Thousand Five Hundred and Forty-Five (\$1,545) for one year to rent the premises, which the parties agree equates to \$ 1.33 per square foot.

Said rent is to be paid in one lump sum payment at the beginning of the rental term. If this agreement extends past the first year, the rent will be automatically increased by \$0.03 per square foot each year the premises is leased by the **Lessee**.

2. **CARE OF PREMISES BY LESSEE:** The **Lessee** shall take good care of the demised premises and each and every part thereof and shall at the expiration of the term of this Lease deliver the same up to the **Lessor** in as good a condition as when leased, reasonable wear and tear excepted.

3. **LESSOR TO KEEP PORTIONS OF PROPERTY IN REPAIR AND UTILIZE PROPERTY:** The **Lessor** shall keep all portions of the demised premises in good and substantial repair and condition, with the cost of such repairs to be the responsibility of the

**Lessor**, unless repairs are necessary due to the action or inaction of the **Lessee**, such costs to be the responsibility of the **Lessee**.

4. **RIGHT TO ALTER PREMISES RESERVED BY LESSOR:** The **Lessor** reserves the right from time to time to make at its own expense such alterations, repairs, improvements and changes in and about the leased premises or any part thereof that it may deem essential for the proper care and maintenance of the said property, so long as the same shall not unreasonably affect the rights of the **Lessee** to the beneficial use of the said premises, and for that purpose reserves the right at all reasonable times to enter upon the said premises for the purpose of making the same.

5. **LESSOR TO SUPPLY ELECTRICITY:** The **Lessor** during the term of this lease shall furnish electricity sufficient to make such rented space useable. All other expenses incurred by the **Lessee** pursuant to this agreement are the responsibility of the **Lessee**.

6. **GIVING OF NOTICES UNDER LEASE:** All notices required to be given under this Lease by either party to the other shall be given in writing by registered mail addressed to such party at the address herein set forth or at such other address as may be given by such party to the other during the term of this Lease.

7. **INSURANCE AND INDEMNITY:** **Lessee** is required to maintain general liability insurance including bodily injury and property damage in the amount of \$1,000,00. The **Lessee** shall provide the **Lessor** with a Certificate of Insurance showing the **Lessor** as an additional insured.

The **Lessor** shall not be liable for any damage or injury to the **Lessee**, or any other person, or to any property, occurring on the premises. Upon signing this lease, the **Lessee** agrees to indemnify and hold the **Lessor** harmless from any claims for damages, except for those caused by the negligence or unlawful conduct of the **Lessor**.

8. **FIRE INSURANCE RATE NOT TO BE INCREASED BY ACTS OF LESSEE:** That the **Lessee** will not, nor will the **Lessee** permit other persons to do anything in said premises, or bring anything into said premises, or permit anything to be brought into said premises or to be kept therein, which will in any way increase the rate of fire insurance on said demised premises, nor use the demised premises, or any part thereof, nor suffer or permit their use for any business or purpose which would cause an increase in the rate of fire insurance on said building, and the **Lessee** agrees to pay on demand any such increase.

9. **LESSOR'S RIGHT TO ENTER UPON PREMISES:** The said **Lessee** agrees that the said **Lessor** and the **Lessor's** agents and other representatives shall have the right to enter into and upon said premises, or any part thereof, at all hours for the purpose of examining the same, or making such repairs or alterations therein as may be necessary for the safety and preservation thereof.

10. **LESSEE NOT TO OBSTRUCT PORTIONS OF BUILDING:** The **Lessee** shall not obstruct or encumber the sidewalks, entrances, passages, corridors or halls of the demised premises or the portions of said building remaining in the possession of the **Lessor** or use such portions thereof for any purpose other than for ingress and egress to and from the demised premises.

11. **NO REPRESENTATIONS BY LESSOR:** The **Lessor**, his agents, servants or employees have not made any representations or promises with respect to the demised premises except as expressly set forth in this Lease.

12. **DEFAULT BY LESSEE:** **Lessor** shall give **Lessee** written notice of any default by **Lessee** in the payment of rent or performance of any other obligation to be kept or performed by **Lessee** and, if such default continues for a period of thirty (30) days after receipt by **Lessee** of a written notice from **Lessor** specifying such default, **Lessor** may thereafter, without further notice or demand, enter onto the premises and take full and absolute possession thereof, without such re-entry causing a forfeiture of the rent to be paid or the covenants to be performed by **Lessee** hereunder for the full term of this Lease, and may thereafter lease or sublease the premises for such rent as **Lessor** may reasonably obtain, crediting **Lessee** with the rent so obtained after deducting the costs **Lessor** reasonably incurs by such re-entry, leasing or subleasing, or the **Lessor**, at his election, may terminate this Lease and re-enter and take full and absolute possession of the premises, free from any further right or claim by **Lessee**.

13. **DEFAULT BY LESSOR:** **Lessee** shall give **Lessor** written notice of any default by **Lessor** in the performance of any covenant or obligation to be kept or performed hereunder, and, if such default continues, for a period of thirty (30) days after receipt by **Lessor** of a written notice from **Lessee** specifying such default, then and in such event, **Lessee**, at its election, may declare this lease terminated and void, and vacate the premises within an additional period of thirty (30) days, paying rent only to the date of such vacating provided, nevertheless, that, if such

default by **Lessor**, can be cured by payment of money, **Lessee**, at its election, may spend said money as is reasonably necessary to cure such default and thereafter deduct the amount so spent from rent due or to become due hereunder.

14. **TERMINATION BY LESSOR FOR NO CAUSE**: Due to the nature of the building and the fact that the **Lessor** may require possession of the demised premises to best serve the citizens of the City of McCook, **Lessor** may terminate this lease without cause upon the service of a sixty (60) day written notice of termination to **Lessee**.

15. **EXTENSION OF LEASE**: As agreed to, this lease may be extended by the **Lessor** and **Lessee** upon written agreement. If there is no agreement to extend the lease and the **Lessee** remains in possession of the demised premises, the terms of this agreement may be extended on a yearly basis.

16. **WORDS AND PHRASES**: It is agreed that all of the provisions hereof are to be construed as covenants and agreements as if so specifically stated, and that all of the terms and provisions hereof shall bind and inure to the benefit of the parties hereto, their heirs, representatives, successors, and assigns.

Words in the singular, plural, masculine, feminine, and neuter gender as used herein shall have the meanings and be construed as required by the context of this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease.

LESSEE:

Southwest Nebraska Community Theater Association

By:

\_\_\_\_\_  
President

LESSOR:

By:

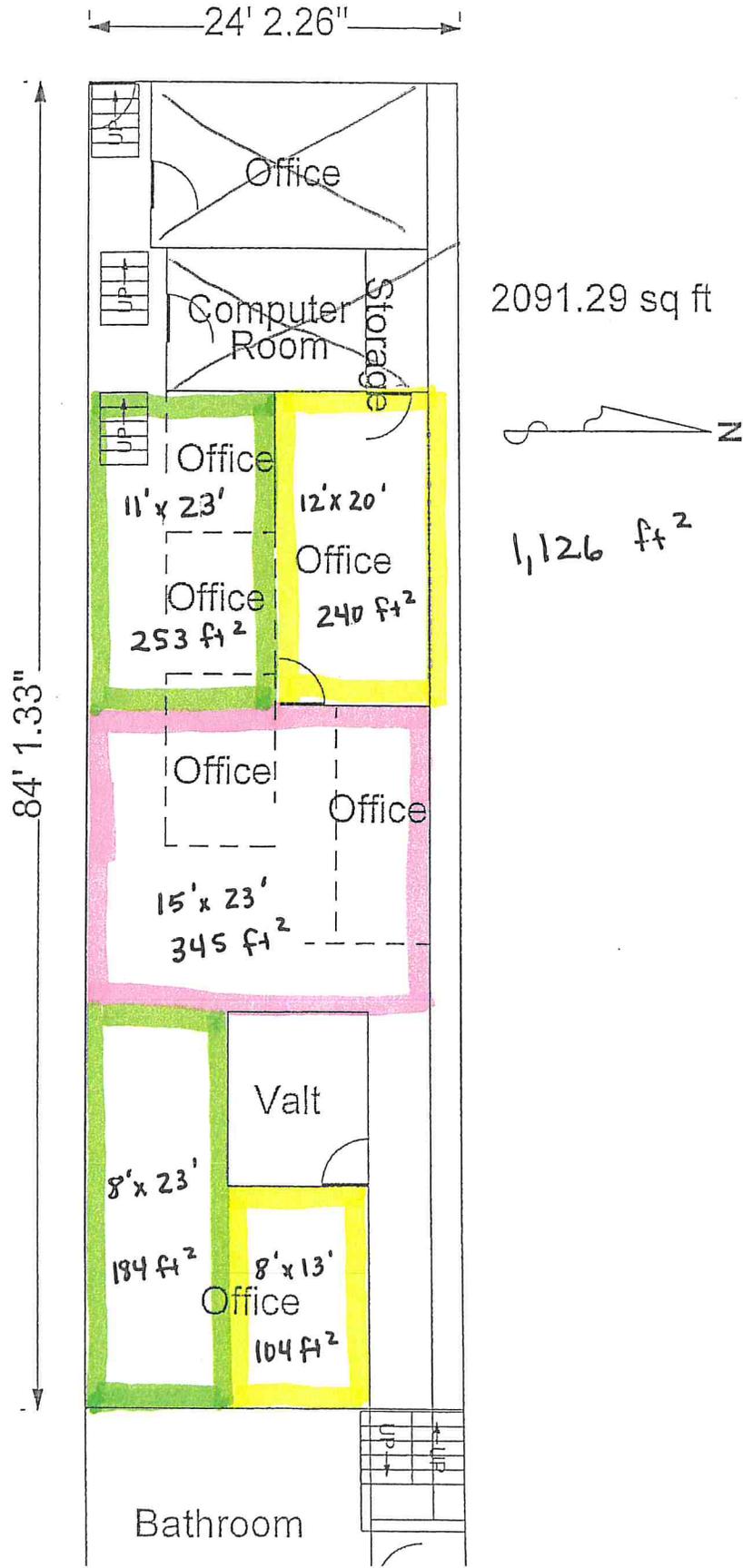
\_\_\_\_\_  
Michael D. Gonzales, Mayor

ATTEST:

\_\_\_\_\_  
Lea Ann Doak, City Clerk

# Exhibit A

Case Name: McCook City Offices  
Case No. 345-2022  
Address W 5th & C st. City Auditorium  
Contact name Lea Ann Doak 340-9960 340-0126  
Drawn By Mark Eiler  
Date 04-21-2008



CITY MANAGERS REPORT  
MAY 4, 2020 CITY COUNCIL MEETING

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ITEM: 4.H.

RECOMMENDATION:

APPROVE THE AGREEMENT BETWEEN THE CITY OF MCCOOK AND RED WILLOW COUNTY FOR PROVISION OF DISPATCH SERVICES TO RED WILLOW COUNTY SHERIFF'S DEPARTMENT AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT

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BACKGROUND:

The McCook Police Department has provided Dispatch Services to Red Willow County Sheriff's Department for many years pursuant to the terms of a written Agreement. The Agreement was updated March 23, 2020 to continue services. The Agreement was approved and signed by Red Willow County Commission Chairman Earl McNutt. I request the City Council approve the Agreement and authorize the Mayor to sign the Agreement.

FISCAL IMPACT:

NONE. The funding is included in the Budget

RECOMMENDATION:

APPROVE THE AGREEMENT BETWEEN THE CITY OF MCCOOK AND RED WILLOW COUNTY FOR PROVISION OF DISPATCH SERVICES TO RED WILLOW COUNTY SHERIFF'S DEPARTMENT AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT

APPROVALS:

  
\_\_\_\_\_  
Isaac S. Brown, Chief of Police

4-16-2020  
Date

  
\_\_\_\_\_  
Nate Schneider, City Manager

4-16-2020  
Date

## AGREEMENT

THIS AGREEMENT, made and entered into this 23<sup>rd</sup> day of March, 2020, by and between the City of McCook, Nebraska, hereinafter referred to as the "City" and the County of Red Willow, Nebraska, hereinafter referred to as the "County".

Whereas, the City operates a 24-hour per day communication center facility at it's Public Safety Center located at 505 West C Street; and

Whereas, the communication center provides radio dispatch services for law enforcement agencies, fire, and emergency services in Red Willow County, Nebraska; and

Whereas, the County Sheriff's Department maintains a facility accessible to the public between the hours of 8:00 A.M. until 4:30 P.M., Monday through Friday, excluding holidays; and

Whereas, the City and County desire to establish the terms and conditions of an agreement whereby the City will provide the County Sheriff's Department 24-hour per day communications center services.

NOW, THEREFORE, it shall be the purpose of this agreement to establish the terms and conditions whereby the City will provide the county Sheriff's Department 24-hour per day radio dispatch facility services, personnel to operate such facility; and, to specify the responsibilities of the City and the County in the provision of the radio dispatch services and the maintenance of equipment at the dispatch facility operated by the City.

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE CITY AND THE COUNTY AS HEREIN BELOW SET FORTH:

**SECTION 1. FACILITIES.** The City agrees that it will provide a 24-hour per day communications center facility to provide services for the Red Willow County Sheriff's Department. The facility will be located at the current Public Safety Building located at 505 West C Street and shall be operated by and under the direction of the City of McCook from the date that this agreement is executed until the date of termination of this agreement. It is understood and agreed that the responsibility assumed by the City under this agreement shall extend only to the City's good faith performance and shall not be deemed to require the City to be responsible for actions beyond its control; such as catastrophic physical damage to its facilities, or change in laws or regulations substantially modifying the basis on which the facilities are to be provided.

**SECTION 2. SERVICES.** The City agrees to provide 24-hour per day radio dispatch services to law enforcement agencies having jurisdiction within Red Willow County with compatible radio frequencies. Services to the County Sheriff's Department shall be on a radio frequency licensed to the County and on a radio provided to the City dispatch facility by the

County on that frequency/frequencies. In addition to providing a 24-hour per day radio dispatch facility, the City agrees to provide the County a daily log of all radio calls involving Red Willow County Sheriff's Department personnel. The City also agrees to provide the County documentation of all messages and information received for County personnel at the communications center. The City agrees to receive telephone calls for the Red Willow County Sheriff's Department between the hours of 4:00 P.M. and 8:00 A.M. Monday through Friday, and on weekends and holidays. The City also agrees to provide the county with NCIC/NCIS teletype services.

SECTION 3. PERSONNEL. In addition to providing a dispatch facility, the City agrees to provide certified employees trained in the operation of radio dispatch equipment, the City's computer system, and the NCIC/NCIS computer system.

SECTION 4. INSURANCE. During the term of this agreement, the City shall maintain suitable liability insurance coverage to protect against liability incurred as a result of its operation of the radio dispatch facility.

SECTION 5. EQUIPMENT. During the term of this agreement, the County will provide and maintain in good repair such radio and radio equipment necessary for the City to provide to the County the radio dispatch services described herein. The City agrees to provide and maintain in good condition such other equipment as is necessary to operate the radio dispatch facility located at the Public Safety Center.

SECTION 6. COMPENSATION. As compensation, the County shall pay the City the sum of \$67,303.00 per year, \$5,608.58 per month, for the July 1, 2020 to June 30, 2021 term, increasing by 3% for the July 1, 2020 to June 30, 2021 term, and continuing based on a 3% annual increase after June 30, 2021. The County shall be billed and remit payment on a monthly basis.

SECTION 7. TERM OF AGREEMENT. This agreement supercedes the agreement with the County dated August 17, 2009 and shall be for the term commencing July 1, 2020, and continuing through June 30, 2021. This agreement shall be automatically renewable on the terms outlined in Section 6 for one (1) additional year, unless one of the parties elects not to renew for the following year, by advising the other in writing prior to May 1<sup>st</sup> of the year in question.

SECTION 8. MISCELLANEOUS. Each party agrees to cooperate with each other to facilitate the provision of the radio dispatch services so as not to disrupt or interfere with the radio dispatch services currently provided to law enforcement agencies having jurisdiction within McCook and Red Willow County and radio dispatch services currently provided to Fire, Ambulance, and Emergency Services within those jurisdictions. Each agency shall maintain its own responsibility for retention of radio dispatch and other records pertaining to the operation of those agencies.

The parties to this agreement do hereby affix their signatures and bind themselves, their successors and assigns to the faithful performance of the terms and conditions of this agreement.

CITY OF MCCOOK

BY: \_\_\_\_\_  
Michael Gonzales

ATTEST:

\_\_\_\_\_  
Lea Ann Doak, City Clerk

RED WILLOW COUNTY BOARD

BY:   
Earl McNutt, Chairman

ATTEST:

  
\_\_\_\_\_  
Tami Teel, County Clerk

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM:**        4.1.

**RECOMMENDATION:**

Receive and file the minutes of the April 13, 2020 Planning Commission meeting.

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**BACKGROUND:**

Receive minutes from the various board and commission meetings.

**FISCAL  
IMPACT:**     None.

**APPROVALS:**

  
\_\_\_\_\_  
Lea Ann Doak, City Clerk

April 16, 2020

McCook Planning Commission  
April 13, 2020  
5:15 PM Central

A MEETING OF THE PLANNING COMMISSION OF THE CITY OF MCCOOK, NEBRASKA convened in via public audio/teleconference means at 5:15 o'clock P.M. in the City Council Chambers. The meeting was open to the public via audio/teleconference means pursuant to the Governor's Executive Order No. 20-03 issued on March 17, 2020.

Present via audio/teleconference means were: Chair Vosburg; Vice Chair Hilker; Commissioners Dueland, Friehe, Lyons, McDowell, Stevens.

Absent: Commissioners Bradley, Davidson, Graham.

City Officials present via video and teleconference means were: City Manager Schneider, City Attorney Mustion, City Clerk Doak, Deputy City Clerk Burkey.

Notice of the meeting was given in advance thereof by publication in the McCook Daily Gazette on April 9, 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 public via audio/teleconference means.

Chair Vosburg announced that in accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act was available for public review on the Home Page of the City of McCook website.

1. Approve the minutes of the March 9, 2020 regular Planning Commission meeting.

Motion to approve the minutes of the March 9, 2020 regular Planning Commission meeting. This motion, made by Hilker and seconded by Vosburg, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: ABSENT, Dueland: YEA, Friehe: YEA, Graham: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA  
YEA: 7, NAY: 0, ABSENT: 3

2. Public Hearings and Regular Agenda.

- 2.A. Public Hearing - Regarding the Redevelopment Plan for the N-Stant Convenience 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 N-Stant

Convenience 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 Dueland, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: ABSENT, Dueland: YEA, Friehe: YEA, Graham: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA  
YEA: 7, NAY: 0, ABSENT: 3

The City Attorney received into evidence Exhibit #1 - City Manager's Report prepared for the April 13, 2020 Planning Commission meeting (2 pages), Exhibit #2 - Notice of Hearing published (1 page); Exhibit #3 - proposed Resolution No. PC2020-02 (4 pages); Exhibit #4 - Redevelopment Plan for the N-Stant Convenience Redevelopment Project (14 pages); Exhibit #5 - copies of notice of public hearing mailed by certified mail to the required taxing jurisdictions; McCook Community College, Educational Service Unit No. 15, Middle Republican NRD, Red Willow County Commissioners, McCook School District (5 pages); and Exhibit #6 - Project Site Map (1 page).

City Manager Schneider reviewed the following information contained in Exhibit #1: "Earlier this year, Redevelopment Area #4 was approved, declaring an area located near the intersection of Highways 83 and 6/34 as blighted and substandard. A redevelopment application has been received from Smoker's Outlet, Inc., d/b/a N-Stant Convenience, said business owning property within Redevelopment Area #4. City Staff has reviewed the application and found that the request was eligible for Tax Increment Financing (TIF)."

"The project site at issue is located on a lot directly northeast of the Highway 83 and Highway 6/34 intersection. The site is currently a vacant lot that was purchased from the State of Nebraska. In order for development to occur, the Redeveloper is requesting redevelopment assistance."

"The Redeveloper owns and operates a convenience store adjacent to the Project Site and desires to expand its business to offer fuel sales. The project under consideration will consist of the construction and development of a fuel station site that will contain eight-fuel pumps, or four-island double-sided fuel canopies on the Project Site. TIF assistance is being requested in order to assure funding is available for the project. The Redeveloper has confirmed, but for the approval of TIF assistance, the project will not occur."

"The N-Stant Convenience Redevelopment Plan includes a number of costs that would qualify for Tax Increment Finance consideration. Page 4 of the Redevelopment Plan lists the eligible TIF uses in the amount of \$237,000. Pursuant to the Redevelopment Plan's Cost-Benefit Analysis (ie. Exhibit "D"), it is anticipated that approximately \$196,500 of the public improvements can be financed with the proceeds of the TIF generated improvements. There are enough TIF uses to cover the issuance of a Promissory Note in the amount of \$196,500."

"With respect to the statutory elements necessary to qualify under the Nebraska Community Development Law, the N-Stant Convenience Redevelopment Plan qualifies for TIF consideration. The project will not negatively affect population density in the project area. The project will meet the applicable land-coverage ratios and zoning requirements. There will be no adverse impacts with respect to traffic flow. There are no parking concerns related to the project. The land is zoned

appropriately for the intended use.”

“With respect to the City's Comprehensive Plan, the Redevelopment Plan addresses several important goals. The Plan encourages local reinvestment in McCook by both the public and private sectors. It provides needed amenities to support future growth of commercial, industrial, and residential areas. The Plan utilizes available public programs of financing to fund development.”

“As far as how the Plan's Cost-Benefit Analysis works, the current project valuation is \$125,000. It is estimated the completed project will be assessed at \$1,107,724, generating a projected tax increment base of \$982,724. At the estimated tax levy of 1.911555, the annual projected tax shift is \$18,785. This annual projected tax shift will be available to the developer to pay TIF related indebtedness that will be memorialized in a Redevelopment Agreement. While \$196,500 of public improvements will be financed with TIF proceeds, the redeveloper will privately infuse approximately \$1,000,000 of its own money into the project. This means that for every \$1 of public financing the redeveloper will privately spend approximately \$5.”

Discussion included what was the purchase price of the property and when was it purchased?; does the project include a car wash?; what is the location of the current sewer line?; will the bond be paid off sooner?; who provides the projected completed valuation of the project?; will it be necessary to improve the city street which is currently asphalt?

Applicant Nick Nothnagel addressed the Commissions question; the land was purchased in December 2015 for \$125,000; a car wash was proposed in the original plan, but is not included at this time; the current sewer lines runs diagonally (from the NW to the SE) across the property; without knowing the final property value, it is unknown how soon the bond would be paid in full; the County Assessor works with the State to determine the projected completed valuation of the project; and they are aware of the potential improvement needs, but have not discussed that with City Staff.

Andy Long, McCook Economic Development Director, spoke in support of the proposed Redevelopment Plan.

With no further comment, motion to adjourn the public hearing and to reconvene as a Planning Commission. This motion, made by Vosburg and seconded by Stevens, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: ABSENT, Dueland: YEA, Friche: YEA, Graham: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA  
YEA: 7, NAY: 0, ABSENT: 3

2.B. Approve Resolution No. PC2020-02 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 N-Stant Convenience Redevelopment Project.

Motion to approve Resolution No. PC2020-02 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 N-Stant Convenience Redevelopment Project. This motion, made by Vosburg and seconded by Dueland, passed.

Vosburg: YEA, Hilker: YEA, Bradley: ABSENT, Davidson: ABSENT, Dueland: YEA, Friehe: YEA, Graham: ABSENT, Lyons: YEA, McDowell: YEA, Stevens: YEA  
YEA: 7, NAY: 0, ABSENT: 3

Commissioner Dueland expressed concerns with the approval of two projects so close together, are we going to far to fast; this project is on vacant property, his preference would be for housing projects and projects that create jobs.

City Manager Schneider noted that the City is below the TIF property allowed percentage and neither of the two projects create hardship for the City or any of the other taxing entities.

Chair Vosburg requested that election of officers be placed on the agenda for the next meeting.

**Adjournment.**

With no further business, Chair Vosburg declared the Planning Commission meeting adjourned at 5:48 P.M.

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Lea Ann Doak, Recording Secretary

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM:**        4.J.

Receive and file the claims for the month of March 2020 as published April 20, 2020.

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**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

April 16, 2020

CITY OF MCCOOK  
CLAIMS FOR MARCH 2020

ABBREVIATIONS FOR LEGALS: PS - PERSONAL SERVICES; S- SUPPLIES; SC - SERVICES & CHARGES; CO - CAPITAL OUTLAY; BT - BUDGET TRANSFERS

4 STATE TRUCKS-S 444.00; 7-D LOCKSHOP-S 15.00; 83 REPAIR-CO 3500.96; ACE-S 1625.49; AL'S LOCK AND SAFE-S 1055.00; ALA STORE-S 40.00; AMAZON-S 3597.70; AMERICAN AG LAB-SC 914.03; AMERICAN ELECTRIC-S 75.00; ARROW CAR WASH-SC 53.10; ARROW SEED-CO 360.00; ATCO INT'L-S 242.50; BAMFORD, INC-S 600.00, SC 150.00; BETTER HOMES & GARDENS-S 36.28; BLACK HILLS ENERGY-SC 8331.18; BROWN'S SHOE FIT-S 59.90; BSB CONST-CO 89910.04; BW TELCOM-SC 144.14; C&K-S 177.64; CAMBRIDGE TELE-SC 244.51; CARQUEST-S 2789.94; CASH WA-S 7189.68; CATERPILLAR FINANCIAL-CO 28679.01; CENTURY LINK-SC 7489.92; CITTA' DELI-S 25.00; CITY OF MCCOOK-PS 342749.97; CITY SELF INS-BT 129504.00; UTILITIES-SC 2981.97; COLORADO RETAIL VENTURES-S 25.00; CONSOLIDATED MGMT-SC 156.57; CORNHUSKER CLEANING SUPPLY-S 173.09; CULLIGAN-S 39.10; D&L PEST-S 265.00; D & S HARDWARE-S 292.62; DANKO-CO 1200.29; DAS STATE ACCTG-SC 448.00; DEVENY MOTORS-S 79796.65; DIAMOND LAKE BOOKS-S 125.07; DIAMOND VOGEL-S 101.27; DQE-S 235.10; EAKES-S 3400.71; EARLY MORNING CACKLE-SC 55700.00; ELLERBOCK-NORRIS-SC 114960.00; EMC INS-SC 1000.00; ENVIRN ANALYSIS-SC 173.80; FASTENAL-S 235.05; FICA-SC 17055.04; F-V COOP-S 16740.19; FRENCHMAN VALLEY MUTUAL AIDE-SC 100.00; FRONTIER COMM-SC 34.19; FUN EXPRESS-S 435.57; FUSION CLOUD SRVS-SC 721.64; GALE GROUP-S 39.63; GARY'S-S 133.49; GERHOLD-S 788.11; GLASS EXPRESS-S 224.48; GOOGLE\*SVCS-SC 383.61; GOV FINANCE OFFICER-SC 170.00; GREAT PLAINS COMM-SC 2487.91; HAUXWELL PUMP & SUP-S 3452.02; HAYS CO-SC 10000.00; HENNING BROS-SC 59.00; HERITAGE SR. CTR-SC 39.00; HIGH PLAINS RADIO-SC 54.00; HOLIDAY INN-SC 104.00; HOMETOWN LEASING-SC 10069.94; IDEAL LINEN-S 220.74; INT'L SOC FIRE-SC 250.00; J BAR J-SC 35368.32; JOHN HANCOCK-SC 48054.55; JOHNSTONE SUPPLY-S 194.00; K & C GRAIN-S 7661.66; K-C MOTOR & ELEC-S 240.00; KNOWLEN & YATES-S 45.00; KOHL'S-S 593.58; KOHLER TRAILER-SC 559.80; LAND'S END-S 116.28; LONM UT-SC 1780.00; LONM-S 73.75; LIFE-ASSIST-S 1408.68; LOG ME IN-

SC 870.13; LOOP BREWERY-S 43.00; LOUP VALLEY LIGHTING-S 268.80; MAC'S-S 25.00; MACQUEEN EQ-S 2977.02; MARC-S 1346.04; MEDC-SC 40889.00; MCCOOK GAZETTE-SC 795.36; MC HUMANE SOC-SC 3631.51; MCCOOK MECHANICAL-S 2026.55; MNB-CO 31068.08; MCNET-SC 91.40; MC PROF FIREFIGHTERS-S 510.00; MPPD-SC 969.00; MPS-SC 30.00; MCKESSON MEDICAL-S 79.79; MEAD LUMBER-S 263.75; MEDICARE-PS 4749.61; MERCHANT SRVS-SC 724.42; MICROMARKETING-S 1541.15; MICROSOFT-S 106.99; MIDLAND'S TOXICOLOGY-SC 175.00; MIDWEST TURF-S 37.40; MILCO-SC 1198.75; MILLER & ASSOC-SC 20.00; MOUSEL LAW-SC 3625.20; MOYARS CONSULTING-S 300.00; MUNICIPAL SUPPLY-S 1772.17; MUTUAL OF OMAHA-SC 2160.76; NAEMT/PHTLS-SC 30.00; NAT'L FIRE PROTECTION-S 175.00; NAVSURFWARCENDIV-CO 300.00; NE DEPT HEALTH LABS-SC 135.00; NE DEPT OF HHS-SC 40.00; NE DEPT OF REV-SC 13972.36; NE LAW ENF-SC 50.00; NE LIBRARY ASSOC-SC 60.00; NE TRUCK CENTER-S 3041.50; NEBRASKALAND TIRE-S 1257.93; NICK'S DIST-S 1723.97; NORTHERN SAFETY-S 110.98; NPPD-SC 32342.23; NUTRI-SYSTEM-S 516.77; O'KEEFE ELEVATOR-S 338.00; O'REILLY AUTO-S 317.54; ONE CALL CONCEPTS-SC 23.82; ORSCHELN FARM-S 244.50; OWEN'S ORDNANCE-S 209.00; PARDE ELEC-S 792.97; PIZZA HUT-SC 210.00; PLAINS EQUIP GRP-S 3808.98; PLATTE VALLEY COMM-S 2660.47; POWERPLAN-S 221.19; PRAISE WINDOWS-S 2010.00; PROTEX CENTRAL-S 420.00; QUADIENT FINANCE-SC 1000.00; QUICK MED CLAIMS-SC 2874.01; QUILL-S 61.98; RWAC-S 245.93; RWCO HLTH-SC 240.00; SANDRY FIRE SUPPLY-S 3476.59; SIRCHIE FINGER PRINT-S 366.70; SONETICS-S 160.00; SW FARM & AUTO-S 4258.27; SPORTS SHOPPE-SC 25.00; STAPLES-S 109.16; SWANSON SIGNS-SC 140.00; TASTE OF TX-S 25.00; TELEFLEX-S 677.50; THE CORNHUSKER-SC 1540.00; TITAN MACH-S 30.10; TJ'S-SC 65.00; TRACTOR SUPPLY-S 169.98; TRI-AIR TESTING-SC 195.01; UMR-SC 115806.74; UNITECH-S 222.50; USPS-SC 1322.50; UN OF NE-S 78.00; US FOODS-GI-S 1297.76; UTILTY REFUND-599.94; VERIZON-SC 2813.36; VK ELEC-S 22.00; VOLZ-S 18.04; W-DESIGN-CO 34947.95; WAGNER FORD-S 1065.90; WALMART-S 1523.05; WEATHERCRAFT-S 1283.00; WESTSIDE WELDING-S 162.47; ZOLL MEDICAL-S 400.19.

-s- Lea Ann Doak  
City Clerk

Publish: April 10, 2020

**CITY MANAGER'S REPORT  
APRIL 20, 2020 MCCOOK CITY COUNCIL MEETING**

**ITEM NO. 5.A.** Approve Resolution No. 2020- 10 authorizing city staff to temporarily suspend utility disconnections and to waive utility administrative handling charges and required utility deposits due to the economic hardships caused by the federal, state, and local Covid-19 health emergency.

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**BACKGROUND:**

At the last council meeting, the City Council instructed Staff to review the possibility of developing a plan to address the financial impact of COVID-19 on utility customers. At this time, some municipalities have suspended water disconnections while others have adopted other measures.

Staff is proposing a Resolution that would temporarily suspend utility disconnections in situations where customers are suffering economic hardships due to COVID-19. Additionally, Staff is proposing that the administrative handling charge of \$15 and the deposit requirement of \$150 be waived for individuals who have suffered economic hardships due to COVID-19.

The Resolution requires that customers asking for a temporary payment waiver sign an affirmation that they are truly suffering economic hardships due to the pandemic. The customer will be required to sign a payment agreement for the outstanding delinquent amount. Customers requesting a waiver of a utility disconnect must also provide documentation supporting their affirmation of suffering an economic hardship due to COVID-19 within 14 days of their utility account becoming delinquent. An example of sufficient documentation would include a letter from an employer stating the customer was laid off or lost work hours due to the pandemic. Accounts that become delinquent on April 23, 2020 will automatically be given 14 days from April 23, 2020 to sign the affirmation and time payment agreement and to provide documentation of their economic hardship.

The authorization to waive utility disconnects and the administrative handling fee and deposit shall expire on June 30, 2020.

City Staff is currently working on the required forms to implement this Resolution. It is extremely important for everybody to understand that the utilities are part of the enterprise fund. It is possible that the non-payment of utilities could result in utility rate increases. We strongly encourage customers to try their best to pay their utility bills on time.

**APPROVALS:**

  
\_\_\_\_\_

Nathan A. Schneider, City Manager

April 16, 2020

  
\_\_\_\_\_

Lea Ann Doak, City Clerk

April 16, 2020

## RESOLUTION NO. 2020-10

A RESOLUTION TO GIVE AUTHORITY TO CITY STAFF TO TEMPORARILY SUSPEND UTILITY DISCONNECTIONS AND TO WAIVE UTILITY ADMINISTRATIVE HANDLING CHARGES AND REQUIRED UTILITY DEPOSITS DUE TO THE ECONOMIC HARDSHIPS CAUSED BY THE FEDERAL, STATE AND LOCAL COVID-19 HEALTH EMERGENCY.

WHEREAS, on March 13, 2020, Governor Ricketts declared a statewide emergency in response to the *COVID-19 Pandemic* facing the State of Nebraska.

WHEREAS, on April 6, 2020, pursuant to Nebraska Revised Statute § 81-829.50, the City of McCook declared a local emergency in response to the *COVID-19 Pandemic*.

WHEREAS, subsequent to a national and state health emergency being declared on March 13, 2020, the Centers for Disease Control and Prevention advised Americans to avoid gatherings of 50 people. Over the next three weeks, restrictions tightened and non-essential businesses were ordered to close or were restricted on how they could conduct transactions. More than 15 million Americans lost their jobs.

WHEREAS, since mid-March 2020, 67,213 Nebraskans have filed for unemployment benefits equating to approximately 6.6% of the labor force. The unemployment claims for the time period this year are a 4,448% increase from the same time period last year.

WHEREAS, due to the unprecedented economic fallout from the *COVID-19 Pandemic*, it is expected that many McCook residents may at least temporarily struggle with paying their utility bills.

WHEREAS, pursuant to McCook Code of Ordinances § 50.01 all bills of the City for utility service charges are considered delinquent 22 days after the date of the bill. All utility service charges not paid within that time are to incur an administrative handling charge of \$15.00 to help cover the additional costs incurred by the City in rebilling, sending delinquency notices, and otherwise handling the unpaid account. Payment of the \$15.00 is required to avoid disconnection, and before reconnection.

WHEREAS, pursuant to McCook Code of Ordinances § 50.02 the City shall have the right to discontinue services and remove its properties if the charges for the services are not paid within ten days after the date that the same becomes delinquent.

WHEREAS, pursuant to McCook Code of Ordinances § 52.03 all new water customers and all water customers whose water has been shut off by reason of delinquency of payment are required to pay a deposit in the amount of \$150.00 for the purpose of guaranteeing the payment of current bills.

WHEREAS, the City Council desires to help provide relief to those McCook residents who are suffering economic hardships due to the COVID-19 Pandemic.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCOOK, NEBRASKA:

SECTION 1. City staff are hereby authorized to waive the administrative handling charge required by McCook Code of Ordinances § 50.01.

SECTION 2. City staff are hereby authorized to temporarily waive utility disconnects under McCook Code of Ordinances § 50.02 for delinquent accounts.

SECTION 3. City staff are hereby authorized to waive the deposit of \$150.00 required by McCook Code of Ordinances § 52.03.

SECTION 4. Customers asking for the waivers shall be required to sign an affirmation that they are suffering economic hardships due to the *COVID-19 Pandemic* along with a time payment agreement for the outstanding delinquent amount.

SECTION 5. Customers requesting a waiver of a utility disconnect must also provide documentation supporting their affirmation of suffering an economic hardship due to the *COVID-19 Pandemic* within 14 days of their utility account becoming delinquent. An example of sufficient documentation would include, but not be limited to, a letter from an employer stating that the customer was laid off (or lost hours) due to the pandemic. Accounts that become delinquent on April 23, 2020 will automatically be given 14 days from April 23, 2020 to sign the affirmation and time payment agreement and to provide documentation of their economic hardship.

SECTION 6. The authorization to waive utility disconnects and the administrative handling fee and deposit shall expire June 30, 2020.

PASSED AND APPROVED THIS 20<sup>th</sup> day of April, 2020.

\_\_\_\_\_  
Michael Gonzales, Mayor

ATTEST:

\_\_\_\_\_  
Lea Ann Doak, City Clerk

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM:**        5.B.

Approve Ordinance No. 2020-3005 on its second reading, amending Chapter 31: City of McCook Policies, of the City of McCook Code of Ordinances, Section 31.56 - Sale or Conveyance of Property.

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**BACKGROUND:**

LB 133 made numerous changes to update and modernize the language in Neb. RS Chapter 17 and revised provisions related to sale and conveyance of real property. Staff recommends amending Section 31.56 to harmonize with state law.

**FISCAL  
IMPACT:**     None.

**APPROVALS:**

  
\_\_\_\_\_  
Lea Ann Doak, City Clerk-Treasurer

April 16, 2020

  
\_\_\_\_\_  
Nathan A. Schneider, City Manager

April 16, 2020

ORDINANCE NO. 2020-3005

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 31: CITY POLICIES, OF THE CITY OF MCCOOK CODE OF ORDINANCES; SECTION 31.56 - SALE OR CONVEYANCE OF PROPERTY; TO UPDATE LANGUAGE REGARDING REMONSTRANCE AND PETITION; 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 31: City of McCook Polices, of the City of McCook Code of Ordinances, Section 31.56 - Sale or Conveyance of Property, shall be amended to read as follows:

**§ 31.56 SALE AND CONVEYANCE; REAL PROPERTY.**

(A) Except as provided in division (G) of this section, the power of the municipality to convey any real property owned by it, including land used for park purposes and public squares, except real property used in the operation of public utilities, shall be exercised by resolution, directing the sale at public auction or by sealed bid of that property and the manner and terms of such sales, except that the property shall not be sold at public auction or by sealed bid when:

- (1) The property is being sold in compliance with the requirements of federal or state grants or programs;
- (2) The property is being conveyed to another public agency; or
- (3) The property consists of streets and alleys.

(B) The governing body may establish a minimum price for real property at which bidding shall begin or shall serve as a minimum for a sealed bid.

(C) After the passage of the resolution directing the sale, notice of all proposed sales of property described in division (A) of this section and the terms of such sales shall be published once each week for three consecutive weeks in a legal newspaper published in or of general circulation in the municipality.

(D) (1) If within 30 days after the third publication of the notice a remonstrance petition against the sale is signed by registered voters of the municipality equal in number to 30% of the registered voters of the municipality voting at the last regular municipality election held therein and is filed with the governing body, that property shall not then, nor within one year thereafter, be sold. If the date for filing the petition falls upon a Saturday, Sunday, or legal holiday, the signatures shall be collected within the 30-day period, but the filing shall be considered timely if filed or postmarked on or before the next business day.

(2) Upon the receipt of the remonstrance, the governing body, with the aid and assistance of the Election Commissioner or County Clerk, shall determine the validity and sufficiency of signatures on the petition. The governing body shall deliver the petition to the Election Commissioner or County Clerk by hand carrier, by use of law enforcement officials, or by certified mail,

return receipt requested.

(3) Upon receipt of the petition, the Election Commissioner or County Clerk shall issue to the governing body a written receipt that the petition is in the custody of the Election Commissioner or County Clerk. The Election Commissioner or County Clerk shall compare the signature of each person signing the petition with the voter registration records to determine if each signer was a registered voter on or before the date on which the petition was filed with the governing body. The Election Commissioner or County Clerk shall also compare the signer's printed name, street and number or voting precinct, and municipality or post office address with the voter registration records to determine whether the signer was a registered voter. The signature and address shall be presumed to be valid only if the Election Commissioner or County Clerk determines that the printed name, street and number or voting precinct, and municipality or post office address match the registration records and that the registration was received on or before the date on which the petition was filed with the governing body. The determinations of the Election Commissioner or County Clerk may be rebutted by any credible evidence which the governing body finds sufficient. The express purpose of the comparison of names and addresses with the voter registration records, in addition to helping to determine the validity of the petition, the sufficiency of the petition, and the qualifications of the signer, shall be to prevent fraud, deception, and misrepresentation in the petition process.

(4) Upon completion of the comparison of names and addresses with the voter registration records, the Election Commissioner or County Clerk shall prepare in writing a certification under seal setting forth the name and address of each signer found not to be a registered voter and the signature page number and line number where the name is found, and if the reason for the invalidity of the signature or address is other than the nonregistration of the signer, the Election Commissioner or County Clerk shall set forth the reason for the invalidity of the signature. If the Election Commissioner or County Clerk determines that a signer has affixed his or her signature more than once to the remonstrance and that only one person is registered by that name, the Election Commissioner or County Clerk shall prepare in writing a certification under seal setting forth the name of the duplicate signature and shall count only the earliest dated signature.

(5) The Election Commissioner or County Clerk shall certify to the governing body the number of valid signatures necessary to constitute a valid remonstrance. The Election Commissioner or County Clerk shall deliver the remonstrance and the certifications to the governing body within 40 days after the receipt of the remonstrance from the governing body. The delivery shall be by hand carrier, by use of law enforcement officials, or by certified mail, return receipt requested. Not more than 20 signatures on one signature page shall be counted.

(6) The governing body shall, within 30 days after the receipt of the remonstrance and certifications from the Election Commissioner or County Clerk, hold a public hearing to review the remonstrance and certifications and receive testimony regarding them. The governing body shall, following the hearing, vote on whether or not the remonstrance is valid and shall uphold the remonstrance if sufficient valid signatures have been received.

(E) Real estate now owned or hereafter owned by the municipality may be conveyed without consideration to the state for state armory sites or, if acquired for state armory sites, shall be conveyed strictly in accordance with the conditions of Neb. RS 18-1001 through 18-1006.

(F) Following passage of the resolution directing a sale, publishing of the notice of the proposed sale, and passing of the 30-day right-of-remonstrance period, the property shall then be sold. The sale shall be confirmed by passage of an ordinance stating the name of the purchaser and terms of the sale. (Neb. RS 17-503)

(G) Divisions (A) through (F) of this section shall not apply to the sale of real property if the authorizing resolution directs the sale of real property, the total fair market value of which is less than \$5,000. Following passage of the resolution directing the sale of the property, notice of the sale shall be posted in three prominent places within the municipality for a period of not less than seven days prior to the sale of the property. The notice shall give a general description of the property offered for sale and state the terms and conditions of sale. Confirmation of the sale by passage of an ordinance may be required. (Neb. RS 17-503.01)

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-Treasurer  
(Mayor/Chairperson)

**CITY MANAGER'S REPORT  
APRIL 20, 2020 CITY COUNCIL MEETING**

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**ITEM:**        5.C.

Approve Ordinance No. 2020-3006 on its second reading, amending Chapter 30: Government Officials, of the City of McCook Code of Ordinances, Section 30.002 - Bonds Required and Section 30.040 - City Clerk.

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**BACKGROUND:**

LB 311 pertained to elected and appointed officials. It made revisions to the time frames in which elected and appointed officials must file bonds or insurance for the faithful performance of duties. The League of Nebraska Municipalities Codification Service review recommended the proposed revisions. Council and appointed officials with remain under the City's Blanket Policy.

Staff recommends amending Section 30.040: City Clerk. The proposed change clarifies that the Clerk is appointed by the Council, but is under the direction of the City Manager.

**FISCAL  
IMPACT:**        None.

**APPROVALS:**

  
\_\_\_\_\_  
Lea Ann Doak, City Clerk-Treasurer

April 16, 2020

  
\_\_\_\_\_  
Nathan A. Schneider, City Manager

April 16, 2020

ORDINANCE NO. 2020-3006

AN ORDINANCE PROVIDING FOR THE AMENDMENT OF CHAPTER 30: GOVERNMENT OFFICIALS, OF THE CITY OF MCCOOK CODE OF ORDINANCES; SECTION 30.002 - BONDS REQUIRED; RELATING TO OFFICIAL BONDS AND OATHS; TO CHANGE PROVISIONS RELATING TO FILING REQUIREMENTS; SECTION 30.040 - CITY CLERK; TO CLARIFY CLERK IS UNDER THE DIRECTION OF THE CITY MANAGER; 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: Government Officials, of the City of McCook Code of Ordinances, Section 30.002 - Bonds Required, shall be amended to read as follows:

**§ 30.002 BONDS; REQUIREMENTS.**

(A) The city may enact ordinances or bylaws to require from all officers and servants, elected or appointed, bonds and security or evidence of equivalent insurance for the faithful performance of their duties. The city may pay the premium for such bonds or insurance coverage. (Neb. RS 17-604)

(B) (1) All official bonds of officers of the city shall be in form joint and several and made payable to the city in such penalty as the City Council may fix.

(2) In place of the individual bonds required to be furnished by municipal officers, a schedule, position, blanket bond or undertaking, or evidence of equivalent insurance may be given by municipal officers, or a single corporate surety fidelity, schedule, position, or blanket bond or undertaking, or evidence of insurance coverage covering all the officers, including officers required by law to furnish an individual bond or undertaking, may be furnished. The municipality may pay the premium for the bond or insurance coverage. The bond or insurance coverage shall be, at a minimum, an aggregate of the amounts fixed by law or by the City Council, and with such terms and conditions as may be required. (Neb. RS 11-104)

(3) The penalty amount on any bond shall not fall below the legal minimum, when one has been set by the state, for each particular official.

(C) (1) Official bonds, with the oath endorsed thereon, shall be filed in the City Clerk's office within the following time:

(a) Of all officers elected at any general election, following receipt of their election certificate and not later than ten days before the first Thursday after the first Tuesday in January next succeeding the election;

(b) Of all appointed officers, within 30 days after their appointment; and

(c) Of officers elected at any special election and city officers, within 30 days after the canvass of the votes of the election at which they were chosen.

(2) The filing of the bond with the oath endorsed thereon does not authorize a person to take any official action prior to the beginning of his or her term of office pursuant to Article XVII, section 5, of the Constitution of Nebraska. (Neb. RS 11-105)

(D) All official bonds of city officers shall be executed by the principal named in such bonds and by at least two sufficient sureties who shall be freeholders of the county in which such bonds are given, or any official bond of a city officer may be executed by the officer as principal and by a guaranty, surety, fidelity, or bonding company as surety, or by two or more such companies. Only such companies as are legally authorized to transact business in this state shall be eligible to suretyship on the bond of a city/village officer. (Neb. RS 11-109)

(E) The City Clerk shall carefully record and preserve the bonds in his or her office and shall give certified copies thereof, when required, under the seal of his or her office, and shall be entitled to receive for the same the usual fee allowed by law for certified copies of records in other cases. (Neb. RS 11-110)

(F) (1) The approval of each official bond shall be endorsed upon such bond by the officer approving the same, and no bond shall be filed and recorded until so approved. (Neb. RS 11-111)

(2) No bond shall be deemed to be given or complete until the approval of the City Council and all sureties are endorsed in writing on the instrument by the Mayor and City Clerk pursuant to the approval of the City Council.

(G) All official bonds shall obligate the principal and sureties for the faithful discharge of all duties required by law of such principal and shall inure to the benefit of any persons injured by a breach of the conditions of such bonds. (Neb. RS 11-112)

(H) No official bond shall be rendered void by reason of any informality of irregularity in its execution or approval. (Neb. RS 11-113)

(I) No city official shall be taken as security on the bond of any administrator, executor, or other officer from whom by law bond is or may be required. (Neb. RS 11-114)

(J) If any person elected or appointed to any office neglects to have his or her official bond executed and approved as provided by law and filed for record within the time limited by this section, the City Clerk shall immediately issue an order to such person to show cause why he or she has failed to properly file such bond and why his or her office should not be declared vacant. If such person properly files the official bond within ten days of the issuance of the show cause order for appointed officials or before the date for taking office for elected officials, such filing shall be deemed to be in compliance with this section. If such person does not file the bond within ten days of the issuance of such order for appointed officials or before the date for taking office for elected officials and sufficient cause is not shown within that time, his or her office shall thereupon ipso facto become vacant and such vacancy shall thereupon immediately be filled by election or appointment as the law may direct in other cases of vacancy in the same office. (Neb. RS 11-115)

(K) Any person appointed to fill a vacancy, before entering upon the duties of the office, must give a bond corresponding in substance and form with the bond required of the officer originally elected or appointed, as herein provided. (Neb. RS 11-116)

(L) When the incumbent of an office is reelected or reappointed, he or she shall qualify by taking the oath and giving the bond as above directed, but when such officer has had public funds or property in his or her control, his or her bond shall not be approved until he or she has produced and fully accounted for such funds and property. When it is ascertained that the incumbent of an office holds over by reason of the nonelection or nonappointment of a successor or of the neglect or refusal of the successor to qualify, he or she shall qualify anew within 10 days from the time at which his or her successor, if elected, should have qualified. (Neb. RS 11-117)

(M) No person shall be surety for the same officer for more than two successive terms of the same office, but this provision shall not apply to incorporated surety companies.  
(Neb. RS 11-118)

(N) If the sureties on the official bond of any appointed officer of the city, in the opinion of the City Council, become insufficient, the Council may, by resolution, fix a reasonable time within which the officer may give a new bond or additional sureties as directed. If the officer fails, refuses, or neglects to give a new bond or additional sureties to the satisfaction and approval of the Council, the office shall, by such failure, refusal, or neglect, become vacant and it shall be the duty of the Council to appoint a competent and qualified person to fill the office.

SECTION 2. That Chapter 30: Government Officials, of the City of McCook Code of Ordinances, Section 30.002 - Bonds Required, shall be amended to read as follows:

## § 30.040 CITY CLERK.

(A) The City Clerk shall be appointed by the City Council and under the direction of the City Manager. Except when some other person is specifically appointed, the Clerk shall be, and assume the duties of, the City Treasurer. It shall be the duty of the City Clerk to attend every meeting of the Council and keep a record of the proceedings thereof. Whenever required by the Mayor, or requested by two members of the Council, or the City Manager, he or she shall deliver a notice to the members of the Council of any special meeting thereof, and shall notify any and all committees of the Council of the business entrusted to them. The Clerk shall keep and carefully preserve all papers and books which may come into his or her possession as Clerk, filing and arranging them in a manner convenient for reference. The Clerk shall keep the seal of the city and duly attest thereby the Mayor's signature to all ordinances and all deeds and papers required to be attested, when ordered by the governing body. The Clerk shall keep a register of all licenses granted and the purpose for which they were issued, and report to the Council at every meeting. At the beginning of each month, he or she shall, if required by the governing body, furnish the Police Department with a true copy of the register of all licenses then in force. He or she shall issue licenses and collect license fees connected therewith as provided by the laws of the state or the city.

(B) Within 30 days after any meeting of the Council, the Clerk shall prepare and publish the proceedings of the Council in a legal newspaper, or more than one legal newspaper if directed by the Council. The charge for the publication shall not exceed the rates provided by law. The publication charge shall be paid and allowed as other claims against the General Fund. Wherever the Clerk is required to issue licenses, occupation tax receipts, or permits, the City Collector shall collect the amount required to be paid by the applicant therefor. The Clerk shall have additional duties and receive a salary as the governing body may prescribe. (Prior Code, § 1-311)

(C) The City Clerk shall publish within 30 days after the close of each month the amount of each claim allowed, the purpose of the claim, and the name of the claimant, except that the aggregate amount of all payroll claims may be included as one item. Between July 15 and August 15 of each year, the employee job titles and the current annual, monthly, or hourly salaries corresponding to such job titles shall be published. Each job title published shall be descriptive and indicative of the duties and functions of the position.

(Prior Code, § 1-312)

(Ord. 1680, passed 4-4-1983)

**Statutory reference:**

*Authority, see Neb. RS 19-618*

*Similar state law provisions, see Neb. 16-317, 19-615, 19-1102 through 19-1104*

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.

\_\_\_\_\_  
Michael, D. Gonzales, Mayor

ATTEST:

\_\_\_\_\_  
Lea Ann Doak, City Clerk-Treasurer