

**THE MINUTES OF THE REGULAR CITY COUNCIL MEETING HELD
MONDAY, May 22, 2006 AT 5:30 P.M.**

The Meeting was called to order at 5:30 p.m. Present: Council Chair Newman; Council Members: Camp, Cook, Eschliman, Marvin, Svoboda; Deputy City Clerk, Teresa Meier; ABSENT: McRoy.

Council Chair Newman asked all present to stand and recite the Pledge of Allegiance and observe a moment of silent meditation.

READING OF THE MINUTES

ESCHLIMAN Having been appointed to read the minutes of the City Council proceedings of May 15, 2006, reported having done so, found same correct.

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy.

PUBLIC HEARING

VACATION NO. 05013 - VACATING THE EAST/WEST ALLEY IN BLOCK 121, ORIGINAL LINCOLN, BOUNDED BY 12TH, 13TH, K STREETS AND LINCOLN MALL - Kim Beil, HWS Consulting, came forward representing Farmer's Mutual as a consulting engineer to state they own property on both sides of alley and they will relocate utilities from the alley and submit a site plan to Capitol Environs Committee.

This matter was taken under advisement.

APPROVING THE KING ANNEXATION AGREEMENT BETWEEN THE CITY AND TOM AND BETTY KING RELATING TO THE ANNEXATION OF APPROXIMATELY 2.5 ACRES OF PROPERTY GENERALLY LOCATED AT THE NORTHWEST CORNER OF N. 14TH STREET AND FLETCHER AVE.;

ANNEXATION NO. 06003 - AMENDING THE LINCOLN CORPORATE LIMITS MAP BY ANNEXING APPROXIMATELY 2.5 ACRES OF PROPERTY GENERALLY LOCATED AT NORTH 14TH STREET AND FLETCHER AVENUE - Tom King, 6007 N. 14th St., came forward requesting to be annexed into the City so they can have better water. Discussion followed.

Roger Figard, Public Works and Utilities Dept., came forward to answer questions. Discussion followed.

Marvin Krout, Director of Planning Dept., came forward to answer questions. Discussion followed.

Tom King came forward for rebuttal.

Betty King, 6007 N. 14th St., came forward to ask they be annexed into the City so they may be on city water.

This matter was taken under advisement.

APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY AND THE LINCOLN AIRPORT AUTHORITY FOR THE PERFORMANCE OF AN ASSESSMENT OF THE OAK CREEK LEVEE - Roger Figard, Public Works and Utilities Dept., came forward to state this performance of an assessment is to conform with FEMA standards.

This matter was taken under advisement.

APPROVING A REDEVELOPMENT AGREEMENT BETWEEN THE CITY AND R STREET LOFTS, LLC FOR IMPROVEMENT IN SUPPORT OF A HOUSING DEVELOPMENT ON PROPERTY GENERALLY LOCATED AT 727 R STREET - Dallas McGee, Urban Development Dept., stated this project will be allowed to use TIFF funding and was available to answer questions. Discussion followed.

Fernando Pages, no address given, came forward to state he is in partnership with Robert Hampton on this project and was available to answer questions. Discussion followed.

This matter was taken under advisement.

DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE CERTAIN EXPENSES IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE CITY'S SOLID WASTE MANAGEMENT AND DISPOSAL SYSTEM FROM THE PROCEEDS OF SOLID WASTE MANAGEMENT REVENUE BONDS - Don Herz, Finance Director, came forward to answer questions. Discussion followed.

Lauren Wismer, Gilmore & Bell, came forward to discuss the reimbursement of certain expenses and to answer questions. Discussion followed.

This matter was taken under advisement.

REGULAR MEETING

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DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE CERTAIN EXPENSES IN CONNECTION WITH THE ACQUISITION OF REAL PROPERTY AND THE CONSTRUCTION OF A PARKING GARAGE AND RELATED IMPROVEMENTS FROM THE PROCEEDS OF PARKING REVENUE BONDS;

DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE CERTAIN EXPENSES IN CONNECTION WITH ACQUIRING REAL PROPERTY AND CONSTRUCTING, ACQUIRING, EQUIPPING, AND FURNISHING IMPROVEMENTS TO THE CITY'S Q01214 DOWNTOWN CIVIC PLAZA REDEVELOPMENT PROJECT FROM THE PROCEEDS OF TAX INCREMENT BONDS - Don Herz, Finance Director, and Lauren Wismer, Gilmore & Bell, came forward to answer questions.

This matter was taken under advisement.

APPROVING THE DEVELOPMENT AND CONDITIONAL ZONING AGREEMENT BETWEEN THE CITY AND B&J PARTNERSHIP RELATING TO THE DEVELOPMENT OF PROPERTY GENERALLY LOCATED ON THE BLOCK BOUNDED BY 9TH, 10TH, HILL AND VAN DORN STREETS; CHANGE OF ZONE 06012 - APPLICATION OF B&J PARTNERSHIP FOR A CHANGE OF ZONE FROM R-2 RESIDENTIAL DISTRICT AND O-2 SUBURBAN OFFICE DISTRICT TO B-1 LOCAL BUSINESS DISTRICT ON PROPERTY GENERALLY LOCATED ON THE BLOCK BOUNDED BY 9TH, 10TH, HILL AND VAN DORN STREETS - Mark Hunzeker, 1045 Lincoln Mall, Suite 200, came forward representing B & J Partnership to state the Irvingdale Neighborhood Association wants the vote to be delayed for two more weeks until information is received from the Parks and Recreation meeting.

Richard Halvorsen, 6311 Inverness Rd., came forward to make a statement referencing a mis-statement, in his opinion, was made at the last meeting.

Alene Swinehart, 1834 Ryons, came forward representing the Irvingdale Neighborhood Association. Discussion followed.

Zemis Sedriks, 2643 S. 10th St., came forward with 522 signatures on a petition against this project and to state many concerns. Discussion followed.

Mark Hunzeker, 1045 Lincoln Mall, Suite 200, came forward for rebuttal.

This matter was taken under advisement.

**** END OF PUBLIC HEARING ****

COUNCIL ACTION

LIQUOR RESOLUTIONS - NONE

ORDINANCES - 2ND READING & RELATED RESOLUTIONS (as required)

VACATION NO. 05013 - VACATING THE EAST/WEST ALLEY IN BLOCK 121, ORIGINAL LINCOLN, BOUNDED BY 12TH, 13TH, K STREETS AND LINCOLN MALL - CLERK read an ordinance, introduced by Robin Eschliman, vacating the east/west alley in Block 121, Original Lincoln, bounded by 12, 13th, K Streets and Lincoln Mall, and retaining title thereto in the City of Lincoln, Lancaster County, Nebraska, the second time.

APPROVING THE KING ANNEXATION AGREEMENT BETWEEN THE CITY AND TOM AND BETTY KING RELATING TO THE ANNEXATION OF APPROXIMATELY 2.5 ACRES OF PROPERTY GENERALLY LOCATED AT THE NORTHWEST CORNER OF N. 14TH STREET AND FLETCHER AVE. (RELATED ITEMS: 06R-95, 06-72) (ACTION DATE: 6/5/06).

ANNEXATION NO. 06003 - AMENDING THE LINCOLN CORPORATE LIMITS MAP BY ANNEXING APPROXIMATELY 2.5 ACRES OF PROPERTY GENERALLY LOCATED AT NORTH 14TH STREET AND FLETCHER AVENUE. (RELATED ITEMS: 06R-95, 06-72) - CLERK read an ordinance, introduced by Robin Eschliman, annexing and including the below described land as part of the City of Lincoln, Nebraska and amending the Corporate Limits Map attached to and made a part of Ordinance No. 18208, to reflect the extension of the corporate limits boundary of the City of Lincoln, Nebraska established and shown thereon, the second time.

RESOLUTIONS

APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY AND THE LINCOLN AIRPORT AUTHORITY FOR THE PERFORMANCE OF AN ASSESSMENT OF THE OAK CREEK LEVEE - CLERK read the following resolution, introduced by Robin Eschliman, who moved its adoption:

A-83854 BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska:

That the attached Interlocal Agreement for the Performance of an Assessment of the Oak Creek Levee between the City of Lincoln and the Airport Authority, which is attached hereto marked as Attachment "A", is hereby approved and the Mayor is authorized to execute the same on behalf of the City of Lincoln. Said Performance of an Assessment of the Oak Creek Levee establishes a framework and division of responsibilities for addressing the Oak Creek Levee as to its conformance with FEMA standards between the City of Lincoln and Airport Authority and authorizes the use of appropriated monies in accordance with the terms and conditions contained in said Performance of an Assessment of the Oak Creek Levee.

The City Clerk is directed to transmit an executed original Interlocal Agreement for Performance of an Assessment of the Oak Creek Levee and Resolution to Ben Higgins, Public Works and Utilities Department, 901 N. 6th Street, for transmittal to the Airport Authority.

Introduced by Robin Eschliman

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

APPROVING A REDEVELOPMENT AGREEMENT BETWEEN THE CITY AND R STREET LOFTS, LLC FOR IMPROVEMENT IN SUPPORT OF A HOUSING DEVELOPMENT ON PROPERTY GENERALLY LOCATED AT 727 R STREET - CLERK read the following resolution, introduced by Robin Eschliman, who moved its adoption:

A-83855 BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska:

1. The attached Option 13 Redevelopment Agreement between the City of Lincoln and R Street Lofts LLC, for redevelopment of property generally located at 727 R Street, as private development including new construction and improvements for residential use, including parking and related uses, in accordance with the terms and conditions contained in said Agreement, is hereby approved and the Mayor is authorized to execute the same on behalf of the City of Lincoln.

2. The Redevelopment Project Area for the Redevelopment Project comprising the property to be included in the area subject to the increment provision authorized in the Nebraska Community Development Law related to the project commencing hereafter as provided by law is hereby adopted and approved; said property being legally described as Lots 3 and 4 and the east 8 feet of the adjacent alley in Block 31, Original Plat, and the west 14 feet of Lot 2, Block 31, Original Plat, Lincoln, Lancaster County, Nebraska, including the abutting streets, alleys and rights-of-way thereto.

3. The findings in connection with the adoption of the Option 13 Redevelopment Plan are hereby ratified and approved, and the City Council hereby determines that the use of the increment provision authorized in the Nebraska Community Development Law is necessary and appropriate in furtherance of the Redevelopment Plan and that the redevelopment would otherwise not occur in this area but for the use of such financing.

The City Clerk is directed to return one fully executed copy of the Agreement to the Urban Development Department, for transmittal to R Street Lofts LLC.

Introduced by Robin Eschliman

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE CERTAIN EXPENSES IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE CITY'S SOLID WASTE MANAGEMENT AND DISPOSAL SYSTEM FROM THE PROCEEDS OF SOLID WASTE MANAGEMENT REVENUE BONDS - CLERK read the following resolution, introduced by Robin Eschliman, who moved its adoption:

A-83856 A RESOLUTION TO DECLARE THE OFFICIAL INTENT OF THE CITY UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, TO BORROW MONEY BY THE ISSUANCE OF SOLID WASTE MANAGEMENT REVENUE BONDS TO REIMBURSE THE COSTS OF CONSTRUCTING, ACQUIRING, EQUIPPING AND FURNISHING IMPROVEMENTS TO THE CITY'S SOLID WASTE MANAGEMENT FACILITIES. BE IT RESOLVED by the Council (the Council) of the City of

Lincoln, Nebraska (the City) as follows:

Section 1. Findings.

(a) It is necessary, desirable, advisable and in the best interest of the City and its citizens that certain additions, extensions and other improvements to the City's solid waste management system (the "System") be acquired and constructed (the "Project").

(b) The City has begun planning, acquiring, constructing, equipping and furnishing the Project and on or after May 22, 2006, the City anticipates spending funds in the amount of \$4,000,000 to pay costs of the Project.

(c) It is necessary, desirable, advisable and in the best interests of the City that it continue planning, acquiring, constructing, equipping and furnishing the Project, which will require the expenditure of money by the City prior to the issuance of Solid Waste Management Revenue Bonds (the Bonds) in accordance with the provisions of its Home Rule Charter and the Constitution and laws of the State of Nebraska to finance the costs of the Project.

(d) The City desires to preserve its ability to reimburse such expenditures under the provisions of the Internal Revenue Code of 1986, as amended (the Code), and the applicable regulations and rulings thereunder (the Regulations).

(e) The Regulations require that the City declare its official intent to reimburse any original expenditures (other than (a) expenditures to be paid or reimbursed from sources other than the Obligations, (b) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (c) expenditures in a de minimus amount (as defined in Section 1.150-2(f)(1) of the Regulations)) for costs of the Project (the Reimbursable Expenditures) with the proceeds of tax-exempt obligations not later than 60 days after the payment of such expenditures.

(f) The Regulations generally require that the Bonds be issued and a reimbursement allocation be made from the proceeds of the Bonds within 18 months after the later of the date the original expenditure is paid or the date the Project is placed in service or abandoned, but in no event more than 3 years after the original expenditure is paid.

Section 2. Declaration of Intent and Related Matters.

(a) In accordance with the provisions of the Regulations, the City hereby declares its official intent to reimburse all or a portion of the costs of the Project from the proceeds of the Bonds, the interest on which will be excludable from gross income for federal income tax purposes under Section 103 of the Code. Prior to the issuance of the Bonds, the City is authorized to advance approximately \$1,500,000 from the General Fund to pay a portion of the costs of planning, acquiring, constructing, equipping and furnishing the Project.

(b) Except for (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures constituting "preliminary expenditures" within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iii) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Project have been paid by the City more than 60 days prior to the date of adoption of this Resolution.

(c) The reasonably expected source of funds to be used to pay debt service on the Bonds will be the net revenues of the City's solid waste management facilities, which shall be pledged to the payment of the principal of and interest on the Bonds.

(d) The Bonds shall be issued in such amount and upon such terms and conditions as may be agreed upon by the City and the purchaser(s) of the Bonds for the purpose of paying all or a portion of the costs and expenses incident to the planning, acquisition, construction and financing of the Project, the Bonds to be authorized by the Council at a meeting to be held for such purpose.

(e) As of the date of this Resolution, there are no funds of the City reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project, other than pursuant to the issuance of the Bonds. This Resolution is consistent with the budgetary and financial circumstances of the City as they exist or are reasonably foreseeable on the date hereof.

Section 3. Authorizations.

(a) The Finance Director and the City Controller (each an Authorized Officer) be, and each of them is, authorized to take such further action as such Authorized Officer shall deem necessary or desirable without further action by the Council to carry out the

transactions contemplated by this Resolution.

(b) The Authorized Officers be, and each of them hereby is, authorized to execute on behalf of the City and to deliver any and all other instruments and documents including, but not limited to, such certificates or instruments as may be required under the terms of this Resolution necessary to be executed and delivered in connection with this Resolution and the approvals made hereby.

(c) The Authorized Officers shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make payment of the prior costs of the Project. Each allocation shall be evidenced by an entry on the official books of the City maintained for the Project and shall specifically identify the original expenditure being reimbursed.

Section 4. Ratification. All acts and deeds heretofore done by any officer, employee or agent of the City on behalf of the City to preserve the ability of the City to reimburse expenditures made from and after the date of adoption of this Resolution with respect to the Project by the City through the issuance of the Bonds and other transactions contemplated by this Resolution are hereby ratified, confirmed and approved in all respects.

Section 5. Effective Dates. This Resolution shall be in full force and effect from and after its passage and adoption by the Council.

Section 6. Conflicting Resolutions Repealed. All resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Introduced by Robin Eschliman

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE CERTAIN EXPENSES IN CONNECTION WITH THE ACQUISITION OF REAL PROPERTY AND THE CONSTRUCTION OF A PARKING GARAGE AND RELATED IMPROVEMENTS FROM THE PROCEEDS OF PARKING REVENUE BONDS - CLERK read the following resolution, introduced by Robin Eschliman, who moved its adoption:

A-83857 A RESOLUTION TO DECLARE THE OFFICIAL INTENT OF THE CITY UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, TO BORROW MONEY BY THE ISSUANCE OF PARKING REVENUE BONDS TO REIMBURSE THE COSTS OF CONSTRUCTING, ACQUIRING, EQUIPPING AND FURNISHING IMPROVEMENTS TO THE CITY'S PARKING FACILITIES.

BE IT RESOLVED by the Council (the Council) of the City of Lincoln, Nebraska (the City) as follows:

Section 1. Findings.

(a) It is necessary, desirable, advisable and in the best interest of the City and its citizens that a new parking garage and related facilities (the "Project") be acquired and constructed as a part of the City's parking facilities (the System).

(b) The City has begun planning, acquiring, constructing, equipping and furnishing the Project and on or after May 22, 2006, the City anticipates spending funds in the amount of \$8,300,000 to pay costs of the Project.

(c) It is necessary, desirable, advisable and in the best interests of the City that it continue planning, acquiring, constructing, equipping and furnishing the Project, which will require the expenditure of money by the City prior to the issuance of Parking Revenue Bonds (the Bonds") in accordance with the provisions of its Home Rule Charter and the Constitution and laws of the State of Nebraska to finance the costs of the Project.

(d) The City desires to preserve its ability to reimburse such expenditures under the provisions of the Internal Revenue Code of 1986, as amended (the Code), and the applicable regulations and rulings thereunder (the Regulations).

(e) The Regulations require that the City declare its official intent to reimburse any original expenditures (other than (a) expenditures to be paid or reimbursed from sources other than the Obligations, (b) expenditures constituting "preliminary expenditures" within the meaning of Section 1.150-2(f)(2) of the Regulations, or (c) expenditures in a de minimus amount (as defined in Section 1.150-2(f)(1) of the Regulations)) for costs of the Project (the Reimbursable Expenditures) with the proceeds of tax-exempt obligations not later than 60 days after the payment of such expenditures.

(f) The Regulations generally require that the Bonds be issued and a reimbursement allocation be made from the proceeds of the Bonds within 18 months after the later of the date the original expenditure is paid or the date the Project is placed in service or abandoned, but in no event more than 3 years after the original expenditure is paid.

Section 2. Declaration of Intent and Related Matters.

(a) In accordance with the provisions of the Regulations, the City hereby declares its official intent to reimburse all or a portion of the costs of the Project from the proceeds of the Bonds, the interest on which will be excludable from gross income for federal income tax purposes under Section 103 of the Code. Prior to the issuance of the Bonds, the City is authorized to advance approximately \$3,000,000 from the General Fund to pay a portion of the costs of planning, acquiring, constructing, equipping and furnishing the Project.

(b) Except for (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures constituting "preliminary expenditures" within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iii) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Project have been paid by the City more than 60 days prior to the date of adoption of this Resolution.

(c) The reasonably expected source of funds to be used to pay debt service on the Bonds will be the net revenues of the City's parking facilities, which shall be pledged to the payment of the principal of and interest on the Bonds.

(d) The Bonds shall be issued in such amount and upon such terms and conditions as may be agreed upon by the City and the purchaser(s) of the Bonds for the purpose of paying all or a portion of the costs and expenses incident to the planning, acquisition, construction and financing of the Project, the Bonds to be authorized by the Council at a meeting to be held for such purpose.

(e) As of the date of this Resolution, there are no funds of the City reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project, other than pursuant to the issuance of the Bonds. This Resolution is consistent with the budgetary and financial circumstances of the City as they exist or are reasonably foreseeable on the date hereof.

Section 3. Authorizations.

(a) The Finance Director and the City Controller (each an Authorized Officer) be, and each of them is, authorized to take such further action as such Authorized Officer shall deem necessary or desirable without further action by the Council to carry out the transactions contemplated by this Resolution.

(b) The Authorized Officers be, and each of them hereby is, authorized to execute on behalf of the City and to deliver any and all other instruments and documents including, but not limited to, such certificates or instruments as may be required under the terms of this Resolution necessary to be executed and delivered in connection with this Resolution and the approvals made hereby.

(c) The Authorized Officers shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make payment of the prior costs of the Project. Each allocation shall be evidenced by an entry on the official books of the City maintained for the Project and shall specifically identify the original expenditure being reimbursed.

Section 4. Ratification. All acts and deeds heretofore done by any officer, employee or agent of the City on behalf of the City to preserve the ability of the City to reimburse expenditures made from and after the date of adoption of this Resolution with respect to the Project by the City through the issuance of the Bonds and other transactions contemplated by this Resolution are hereby ratified, confirmed and approved in all respects.

Section 5. Effective Dates. This Resolution shall be in full force and effect from and after its passage and adoption by the Council.

Section 6. Conflicting Resolutions Repealed. All resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Introduced by Robin Eschliman

Seconded by Svoboda & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE CERTAIN EXPENSES IN CONNECTION WITH ACQUIRING REAL PROPERTY AND CONSTRUCTING, ACQUIRING, EQUIPPING, AND FURNISHING IMPROVEMENTS TO THE CITY'S Q01214 DOWNTOWN CIVIC PLAZA REDEVELOPMENT PROJECT FROM THE PROCEEDS OF TAX INCREMENT BONDS - CLERK read the following resolution, introduced by Robin Eschliman, who moved its adoption:

A-83858 A RESOLUTION TO DECLARE THE OFFICIAL INTENT OF THE CITY UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, TO BORROW MONEY BY THE ISSUANCE OF TAX ALLOCATION BONDS TO REIMBURSE THE COSTS OF CONSTRUCTING, ACQUIRING, EQUIPPING AND FURNISHING IMPROVEMENTS TO THE CITY'S Q01214 REDEVELOPMENT PROJECT.

BE IT RESOLVED by the Council (the Council) of the City of Lincoln, Nebraska (the City) as follows:

Section 1. Findings.

(a) The City will enter into a Q01214 Project Redevelopment Agreement (the "Agreement") under which the City will agree to make certain improvements within the Q01214 Project Area (as defined in the Agreement) at its expense (the City Project") in connection with the Q01214 Project (as defined in the Agreement).

(b) The City has begun planning, acquiring, constructing, equipping and furnishing the City Project and on or after May 22, 2006, the City anticipates spending funds in the amount of \$3,000,000 to pay costs of the City Project.

(c) It is necessary, desirable, advisable and in the best interests of the City that it continue planning, acquiring, constructing, equipping and furnishing the City Project, which will require the expenditure of money by the City prior to the issuance of Q01214 Redevelopment Project Tax Increment Bonds (the Bonds") in accordance with the provisions of its Home Rule Charter and the Constitution and laws of the State of Nebraska to finance the costs of the City Project.

(d) The City desires to preserve its ability to reimburse such expenditures under the provisions of the Internal Revenue Code of 1986, as amended (the Code), and the applicable regulations and rulings thereunder (the Regulations).

(e) The Regulations require that the City declare its official intent to reimburse any original expenditures (other than (a) expenditures to be paid or reimbursed from sources other than the Obligations, (b) expenditures constituting "preliminary expenditures" within the meaning of Section 1.150-2(f)(2) of the Regulations, or (c) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations)) for costs of the City Project (the Reimbursable Expenditures") with the proceeds of tax-exempt obligations not later than 60 days after the payment of such expenditures.

(f) The Regulations generally require that the Bonds be issued and a reimbursement allocation be made from the proceeds of the Bonds within 18 months after the later of the date the original expenditure is paid or the date the City Project is placed in service or abandoned, but in no event more than 3 years after the original expenditure is paid.

Section 2. Declaration of Intent and Related Matters.

(a) In accordance with the provisions of the Regulations, the City hereby declares its official intent to reimburse all or a portion of the costs of the City Project from the proceeds of the Bonds, the interest on which will be excludable from gross income for federal income tax purposes under Section 103 of the Code. Prior to the issuance of the Bonds, the City is authorized to advance approximately \$3,000,000 from the General Fund to pay a portion of the costs of planning, acquiring, constructing, equipping and furnishing the City Project.

(b) Except for (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures constituting "preliminary expenditures" within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iii) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the City Project have been paid by the City more than 60 days prior to the date of adoption of this Resolution.

(c) The reasonably expected source of funds to be used to pay debt service on the Bonds will be the net revenues of the City's parking facilities, which shall be pledged to the payment of the principal of and interest on the Bonds.

(d) The Bonds shall be issued in such amount and upon such terms and conditions as may be agreed upon by the City and the purchaser(s) of the Bonds for the purpose of paying all or a portion of the costs and expenses incident to the planning, acquisition, construction and financing of the City Project, the Bonds to be authorized by the Council at a meeting to be held for such purpose.

(e) As of the date of this Resolution, there are no funds of the City reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the City Project, other than pursuant to the issuance of the Bonds. This Resolution is consistent with the budgetary and financial circumstances of the City as they exist or are reasonably foreseeable on the date hereof.

Section 3. Authorizations.

(a) The Finance Director and the City Controller (each an Authorized Officer") be, and each of them is, authorized to take such further action as such Authorized Officer shall deem necessary or desirable without further action by the Council to carry out the transactions contemplated by this Resolution.

(b) The Authorized Officers be, and each of them hereby is, authorized to execute on behalf of the City and to deliver any and all other instruments and documents including, but not limited to, such certificates or instruments as may be required under the terms of this Resolution necessary to be executed and delivered in connection with this Resolution and the approvals made hereby.

(c) The Authorized Officers shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make payment of the prior costs of the City Project. Each allocation shall be evidenced by an entry on the official books of the City maintained for the City Project and shall specifically identify the original expenditure being reimbursed.

Section 4. Ratification. All acts and deeds heretofore done by any officer, employee or agent of the City on behalf of the City to preserve the ability of the City to reimburse expenditures made from and after the date of adoption of this Resolution with respect to the City Project by the City through the issuance of the Bonds and other transactions contemplated by this Resolution are hereby ratified, confirmed and approved in all respects.

Section 5. Effective Dates. This Resolution shall be in full force and effect from and after its passage and adoption by the Council.

Section 6. Conflicting Resolutions Repealed. All resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Introduced by Robin Eschliman

Seconded by Svoboda & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

ORDINANCES - 3RD READING & RELATED RESOLUTIONS (as required)

APPROVING THE DEVELOPMENT AND CONDITIONAL ZONING AGREEMENT BETWEEN THE CITY AND B&J PARTNERSHIP RELATING TO THE DEVELOPMENT OF PROPERTY GENERALLY LOCATED ON THE BLOCK BOUNDED BY 9TH, 10TH, HILL AND VAN DORN STREETS - PRIOR to reading:

COOK Moved to delay Bill No. 06R-86 for two weeks with Public Hearing limited to information from Charette only and action on 6/5/06.

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

CHANGE OF ZONE 06012 - APPLICATION OF B&J PARTNERSHIP FOR A CHANGE OF ZONE FROM R-2 RESIDENTIAL DISTRICT AND O-2 SUBURBAN OFFICE DISTRICT TO B-1 LOCAL BUSINESS DISTRICT ON PROPERTY GENERALLY LOCATED ON THE BLOCK BOUNDED BY 9TH, 10TH, HILL AND VAN DORN STREETS - PRIOR to reading:

COOK Moved to delay Bill No. 06-65 for two weeks with Public Hearing limited to information from Charette only and action on 6/5/06.

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

PETITIONS AND COMMUNICATIONS - NONE

REPORTS OF CITY OFFICERS

APPOINTING WENDY FRANCIS TO THE LINCOLN COMMISSION ON HUMAN RIGHTS TO FILL AN UNEXPIRED THREE-YEAR TERM EXPIRING DECEMBER 31, 2008 - CLERK read the following resolution, introduced by Robin Eschliman, who moved its adoption:

A-83859 BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska:

That the appointment of Wendy Francis to the Lincoln Commission on Human Rights to fill an unexpired three-year term expiring December 31, 2008, is hereby approved.

Introduced by Robin Eschliman

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

ASSESSING THE COSTS OF THE NORTH 27TH STREET MAINTENANCE DISTRICT AGAINST THE BENEFITTED PROPERTIES - PRIOR to reading:

COOK Moved to remove Item 13 from the consent agenda vote.

Seconded by Eschliman & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

COOK Moved to delay action for two weeks to June 5, 2006.

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

SETTING THE INTEREST RATE OF 6.05% AND LEVYING THE ASSESSMENTS ON SPECIAL ASSESSMENT GROUP I OF THE BOARD OF EQUALIZATION HELD MAY 8, 2006 - CLERK read the following resolution, introduced by Dan Marvin, who moved its adoption:

A-83860 BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska that:

The special taxes assessed May 8, 2006, to pay the costs of the improvements in Paving District No. 2626, Paving Unit No. 139 and Water District No. 1192 are hereby levied and shall bear interest at 6.05% per annum and that the period of time in which the assessments are to be paid shall be as follows:

- 20 years - Paving District 2626
- 20 years - Paving Unit 139
- 20 years - Water District 1192

Introduced by Dan Marvin

Seconded by Eschliman & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

ORDINANCES - 1ST READING & RELATED RESOLUTIONS

APPROVING A THIRTEEN-MONTH LEASE AGREEMENT BETWEEN THE CITY AND THE WYNNE TRANSPORT SERVICES, INC. FOR THE LEASE OF SPACE BY THE LINCOLN AREA AGENCY ON AGING FOR ITS LINCOLN INFORMATION FOR THE ELDERLY (LIFE) GENEVA MEDICAID WAIVER PROGRAM AT 209 S. 10TH STREET, GENEVA, NE - CLERK read an ordinance, introduced by Dan Marvin, accepting and approving a Lease Agreement between the City of Lincoln and Wynne Transport Service, Inc. For the lease of office space by the Lincoln Area Agency on Aging for its Lincoln Information For the Elderly (LIFE) Geneva Medicaid Waiver Program at 209 S. 10th Street, Geneva, NE for a thirteen month term from May 1, 2006 through May 31, 2007, the first time.

APPROVING A THIRTEEN-MONTH LEASE AGREEMENT BETWEEN THE CITY AND THE POLK SENIOR CENTER FOR THE LEASE OF SPACE BY THE LINCOLN AREA AGENCY ON AGING FOR ITS LINCOLN INFORMATION FOR THE ELDERLY (LIFE) MEDICAID WAIVER PROGRAM AT 230 NORTH MAIN STREET, POLK, NE - CLERK read an ordinance, introduced by Dan Marvin, accepting and approving a Lease Agreement between the City of Lincoln and Polk Senior Center for the lease of office space by the Lincoln Area Agency on Aging for its Lincoln Information For the Elderly (LIFE) Medicaid Waiver Program at the Polk Senior Center, 230 N. Main Street, Polk, NE, for a thirteen month term from May 1, 2006 through May 31, 2007, the first time.

REGULAR MEETING

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APPROVING THE HIGHWAY 77 & WARLICK BOULEVARD CONDITIONAL ANNEXATION AND ZONING AGREEMENT AND AUTHORIZING THE ISSUANCE OF A WATER REVENUE OBLIGATION AND HIGHWAY ALLOCATION OBLIGATION TO EVIDENCE CERTAIN OF THE CITY'S OBLIGATIONS UNDER THE AGREEMENT. (Related Items on Pending Date Certain: 06-73, 06-74, 06-75) - CLERK read an ordinance, introduced by Dan Marvin, adopted under and pursuant to Ordinance Nos. 18088 and 18171 of the City authorizing the issuance of (1) a Water Revenue Obligation of the City in an aggregate principal amount not to exceed for water: one million five hundred twenty thousand dollars (\$1,520,000.00) (The "Water Obligation"), and (2) a Highway allocation obligation of the City in an aggregate principal amount not to exceed four million two hundred forty five thousand dollars (\$4,245,000.00); fixing in part and providing for the fixing in part of the details of the water obligation and the highway allocation obligation; taking other action in connection with the foregoing; and related matters, the first time.

APPROVING THE GRAND TERRACE CONDITIONAL ANNEXATION AND ZONING AGREEMENT BETWEEN THE CITY AND DUBOIS LLC AND CLARENDON HILLS ROAD IMPROVEMENT DISTRICT, RELATING TO THE ANNEXATION OF APPROXIMATELY 70 ACRES OF PROPERTY GENERALLY LOCATED WEST OF SOUTH 84TH STREET AND SOUTH OF HIGHWAY 2. (RELATED ITEMS: 06R-104, 06-79, 06-80).6/12/06).

ANNEXATION 06001 - AMENDING THE LINCOLN CORPORATE LIMITS MAP BY ANNEXING APPROXIMATELY 70 ACRES OF PROPERTY GENERALLY LOCATED AT SOUTH 84TH STREET AND HIGHWAY 2. (RELATED ITEMS: 06R-104, 06-79, 06-80) - CLERK read an ordinance, introduced by Dan Marvin, annexing and including the below described land as part of the City of Lincoln, Nebraska and amending the Corporate Limits Map attached to and made a part of Ordinance No. 18208, to reflect the extension of the corporate limits boundary of the City of Lincoln, Nebraska established and shown thereon, the first time.

CHANGE OF ZONE 06001 - APPLICATION OF DUBOIS, LLC, FOR A CHANGE OF ZONE FROM AG AGRICULTURAL DISTRICT TO R-3 RESIDENTIAL DISTRICT ON PROPERTY GENERALLY LOCATED AT SOUTH 84TH STREET AND HIGHWAY 2. (RELATED ITEMS: 06R-104, 06-79, 06-80) - CLERK read an ordinance, introduced by Dan Marvin, amending the Lincoln Zoning District Maps attached to and made a part of Title 27 of the Lincoln Municipal Code, as provided by Section 27.05.020 of the Lincoln Municipal Code, by changing the boundaries of the districts established and shown thereon, the first time.

ANNEXATION 06007 - AMENDING THE LINCOLN CORPORATE LIMITS MAP BY ANNEXING APPROXIMATELY 78.03 ACRES OF PROPERTY GENERALLY LOCATED AT NORTH 14TH STREET AND FLETCHER AVENUE. (RELATED ITEMS: 06-81, 06-82) - CLERK read an ordinance, introduced by Dan Marvin, annexing and including the below described land as part of the City of Lincoln, Nebraska and amending the Corporate Limits Map attached to and made a part of Ordinance No. 18208, to reflect the extension of the corporate limits boundary of the City of Lincoln, Nebraska established and shown thereon, the first time.

CHANGE OF ZONE 06026 - APPLICATION OF CHARLESTON HEIGHTS, LLC, FOR A CHANGE OF ZONE FROM AG AGRICULTURAL DISTRICT TO R-3 RESIDENTIAL DISTRICT ON PROPERTY GENERALLY LOCATED AT NORTH 14TH STREET AND FLETCHER AVENUE. (RELATED ITEMS: 06-81, 06-82) - CLERK read an ordinance, introduced by Dan Marvin, amending the Lincoln Zoning District Maps attached to and made a part of Title 27 of the Lincoln Municipal Code, as provided by Section 27.05.020 of the Lincoln Municipal Code, by changing the boundaries of the districts established and shown thereon, the first time.

ANNEXATION 06006 - AMENDING THE LINCOLN CORPORATE LIMITS MAY BY ANNEXING APPROXIMATELY 1.14 ACRES OF PROPERTY GENERALLY LOCATED AT GLENEAGLE COURT AND LAMMLE CIRCLE - CLERK read an ordinance, introduced by Dan Marvin, annexing and including the below described land as part of the City of Lincoln, Nebraska and amending the Corporate Limits Map attached to and made a part of Ordinance No. 18208, to reflect the extension of the corporate limits boundary of the City of Lincoln, Nebraska established and shown thereon, the first time.

ORDINANCES - 3RD READING & RELATED RESOLUTIONS (as required)

AMENDING CHAPTERS 2.62, 2.65, AND 2.66 OF THE LINCOLN MUNICIPAL CODE RELATING TO THE POLICE AND FIRE PENSION PLAN REQUIRING THE CITY TO MAKE THE ANNUAL ACTUARIALLY DETERMINED NORMAL COST CONTRIBUTION TO SUCH PENSION PLAN - PRIOR to reading:

CAMP Moved to delay Bill No. 06-68 for two weeks to discuss financial implications at a Pre-Council meeting prior to voting and action on June 5, 2006.

Seconded by Svoboda & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

SVOBODA Moved a friendly amendment to discuss the financial implications at the City Council meeting as a public hearing on June 5, 2006.

Accepted by Camp & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

CLERK Read an ordinance, introduced by Jonathan Cook, amending Title 2 of the Lincoln Municipal Code, Officers, Departments and Personnel, by amending Sections 2.62.010, 2.65.010 and 2.66.010 relating to the establishment of Police and Fire Pension Plans A, B and C, respectively, to clarify the required city contribution to the Police and Fire Pension Fund; and repealing Sections 2.62.010, 2.65.010, and 2.66.010 of the Lincoln Municipal Code as hitherto existing, the third time.

CHANGE OF ZONE 06019 - AMENDING SECTION 27.61.090 AND 27.63.280 OF THE LINCOLN MUNICIPAL CODE TO ALLOW FOR THE ENLARGEMENT, EXTENSION, OR RECONSTRUCTION OF BUILDINGS AND STRUCTURES LOCATED UPON A PREMISES, THE USE OF WHICH CONSTITUTES A NONSTANDARD USE BY SPECIAL PERMIT - CLERK read an ordinance, introduced by Jonathan Cook, amending Title 27 of the Lincoln Municipal Code relating to the Zoning Code by amending Section 27.61.090 relating to Continuation of Nonstandard Uses, and Section 27.63.280 relating to Special Permits; Expansion of Nonconforming Uses, to allow for the enlargement, extension, or reconstruction of buildings and structures located upon a premises the use of which constitutes a nonstandard use by special permit; and repealing Sections 27.61.090 and 27.63.280 of the Lincoln Municipal Code as hitherto existing, the third time.

COOK Moved to pass the ordinance as read.

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

The ordinance, being numbered #18730, is recorded in Ordinance Book #25, Page

AMENDING CHAPTER 9.16 OF THE LINCOLN MUNICIPAL CODE RELATING TO OFFENSES AGAINST PUBLIC DECENCY BY ADDING A NEW SECTION 9.16.250 TO PROVIDE RESIDENCY RESTRICTIONS FOR SEX OFFENDERS - CLERK read an ordinance, introduced by Jonathan Cook, amending Chapter 9.16 of the Lincoln Municipal Code relating to Offenses Against Public Decency by adding a new section numbered 9.16.250 to provide residency restrictions for sexual predators, the third time.

COOK Moved to pass the ordinance as read.

Seconded by Marvin & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy

The ordinance, being numbered #18731, is recorded in Ordinance Book #25, Page

REGISTERED TO SPEAK SESSION - NONE

OPEN MICROPHONE SESSION - NONE

MISCELLANEOUS BUSINESS

PENDING -

CAMP Moved to extend the Pending List to June 5, 2006.

Seconded by Svoboda & carried by the following vote: AYES: Camp, Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy.

UPCOMING RESOLUTIONS -

CAMP Moved to approve the resolutions to have Public Hearing on
June 5, 2006.
Seconded by Svoboda & carried by the following vote: AYES: Camp,
Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy.

ADJOURNMENT 7:00 P.M.

CAMP Moved to adjourn the City Council meeting of May 22, 2006.
Seconded by Svoboda & carried by the following vote: AYES: Camp,
Cook, Eschliman, Marvin, Newman, Svoboda; NAYS: None; ABSENT: McRoy.
So ordered.

Teresa Meier, Deputy City Clerk

Judy Roscoe, Senior Office Assistant