ED/LB840 Advisory Board Meeting
Thursday, November 5, 2026 3:00 PM
Crete City Hall
243 E 13th Street
Crete, NE 68333

1. **Open Meeting**
   In accordance with Nebraska law, a copy of the Open Meetings Act can be found in the back of the council chambers. Items listed on the agenda may be considered in any order.
2. **Roll Call**

   Attendance of Advisory Board members will be recorded to determine the presence of a quorum for official actions.
3. **Meeting Minutes**
   Review the minutes from the previous meeting
   3.A. October 7th, 2026 Meeting Minutes

4. **Financial Report**
   Review monthly financial reports
5. **Special Order of Business**
   The Advisory Board may take action to hear testimony in favor of or in opposition to, discuss/limit discussion and take action to approve or disapprove a recommendation to the City Council on any matter presented under this title.
   5.A. City of Crete Economic Development Plan
   Review activities within the scope of the City of Crete Economic Development Plan adopted in 2011 and amended from time to time
   5.A.1. Status of Investments with Performance Requirements
   Review the grant awards with performance requirements
   5.A.2. Housing
   Review housing activities within the scope of the Crete Economic Development Plan
   5.B. Applications for Consideration
   Review applications that have been processed and ready for consideration of recommendations to the City Council
   5.B.1. Nerud Investment Properties LLC LB840 Application

   5.C. Application Introductions
   Review and discuss applications that have been submitted for staff review
6. **Officers' Reports**
   Reports may be given by Department Heads, other Committees and Advisory Board members concerning current operations of the City. Questions may be asked and answered. No action can be taken by the Advisory Board on matters presented under this title except to answer any question posed and to refer the matter for further action.
7. **Adjournment**
   The Advisory Board will review the above matters and take such actions as they deem appropriate. The Advisory Board may enter into closed session to discuss any matter on this agenda when it is determined by the Advisory Board that it is clearly necessary for protection of the public interest or the prevention of needless injury to the reputation of an individual and if such and individual has not requested a public meeting, or as otherwise allowed by law. Any closed session shall be limited to the subject matter for which the closed session was called. If the motion to close passes, then the presiding officer immediately prior to the closed session shall restate on the record the limitation of the subject matter of the closed session. The City of Crete assures that no person shall on the grounds of race, color, national origin, age, disability, handicap or sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity of the City receiving Federal financial assistance. To report discrimination, contact the City Clerk's office.

Disclaimers & Notices

- The Council may enter into closed session to discuss any matter on this agenda when it is determined that a closed session is clearly necessary for the protection of the public interest or the prevention of needless injury to the reputation of an individual (if such individual has not requested a public meeting) or as otherwise allowed by law. Any closed session shall be limited to the subject matter for which the closed session was called. If the motion to close passes, then immediately prior to the closed session the Mayor shall restate on the record the limitation of the subject matter of the closed session.
- The City of Crete assures that no person shall on the grounds of race, color, national origin, age, disability, handicap or sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity of the City receiving Federal financial assistance. To report discrimination, contact the City Clerk's office.
- The complete agenda with attachments is available at www.crete.ne.gov.

CRETE ED/LB840 ADVISORY BOARD MEETING

October 7th, 2026 at 4:00 PM

Crete City Hall, 243 East 13th Street

MINUTES

Notice of the meeting was given by posting, the appointed method for giving notice as shown by the attached notice, at the following locations:

City Hall, 243 East 13th Street
Post Office, 1242 Linden Avenue
City Bank and Trust, 1135 Main Avenue

Advance notice of the meeting was also given to committee members. Pursuant to Section 84-1412(8) of the Nebraska Open Meetings Act, the City has posted a current copy of the Open meetings Act, Laws of the State of Nebraska, in the back of the council chambers. All proceedings shown were taken while the meeting was open to the attendance of the public.

1. Open Meeting

2. Roll Call

Manny Dimas: Present
Ken Marvin: Absent
Veronica Ortiz: Present
Liz Umana: Present
Present: 3, Absent:1

3. Consent Agenda

3.A. Meeting Minutes

3.A.1. July 16th, 2026 Meeting Minutes

Liz Umana motioned and Manny Dimas seconded to approve the July 7th, 2026 meeting minutes with corrections.

Manny Dimas: Aye, Liz Umana: Aye, Veronica Oritz: Aye

3.B. Financial Report

City Administrator Tom Ourada mentioned that this is the first month of the 2026-2027 Fiscal Year. Ourada went through and explained the financial report.

4. Special Order of Business
4.A. City of Crete Economic Development Plan
4.A.1. Status of Investments with Performance Requirements
4.A.2. Housing
4.B. Applications for Consideration
4.B.1. Diamante Beauty Salon LLC LB840 Application

Maria Murillo with Diamante Beauty Salon LLC addressed the ED/LB840 Advisory Board and explained that she would like to request funding to help modernize her salon with updated professional equipment and furnishings. Some of the equipment she would like to purchase includes new client waiting room chairs, professional styling chairs, a shampoo backwash station, salon storage and eyelash extension lighting and vacuum system.
Advisory Board member Liz Umana asked Murillo about parking and Murillo stated that additional parking is not needed since she schedules her clients and there is parking on the side of the street.

City Administrator Tom Ourada stated that up to 50% of the total amount is what is allowed in the LB840 program.
Manny Dimas motioned and Veronica Ortiz seconded to approve the Diamante Beauty Salon LLC LB840 Application in the amount of up to $2,223.90
Liz Umana: Aye, Veronica Ortiz: Aye, Manny Dimas: Aye

4.C. Application Introductions

4.D. Discussion on Alley Paving

City Administrator Tom Ourada stated that this alley paving was petitioned in and they didn't do anything with LB840. It went over budget by around $67,000 because it had a really soft base. It had to be over-excavated and then a lot of rebar and other things like that had to be done. It was a really expensive project to be assessed to all the businesses. Ourada asked the advisory board if there was interest in doing some assistance like 50/50 on that paving. LB840 Advisory Board Chair Manny Dimas asked if that would be helping the business or the City. Ourada explained that would helping businesses. The LB840 Advisory Board members asked if they could please get more information on the total cost of the project. Ourada explained that information would be emailed to them so they can look it over before the next meeting.

5. Officers' Reports

City Administrator Tom Ourada reminded the members that there needs to be three more members in the advisory board. There was discussion and the members stated they would think about some possibility of members.

6. Adjournment
The meeting adjourned at 4:40 p.m.

CRETE NEBRASKA Community in Motion NEBRASKA ECONOMIC DEVELOPMENT CERTIFIED COMMUNITY

To LB840 Applicant:

CONGRATULATIONS on taking the first step to being awarded additional funds to help your business or event in Crete. The funds available for Economic Development, resulting from the citizen-approved sales tax increase that took effect April 1, 2011, are available first come to businesses, events and projects that meet the requirements of Crete's written Economic Development Plan, which can be found online at www.crete.ne.gov/vnews/display.v/ART/58fa7907ccebf. A written copy is also available from the City of Crete Economic Development Director.

Please review the Economic Development Plan and confirm that your project or business is eligible. Applications may be recommended for funding in full or in part or may be denied based upon the review of the Board. Final decisions regarding funding will be made by the City Council but according to the terms of the Plan, in no event may the City Council fund any Application not previously reviewed and approved by the citizen Board.

In this packet you will find an Application for Funds, a US Citizenship Attestation Form and a Check List of required items. As you will see, the Application is detailed and requires significant information and additional verification documents. If you need assistance with the application please contact any Economic Development Advisory Board member. *If you have questions, please call the Economic Development Office, at 402-826-4312 or email the City Administrator, tom.ourada@crete.ne.gov*

Please note that the first portion of the application will be open to the public and may be provided to the City Council for final funding review. The balance of the application and all supporting documentation including personal financial information is confidential and will only be shared with members of the Economic Advisory Board for purposes of considering your application. All confidential records will be maintained in the office of the Economic Development Board and will be kept separately and not be available for review by the public. Any questions or concerns regarding this process shall be directed to the City Administrator.

All Applicants will be required to attend a public hearing for presentation regarding their request for funding. Public hearings will be held at least quarterly and may be held more frequently at the request of the Board. All Applications presented within the three months preceding a Public Hearing will be set for presentation and consideration at the same meeting. The Board may make a recommendation for funding at the public hearing, or may vote to table an application for further information, but in no event shall an application be tabled more than once so that all decisions will be made not more than three months after the initial public hearing regarding an application. There is no guarantee that a determination will be made less than three months after submission so all applicants are urged to make timely requests for funding if projects or events have set timelines.

Mail or deliver completed application with all supporting documentation and forms to:
Economic Development Program Director
City of Crete City Hall
243 E. 13th Street, P.O. Box 86
Crete, NE 68333

We look forward to working with you through the application process.
Equal Opportunity and Fair Housing Provider and Employer

CRETE NEBRASKA Community in Motion NEBRASKA ECONOMIC DEVELOPMENT CERTIFIED COMMUNITY

ECONOMIC DEVELOPMENT PROGRAM
APPLICATION FOR FUNDS

Please Type or Print Clearly and Answer Each Question *(If Question Does Not Apply – Mark N/A).*

Please Note: The Information Contained in this portion of the document is Public Information and will **NOT** be Considered Confidential.

A. APPLICANT INFORMATION:

Name of Entity Applying for Assistance: Nerud Investment Properties, LLC

Business Address: 934 County Rd 2400 Crete, NE 68333
(City) (State) (Zip Code)

Contact Person: Camry Nerud Telephone Number: 402-418-4857

Fax Number: _____ Email Address: camry@nerudconstruction

Federal Tax ID Number: 92-2279036

Type of Entity: ☐ Start-Up ☐ Buyout ☒ Existing

If Existing, Number of Years in Business in Crete: 3

Business Classification: (Please Choose One)

☐ Retail	☐ Manufacturing	☐ Research & Development
☐ Headquarter	☐ Telecommunications	☐ Tourism
☐ Warehouse/Distribution	☐ Government	☒ Other

Business Type: (Please Choose One)

☐ Proprietorship	☐ Corporation	☐ Partnership
☒ LLC	☐ Governmental Entity	☐ Other

Does the Company have a Parent or Subsidiaries? ☐ Yes ☒ No

If Yes, Please List Name: _____

Address: _____
(City) (State) (Zip Code)

CRETE NEBRASKA Community in Motion NEBRASKA ECONOMIC DEVELOPMENT CERTIFIED COMMUNITY

Ownership Identification: Please List all Officers, Directors, Partners, Owners, Co-owners and Stockholders.

Full Name	Title	Ownership Percentage
Camry Nerud	President	100%
Joseph Nerud	Vice President	

Which type of assistance is the entity applying for?

☒ Grant ☐ Loan Guarantee If so, Lender? _____ ☐ Other

Explain: LB840

What is the general purpose of the request (must be an allowed LB840/Economic Dev. Plan Project)?

☐ New Development ☒ New Business Startup ☐ Building Renovation ☐ Public Works

☐ Professional/Employee Recruitment ☐ Promotion/Tourism ☐ Job Training

☐ Working Capital ☐ Low - Moderate Income Housing ☐ Workforce Housing

☐ Technology ☐ Plan Management ☐ Technical Assistance ☐ Equity Investment

Does the business qualify to receive any incentives from the State of Nebraska? ☐ Yes ☒ No ☐ DK

Has the business applied for any incentives from the State of Nebraska? ☐ Yes ☒ No

If yes, please explain: _____

Employee Information: (FTE = Full-Time Equivalent = 2,080 Hours/Per Year)

Number of Existing Full-Time Equivalent Employees: 0

Number of Full-Time Equivalent Positions to Be Created: 15

Will all of the Full-Time Equivalent Positions be Physically Located within the City of Crete, their Two- Mile Extraterritorial Jurisdiction or on Land Held in the Name of the City of Crete?

☒ Yes ☐ No

If no, please explain: _____

Does the Company Employ Any Seasonal Employees? ☒ Yes ☐ No

If Yes, How Many: 4-5 (summer help)

(Seasonal employees must work for at least three continuous months and the position must reoccur annually)

CRETE NEBRASKA Community in Motion NEBRASKA ECONOMIC DEVELOPMENT CERTIFIED COMMUNITY

B. PROJECT INFORMATION:

Please provide a Brief Project Summary Description:

See attached

Use of Funds	Total Project Cost	Econ Dev Funds Requested
Land or Building Acquisition	$ 450,000	$ 225,000
Renovation/Rehabilitation	$ —	$ —
New Construction	$ —	$ —
Machinery / Equipment Acquisition	$ —	$ —
Business / Employee Recruitment Activities	$ —	$ —
Technology Costs	$ —	$ —
Small Business Development	$ —	$ —
Working Capital (Includes Inventory)	$ —	$ —
Job Training	$ —	$ —
Other	$ —	$ —
Total Project Cost	$ 0.00	
	Total LB840 Funds Requested:	$ 0.00

C. FUNDING SOURCES AND EQUITY INJECTION:

If Borrowing, Name of Lender: None

Loan Amount: _____ Loan Term (Years): _____

Amount Injected Into the Project by Business/Partners/Owners:
225,000

Other Funding Source(s) and Amount(s): None

CRETE NEBRASKA Community in Motion NEBRASKA ECONOMIC DEVELOPMENT CERTIFIED COMMUNITY

C. PROJECT LOCATION:

Within the Crete City Limits?	☒ Yes	☐ No
Within the Crete Two-Mile Jurisdiction?	☐ Yes	☒ No
Land Owned by the City of Crete?	☐ Yes	☒ No
Not Located in Crete but for area benefit?	☐ Yes	☒ No

If Not in City Jurisdiction, please explain local benefit:

D. **ATTACHMENTS:** - Please Include the Attachments that Apply to Your Entity – ***See checklist Page 5.***

Please Note: The Information provided pursuant to this Section **Will** be Deemed Confidential and will not be Available for Public Disclosure.

- Business Plan: Brief Description of the Business
- Resumes of all Owners/Co-Owners/Directors/Partners/Stockholders
- For Existing Businesses – Three (3) Yearly Financial Statements
- For Existing Businesses – Current Financial Statements (Less Than Sixty (60) Days Old)
- For Existing Businesses - List of Current Obligations (Include Company Names and Amounts)
- For Start-Up Businesses – Current Business Plan
- For Start-Up Businesses – Three Year Projections
- Tax Returns – Previous Three (3) Years – Personal Tax Returns May be Required for Proprietorship
- Letter from Lending Institution if applicable
- If a Corporation, LLC or Other Legal Entity - Copy of Organizational Documents (Articles, Bylaws)
- Please Note that Other Financial Documents May Be Required

E. APPLICANT SIGNATURE:

I certify that the information contained in this application and all attachments are correct to the best of my knowledge. By signing below, I authorize the City of Crete or their contracted representative to check my credit and the credit of all who are listed within this application. I understand that I must update my credit information if my financial situation changes.

Cammy Reed — Applicant's Signature

10-20-2026 — Date

Nestlé PURINA BUNGE Smithfield Good food Responsibly DOANE UNIVERSITY Bryan Health

CRETE NEBRASKA Community in Motion NEBRASKA ECONOMIC DEVELOPMENT CERTIFIED COMMUNITY

Checklist for Local Economic Development Program Application

For a qualifying business to be considered for direct or indirect financial assistance under the Crete Local Economic Development Program an applicant must provide to the City Administrator or Program Administrator:

- ❑ A completed and signed application with all required support documents including, but not limited to:
  - ❑ A detailed description summary of the proposed project which clearly states what assistance the business is requesting from the program, including evidence that the project qualifies for assistance under the Local Option Municipal Economic Development Act and is consistent with the goals of the Crete Local Economic Development Program.
  - ❑ Use of Funds – Total project costs and financing requirement; include copies of any preliminary bids (if applicable/available).
  - ❑ A review of key management and employees and their experience as related to the proposed project.

- ❑ Start Up Business
  - ❑ Current Business Plan for the project and the company, including employment and financial projections;
  - ❑ Three (3) Years Financial Projections
  - ❑ Past three years personal tax returns

- ❑ Existing Business:
  - ❑ Most Current Business Plan
  - ❑ Three (3) Yearly Financial Statements: Profit & Loss Statements, Cash Flows and Income Statements covering the last three years of business operation, or if a new business, personal income statements.
  - ❑ List of Current Obligations (include company Names and Amounts)
  - ❑ Past three years personal tax returns

- ❑ Letter from Lending Institution(s) (if applicable): Evidence of private financing commitments for investors or lenders.

- ❑ If a Corporation, LLC or Other Legal Entity - Copy of Organizational Documents (Articles, ByLaws)

- ❑ Resume(s) of all owners/co-owners/directors/partners/stockholders: Necessary entity or personal financial information about the Applicant(s), including name, address, past experience, work history, and related information.

- ❑ Other information or financial documentation as requested.

Questions: Contact City Administrator, Tom Ourada, at 402-826-4313 or email tom.ourada@crete.ne.gov. **Return** application and supporting documentation to City Administrator, at City Hall, 243 E. 13th Street, Crete, NE 68333

United States Citizenship Attestation Form

For the purpose of complying with Neb. Rev. Stat. §§ 4-108 through 4-114, I attest as follows:

☒ I am a citizen of the United States.

— OR —

☐ I am a qualified alien under the federal Immigration and Nationality Act, my immigration status and alien number are as follows: _____, and I agree to provide a copy of my USCIS documentation upon request.

I hereby attest that my response and the information provided on this form and any related application for public benefits are true, complete, and accurate and I understand that this information may be used to verify my lawful presence in the United States.

PRINT NAME Camry Leigh Nerud

(first, middle, last)

SIGNATURE CamryNerud

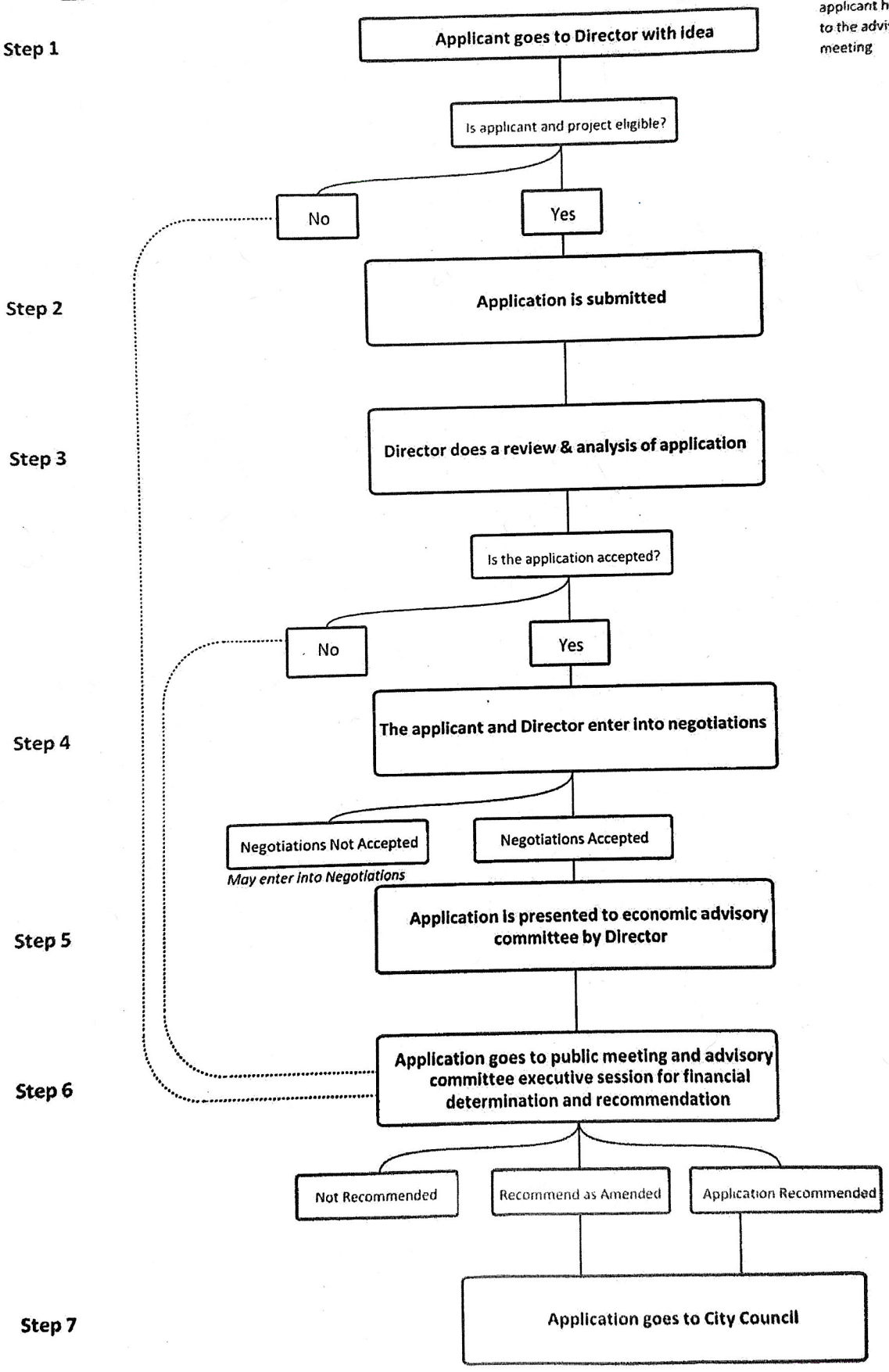
DATE 10/22/2020

DOWNLOAD/SAVE PRINT

LB 840 APPLICATION PROCESS

Next Step In Process

If application is denied, the applicant has the ability to appeal to the advisory board at a public meeting



BUSINESS PLAN AND ECONOMIC DEVELOPMENT GRANT PROPOSAL

Acquisition and Preservation of an Existing Child Care Facility

Applicant: Camry & Joe Nerud Nerud Investment Properties.
Project Location: 1115 Boswell Ave Crete, Nebraska
Grant Program: City of Crete LB840 Economic Development Assistance Program — proposed funding source, subject to city confirmation
Total Purchase Price: $450,000
Grant Funding Requested: $225,000
Licensed Capacity: 70 children, as reported; new operator's licensing and approved capacity to be confirmed
Project Type: Acquisition of an existing child care property and selected business assets
Proposed Ownership Model: Property ownership and leasing to a new daycare operator
Prepared: October 2026

1. Executive Summary

Nerud Investment Properties proposes to acquire an existing daycare facility in Crete, Nebraska, for a total purchase price of $450,000. The acquisition will include the building and selected business assets associated with the existing child care operation, as specified in the final purchase agreement.

The applicant is requesting $225,000 in city economic development assistance to help finance the acquisition and preserve the property's continued use as a child care facility. The remaining $225,000 of the purchase price will be financed through other sources, including owner equity, commercial financing. The final financing structure will be documented before closing.

Following the acquisition, the applicant intends to lease the property to a new daycare operator who has already been identified. The operator will be responsible for the daily child care business, including staffing, enrollment, tuition collection, programming, and obtaining and maintaining all required operating licenses and approvals. Nerud Investment Properties will manage the real estate and fulfill the responsibilities assigned to the owner under applicable law and the lease.

The existing facility has a reported licensed capacity of 70 children. Subject to confirmation of the current license, the new operator's licensing approval, and actual enrollment, the project is intended to preserve the facility's potential to serve up to 70 children.

This Acquisition addresses an important community need by supporting continued access to child care, helping working parents participate in the local workforce, providing a stable

location for child care services, and preserving an existing commercial property for productive community use.

City assistance is vital for this project to bridge the acquisition funding gap, reduce the amount of private capital required for the project, and make the continued use of the facility for child care more financially feasible.

The applicant seeks to establish a sustainable, long-term ownership and leasing arrangement that supports the property's continued use for child care and contributes to Crete's economic development objectives.

2. Applicant and Business Description

The applicant will operate as a property owner. The primary business activity will be acquiring, maintaining, and leasing a commercial facility suitable for child care services.

The proposed arrangement separates property ownership from day-to-day child care operations. This structure allows the property owner to focus on real estate stewardship and long-term capital maintenance while the operator focuses on providing child care services.

Property owner's business objectives

1. Acquire the existing daycare property and selected assets.
2. Preserve the property's use as a child care facility.
3. Establish a lease with a qualified daycare operator.
4. Maintain the building and plan for future maintenance and capital needs.
5. Generate sufficient rental revenue to support the property's long-term financial sustainability.

The applicant intends to maintain a professional landlord-tenant relationship, with a written lease that clearly defines rent, insurance, maintenance, utilities, permitted use, licensing responsibilities, and other obligations.

The property owner will not represent itself as the daycare's direct operator. The operator's business finances and the owner's property finances will be maintained separately.

3. Project Need and Community Benefit

Preserving child care access

Child care is an essential service for families and employers. Reliable care allows parents and guardians to work, attend school and participate in the local economy.

An established child care facility represents an existing community resource. Preserving its availability can help reduce the risk of losing child care capacity and the associated disruption to families and employers.

This project is designed to maintain the facility's potential to serve up to 70 children, subject to licensing confirmation and the new operator's ability to enroll and serve children.

Supporting Crete's workforce

A stable supply of child care supports workforce participation. Parents are better positioned to accept employment, maintain consistent schedules, and pursue career opportunities when dependable child care is available.

The project will support this objective by providing a suitable facility for a qualified operator to deliver child care services. It may also support the retention of existing child care jobs and the creation of additional positions, depending on the operator's staffing plan.

Actual jobs retained or created will be documented after the operator's staffing arrangements are established.

Preserving an existing commercial property

The acquisition will maintain the property's productive use as a child care facility. Rather than leaving an existing facility vacant or converting it to a less suitable use, the project will seek to preserve its community-serving function.

The acquisition and ongoing property management will also represent private investment in Crete. The applicant will be responsible for maintaining the real estate and planning for the property's long-term condition.

Supporting economic development

The project is intended to advance economic development by:

- Preserving access to an essential service for working families.
- Supporting workforce participation among local residents.

- Providing a stable location for a child care business.
- Maintaining the productive use of an existing commercial property.
- Bringing local private investment into the community.
- Supporting the potential retention or creation of local jobs.
- Establishing a sustainable business arrangement that can continue beyond the grant period.

4. Project Description and Acquisition Scope

The project consists of the acquisition of the daycare building and Daycare inventory for $450,000.

The final purchase agreement and closing statement will identify the assets included in the transaction and, where appropriate, allocate the purchase price between real estate and business assets.

The applicant will complete appropriate due diligence before closing, including:

- Review of the property's ownership and title.
- Building inspection and assessment of major systems.
- Review of zoning and permitted child care use.
- Review of existing property maintenance needs.
- Confirmation of the assets included in the purchase.
- Review of the proposed operator's qualifications and operating plans.
- Confirmation of financing commitments and grant conditions.
- Coordination of the required licensing and regulatory process.

The applicant will seek to minimize disruption to families and employees during the transition, subject to the purchase agreement, the new operator's readiness, and required approvals.

The project is primarily an acquisition project at this stage. No specific renovation scope or renovation budget has been established. Any additional improvements will be identified through due diligence and addressed through a separate, documented budget if needed.

5. Ownership and Operating Structure

The applicant will own the real estate and lease the facility to the identified daycare operator.

Property owner responsibilities

The applicant will be responsible for the duties assigned to the owner by law and under the lease, which may include:

- Ownership and management of the property.
- Mortgage or other property financing obligations.
- Property taxes and building insurance, as applicable.
- Structural maintenance and major capital repairs, as allocated by the lease.
- Management of owner-funded improvements.
- Financial recordkeeping and grant compliance.
- Monitoring the property's condition and planning for long-term maintenance.

Daycare operator responsibilities

The new operator will manage the day-to-day child care business and will be responsible for obligations allocated to the operator, including:

- Obtaining all required licenses and approvals.
- Hiring, training, and supervising employees.
- Managing child enrollment and family relationships.
- Collecting tuition and managing operating revenue.
- Providing child care services and appropriate programming.
- Maintaining required operating insurance.
- Complying with child care regulations and applicable health and safety requirements.
- Managing daily operating expenses as specified in the lease.

Lease arrangement

The applicant and operator will execute a written lease before the facility begins operating under the new arrangement. The lease will establish rent, payment terms, the term of the agreement, permitted use, insurance requirements, maintenance obligations, default procedures, and other necessary provisions.

The lease will be structured to support both the financial sustainability of the property and the operator's ability to provide child care services.

The final arrangement will be coordinated with applicable city grant requirements, including any restrictions on the sale, transfer, or use of the property.

6. Market Opportunity and Demand

The project will build on an existing child care facility rather than creating a new location from the ground up.

The capacity of 70 children represents the facility's potential service capacity, not a guarantee of actual enrollment. Before closing, the applicant and operator will review available information about the facility's current operations, occupancy, enrollment, local competition, staffing, and operating expenses.

The review will help the parties determine whether the planned operation is financially sustainable and whether any changes are necessary to maintain or improve service availability.

Market evaluation will include:

- Verification of the facility's current and approved capacity.
- Review of current enrollment, if available.
- Assessment of local demand for different age groups.
- Review of competing child care options and tuition rates.
- Assessment of the operator's staffing and enrollment strategy.
- Development of operating projections for the daycare business.
- Development of rental revenue and property expense projections for the owner.

The applicant will use this information to establish a realistic lease arrangement and reduce the risk of an unsustainable ownership or operating structure.

7. Grant Request and Funding Plan

The applicant requests $225,000 in city economic development assistance toward the $450,000 acquisition.

The grant would serve as a source of gap financing, subject to the city's approval of the project and its determination that the requested costs are eligible.

Preliminary acquisition budget

Project funding item	Amount	Status
Total purchase price	$450,000	Provided
Requested city grant	$225,000	Requested; not awarded
Remaining acquisition funding	$225,000	To be secured
Total identified purchase funding	$450,000	Preliminary

The requested grant represents approximately 44.4% of the purchase price. The remaining 55.6% will need to be provided by other sources.

The $225,000 balance may be funded through a combination of owner equity or commercial lending. The actual funding mix has not yet been established and will be finalized as part of the closing process.

The preliminary budget covers the stated purchase price only. Closing costs, legal fees, inspections, financing costs, initial repairs, and working capital have not been provided and are not included in the $450,000 figure unless already incorporated into the purchase agreement.

A final sources-and-uses statement will be prepared before closing, with any additional project costs separately identified and funded.

Proposed use of grant funds

The applicant requests that the city consider applying the $225,000 award toward eligible acquisition costs associated with purchasing the existing commercial child care property.

The final allocation of funds will be based on the city's written approval and applicable program rules. If the transaction includes both real estate and business assets, the applicant will provide the purchase agreement and asset allocation so the city can determine which costs are eligible.

Grant funds will not be committed to an unapproved expense. The applicant will maintain invoices, closing statements, proof of payment, financing documents, and other records required by the city.

The applicant understands that city funding may be conditioned on project performance, continued operation, job retention, reporting, and other requirements specified in the award agreement.

8. Financial Sustainability

The property owner's principal recurring revenue source will be rent paid by the daycare operator.

The owner will prepare a property-level financial projection covering rental income, debt service, taxes, insurance, maintenance, management expenses, and capital reserves.

The lease must be structured so that the property can be maintained responsibly while remaining financially viable for the operator.

The applicant will not rely on additional grants as the primary source of ongoing operating revenue. Grant assistance is intended to help fund the initial acquisition, while rental income will support the property's ongoing ownership and maintenance.

The daycare operator will separately develop an operating budget covering tuition revenue, staffing, food and supplies, insurance, utilities, licensing, and other operating costs.

The parties will review their respective financial projections before closing to ensure that the lease arrangement is commercially reasonable and that the operator has a credible plan to operate the center.

Financial information still to be finalized

The following information will be added to the final financial package:

- Expected monthly rent.
- Owner equity contribution.
- Mortgage or commercial loan amount and terms.
- Property taxes and insurance.
- Expected annual maintenance and capital reserves.
- Closing and transaction costs.
- Operator's projected enrollment and tuition revenue.

- Operator's staffing and operating budget.

These figures are not yet known and should not be presented as established financial results.

9. Project Implementation and Timeline

The project will proceed in stages, with closing and commencement of child care operations subject to financing, grant conditions, inspections, and required approvals.

Phase 1: Acquisition preparation

- Finalize the purchase agreement and asset list.
- Complete financial and property due diligence.
- Confirm the city's grant requirements and application process.
- Identify and document the remaining $225,000 in acquisition funding.
- Finalize the proposed operator's business and financial plan.

Phase 2: Grant approval and closing

- Obtain the necessary city approvals and written funding commitments.
- Satisfy financing and purchase agreement conditions.
- Confirm the final acquisition budget and eligible grant expenses.
- Close on the property and selected business assets in accordance with the approved funding structure no later than December 1st, 2026.

Phase 3: Operator transition and licensing

- Execute the property lease.
- Complete applicable licensing applications and inspections.
- Confirm zoning, fire and life-safety, environmental health, and other required approvals.
- Finalize staffing, insurance, enrollment, and operational preparations.
- Establish a transition plan that minimizes disruption to families where feasible.

Phase 4: Long-term property management

- Maintain the property in accordance with the lease and applicable requirements.

- Track rent payments and property expenses.
- Maintain records of grant-funded acquisition costs.
- Monitor the continued use of the facility for child care.
- Submit required performance reports to the city.

The exact schedule will be established after the grant review timeline, closing date, and licensing process are confirmed.

10. Measurable Outcomes and Performance Commitments

The applicant proposes the following performance measures for evaluating the project's success.

Outcome	Proposed measurement
Acquisition completed	Recorded deed and closing statement
City funds used appropriately	Documentation of approved and paid acquisition costs
Child care use preserved	Executed lease and evidence of approved child care operations
Facility capacity maintained	Confirmation of the new operator's approved license capacity
Child care access supported	Actual enrollment and number of children served, reported by the operator
Workforce impact documented	Number of child care employees retained or hired, where applicable
Property maintained	Records of inspections, maintenance, and completed repairs
Grant compliance achieved	Required reports and supporting records submitted on time

The project target is to preserve the facility's potential to serve up to 70 children, subject to licensing approval. Actual enrollment will depend on demand, staffing, and the operator's business plan.

Employment targets will be established after the operator confirms the number of positions expected to be retained or created. No specific job count is claimed at this stage.

The applicant will work with the city to establish any required performance benchmarks, reporting dates, and compliance periods before accepting grant funds.

11. Risk Management and Regulatory Compliance

The applicant recognizes that a child care acquisition involves property, financial, licensing, and operational risks.

Acquisition and financing risk

The applicant will complete due diligence and document the remaining acquisition funding before closing. The project will be contingent on the financing and other conditions necessary to complete the purchase.

Property condition risk

Building inspections and review of maintenance records will help identify major repair needs. The owner will prepare a maintenance plan and establish appropriate reserves based on the property's condition and financial capacity.

Operator and vacancy risk

The identified operator will be evaluated for qualifications, financial capacity, operating plans, and readiness to obtain the required licenses. The lease will establish clear responsibilities and remedies if the operator fails to meet its obligations.

Licensing and regulatory risk

The applicant and operator will coordinate with Nebraska Department of Health and Human Services, local planning and zoning, fire officials, and other applicable authorities before commencing operations.

The parties understand that a child care license is not automatically transferred with the purchase of a facility or business assets. The new operator must complete the applicable licensing process, and operations must comply with the requirements governing the ownership transition.

Grant compliance risk

The applicant will follow the city's written award terms, maintain financial records, and ensure that grant funds are used only for approved purposes. Any continued-operation,

job-retention, property-use, or repayment provisions will be reviewed before the applicant accepts the award.

12. Conclusion and Request for Support

The proposed acquisition represents an opportunity to preserve an existing child care facility in Crete, Nebraska, and establish a stable long-term ownership structure that supports continued child care services.

The $450,000 acquisition will be supported by a proposed $225,000 city grant and $225,000 in additional financing or owner investment. The grant would help close the acquisition funding gap and support the continued use of the property for an essential community service.

With a new daycare operator already identified, the project has a proposed path toward ongoing operation, subject to final lease arrangements, financing, and licensing approvals.

The expected public benefits include preserving child care capacity, supporting working families, strengthening workforce participation, maintaining an existing commercial property, and attracting private investment to the community.

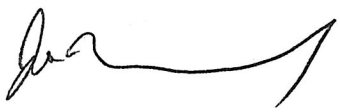
The applicant respectfully requests consideration of $225,000 in economic development assistance toward the acquisition, subject to the city's program eligibility requirements and approval process.

The applicant is committed to responsible property ownership, appropriate use of public funds, compliance with all applicable requirements, and maintaining the facility as a valuable resource for Crete families and employers.

Regards,



Camry Nerud



Joe Nerud