

**VILLAGE OF WATERLOO
RESOLUTION NO. 02-08-22-04**

WHEREAS, the Village Board of the Village of Waterloo, Nebraska, has approved the Harvest Heights Redevelopment Plan, Project Four authorizing redevelopment of the redevelopment plan area pursuant to the Nebraska Community Development Law; and,


WHEREAS, the Village of Waterloo, Nebraska, acting as its Community Redevelopment Authority, and the Redeveloper desire that a Redevelopment Contract be entered into to allow the development of a subsequent phase of the Redevelopment Plan (Lots 5, 10 and 11 of Harvest Heights of Waterloo Subdivision) and issue a Redevelopment Promissory Note in the principal amount of \$210,000.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF WATERLOO, NEBRASKA, AS FOLLOWS:

THAT, the proposed Redevelopment Contract, between the Village of Waterloo, Nebraska, acting as its Community Redevelopment Authority, and TDH Home Building, Inc. (the "Redeveloper") is hereby approved.

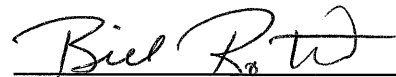
PASSED THIS 8 DAY OF FEBRUARY 2022

ATTEST:



Melissa Smith
Clerk





Bill Rotert
Vice-Chairperson

EXHIBIT "A"

Harvest Heights Redevelopment Project Four

Legal Description of Redevelopment Site

Base redevelopment valuation date of *ad valorem* real estate taxes is January 1, 2022

Effective date of Division of *ad valorem* real estate taxes is January 1, 2023

Lots 5, 10 and 11, of Harvest Heights of Waterloo in the Village of Waterloo, Nebraska, as surveyed, platted and recorded in Douglas County, Nebraska.

REDEVELOPMENT CONTRACT

THIS CONTRACT is entered into by and between the Village of Waterloo, Nebraska, acting as the Community Redevelopment Authority of the Village of Waterloo, (the "Authority") and TDH Home Building, Inc., a Nebraska Corporation (the "Redeveloper") to implement the Harvest Heights Redevelopment Plan, Project Four.

WHEREAS, on June 11, 2019, the Village Board of the Village of Waterloo approved the Harvest Heights Redevelopment Plan and subsequently approved Project Four (the "Redevelopment Plan") which provides for the redevelopment of substandard and blighted property into a residential subdivision; and,

WHEREAS, the Redevelopment Plan provided for the use of the excess *ad valorem* real property taxes generated by such redevelopment to assist in offsetting certain project costs; and,

WHEREAS, this Contract is a redevelopment contract prepared pursuant to the Nebraska Community Development Law (the "Act") in order to implement the Redevelopment Plan.

IN CONSIDERATION OF THESE MUTUAL COVENANTS THE PARTIES AGREE AS FOLLOWS:

SECTION 1. DEFINITIONS

The following terms, whether plural or singular, shall have the following meanings for purposes of this Contract.

- 1.1 "Authority" shall mean the Community Redevelopment Authority of the Village of Waterloo, Nebraska, or such successor entity lawfully established pursuant to the applicable provision of the Nebraska Community Development Act.
- 1.2 "Redeveloper" shall mean TDH Home Building, Inc.
- 1.3 "Redevelopment Plan Area" shall mean the area described in the Harvest Heights Redevelopment Plan and abutting public rights-of-way.

- 1.4 "Redevelopment Project" or "Project" shall mean the construction of the public improvements, site preparation and the construction the three single family residences as located and described in the Redevelopment Plan.
- 1.5 "Redevelopment Site" shall mean the area legally described on Exhibit "A", attached hereto, as Lots 5, 10 and 11, Harvest Heights of Waterloo.
- 1.6 "Redevelopment Promissory Note" shall mean an obligation issued by the Authority secured by the excess *ad valorem* taxes generated within the Redevelopment Site.
- 1.7 "Excess *ad valorem* taxes" shall mean the additional real estate property taxes generated by this Redevelopment Project pursuant to Section 18-2147 of the Nebraska Revised Statutes.

SECTION 2. OBLIGATIONS OF THE AUTHORITY

The Authority shall:

- 2.1 Execute and deliver to the Redeveloper at closing the Redevelopment Promissory Note (the "Note") in substantially the same form as attached hereto as Exhibit "B".
- 2.2 Distribute the redevelopment loan (Note) proceeds to the Redeveloper to pay the eligible costs of the Redevelopment Project as defined in the Redevelopment Plan.
- 2.3 Ensure that prior to expenditure or disbursement of redevelopment loan (Note) proceeds, the following shall be obtained, to wit:
 - 2.3.1 Redeveloper shall provide the Authority with evidence, acceptable to the Authority, that funds have been irrevocably committed in the amount sufficient to complete the Redevelopment Project.
 - 2.3.2 Redeveloper shall provide evidence of, and maintain adequate performance and labor materials bonds during the period of construction the Project.
 - 2.3.3 Redeveloper shall have paid professional fees of \$1000.00 to the law firm of Charles K. Bunger for professional services performed on behalf of the Village with regard to Project.
- 2.4 Establish a special fund under Section 18-2147 of the Act for the purpose of collecting the excess *ad valorem* taxes generated by the Project. Monies collected and held in the special fund shall be used for no purpose other than to repay the principal and interest of loan secured by the Note. The Authority shall pledge the

excess *ad valorem* real property taxes as security for the Note according to its terms and this contract pursuant to the Redevelopment Plan.

2.4.1 The principal and interest shall be repaid by the Authority from the special fund established pursuant to Section 2, as excess *ad valorem* taxes, pursuant to the Redevelopment Plan and Section 18-2147 of the Act, become available to the Authority for such use. As to the monies collected in the special fund, the first collected shall be used to repay the principal amount of \$210,000.00, plus accumulated interest thereon, to the Redeveloper; and second, the subsequent and remaining monies collected may be retained by the Authority to fund the Redevelopment Project.

2.4.2 To the extent that such excess *ad valorem* taxes are unavailable to the Authority, the loan shall be forgiven and the obligations of the Redeveloper shall remain unaffected.

SECTION 3. OBLIGATIONS OF THE REDEVELOPER

The Redeveloper shall:

- 3.1 Complete the Project improvements and redevelopment on or before December 31, 2023.
- 3.2 Loan redevelopment funds to the Authority in the principal amount of \$210,000.00 as set forth in Section 2, which, when combined with other funds available, will be sufficient to fund the Project as defined in the Redevelopment Plan. Execution and delivery of the Note shall be at closing which shall be as soon as reasonably possible after execution of this contract but not more than 60 days thereafter. At closing, such loan and the obligation of the Authority to use the loan proceeds, disbursed in the manner provided for in Section 2, may be accomplished by offset so that the Redeveloper retains its stated portion of the loan proceeds; and the remaining portion of the loan proceeds shall be distributed as such excess *ad valorem* taxes are collected. If the Authority so requests, the Redeveloper shall, from time to time, furnish the Authority with satisfactory evidence as to the use and application of the loan proceeds.
- 3.3 Provide the Authority with annual progress reports during the redevelopment and allow the Authority reasonable access to any relevant financial records pertaining to the Project; and, retain copies of all supporting documents that are associated with the Redevelopment Plan or Project that are received or generated by the Redeveloper for three years following the end of the last fiscal year in which *ad valorem* taxes are divided and provide such copies to the Authority as needed to comply with retention

requirements under Section 18-2117.04 of the Act. For purposes of this subsection, a supporting document includes any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by the Redeveloper that provides support for receipts or payments associated with the division of taxes.

- 3.4 During the period that the Note is outstanding or enforceable, (1) not protest a lesser real estate improvement valuation on the Redevelopment Site of \$350,000 for each lot therein after substantial completion of each; (2) not convey the Redevelopment 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; (3) not apply to the County Assessor for the structures, or any portion thereof, to be taxed separately from the underlying land of the Redevelopment Site; (4) maintain insurance for ninety percent (90%) of the full value of the structures on the Redevelopment Site; (5) in the event of casualty, apply such insurance proceeds to their reconstruction; and (6) cause all real estate taxes and assessments levied on the Redevelopment Site to be paid prior to the time such become delinquent:
- 3.5 The Redeveloper agrees to include the restrictive covenants of sections 3.3 and 3.4, herein, in any subsequent sale, assignment, sale leaseback or other transfer of the Redevelopment Site, or portion thereof, but shall not be responsible otherwise for the actions of the third parties if these covenants are breached by such third parties if the Redeveloper no longer owns the Redevelopment Site.
- 3.6 Pay the professional fees incurred by the Village for this Project, including the prior work completed as described in Section 2 of this Contract; and, pay the Authority with funds from Available Monies, not to exceed Five Hundred (\$500.00) annually, for those direct costs of the Authority in administering this Contract.

SECTION 4. FINANCING OBLIGATIONS

4.1 Effective Date. The parties agree that the effective date of the division of *ad valorem* real property taxes on the Redevelopment Site shall be January 1, 2023.

4.2 The Authority shall pledge the excess *ad valorem* real property taxes as security for the Note according to its terms and Section 2 of this Contract.

SECTION 5. PROVISIONS OF THE CONTRACT

5.1 Captions. Captions used herein are for convenience and are not to be used in the construction of this Contract.

- 5.2 Applicable Law. Parties to this Contract shall conform to all existing and applicable local ordinances, resolutions, state laws, federal laws, and all existing and applicable rules and regulations. The terms and performance of this Contract shall be governed by the laws of the State of Nebraska.
- 5.3 Merger. This Contract shall not be merged into any other oral or written contract, lease or deed of any type. No provision of his Contract shall create any easement or right of entry to the Redevelopment Site for the benefit of either party or the general public, other than the specific provisions of this Contract or the Note.
- 5.4 Modification. This Contract contains the entire agreement of the parties. No representations were made or relied upon by either party other than those that are expressly set forth herein. No agent, employee or other representative of either party is empowered to alter any of the terms herein unless done in writing and signed by an authorized officer of each of the respective parties.
- 5.5 Assignment. The Redeveloper may not assign its rights under this Contract without the express prior written consent of the Authority, such consent not to be unreasonably withheld.
- 5.6 Strict Compliance. All provisions of this Contract, and each and every document that is attached, shall be strictly complied with as written.
- 5.7 Enforcement. The provisions of this Contract may be (1) enforced by either Party against the other or its successors or assigns, or (2) directly, by the holder of the Redevelopment Promissory Note to the extent its interest is impaired. The Village (Authority) shall not be required to enforce any provision of this Contract.

SECTION 5. AUTHORIZED REPRESENTATIVE

In further consideration of the mutual covenants herein contained, the parties hereto expressly agree that for the purposes of notice, including legal service of process, during the term of this Contract and for the period of any applicable statute of limitations thereafter, the following named individuals shall be the authorized representatives of the parties:

- (1) Authority:
Village Clerk
Village of Waterloo
P.O. Box 127
Waterloo, NE 68069
- (2) Redeveloper:

Redevelopment Contract
Harvest Heights Four

TDH Home Building, Inc.
Travis Harlow, President
2513 River Road
Waterloo, NE 68069

Either party may designate additional representatives or substitute representatives by giving written notice thereof to the designated representative of the other party.

Executed this 8 day of February, 2022.

ATTEST:

Melissa Smith
VILLAGE CLERK

AUTHORITY:

Bill Row
ACTING CHAIRPERSON

Executed this 8 day of February, 2022.

REDEVELOPER:

TDH Home Building, Inc., a Nebraska Corporation

By [Signature]
Travis Harlow, President

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

Travis Harlow, President, on behalf of TDH Home Building, Inc., a Nebraska Corporation acknowledged the foregoing Redevelopment Contract before me this 8 day of February, 2022.

Meagan Pruitt
Notary Public, State of Nebraska

My commission expires on 10/24/2023.

