

BOARD OF COUNTY COMMISSIONERS
SARPY COUNTY, NEBRASKA

RESOLUTION APPROVING COMMERCIAL DEVELOPMENT FEE &
INFRASTRUCTURE REIMBURSEMENT AGREEMENT
(AMENDED)

WHEREAS, pursuant to Neb. Rev. Stat. §23-104(6) (Reissue 2007), the County has the power to do all acts in relation to the concerns of the county necessary to the exercise of its corporate powers; and,

WHEREAS, pursuant to Neb. Rev. Stat. §23-103 (Reissue 2007), the powers of the County as a body are exercised by the County Board; and,

WHEREAS, Neb. Rev. Stat. §23-2901 to 2905 (Reissue 2007), confers the power to counties, for the benefits of its citizens, to acquire facilities for social, athletic, and recreational purposes; and,

WHEREAS, on December 9, 2008, the County entered into a Memorandum of Understanding with the Omaha Royals Limited Partnership (hereinafter "Royals"), by which the County and the Royals agreed to use their best efforts to resolve issues identified in said Memorandum of Understanding in order to facilitate the establishment of a recreational and athletic facility that may be used as a stadium for minor league baseball; and,

WHEREAS, on March 17, 2009 the County entered into a Stadium Lease and Use Agreement the Royals as the Definitive Agreement described in the aforementioned Memorandum of Understanding, and has since amended said Stadium Lease and Use Agreement; and,

WHEREAS, pursuant to said Stadium Lease and Use Agreement, the County entered into certain Real Estate Transfer Agreement with Schewe Farms, Inc. date June 1, 2009; and,

WHEREAS, further agreement is necessary to continue the development of the project contemplated by the aforementioned agreements; and,

WHEREAS, it is the decision of this board that the execution of the attached Commercial Development Fee & Infrastructure Reimbursement Agreement, for the reasons recited therein, is in the best interests of the citizens of Sarpy County.

NOW, THEREFORE, BE IT RESOLVED BY THE SARPY COUNTY BOARD OF COMMISSIONERS THAT the attached Commercial Development Fee & Infrastructure

Reimbursement Agreement is hereby approved, and that the Chair and Clerk are hereby authorized, at the Chair's discretion to execute or destroy said Commercial Development Fee & Infrastructure Reimbursement Agreement on behalf of Sarpy County, Nebraska.

BE IT FURTHER RESOLVED that the Chair, County Administrator, County Fiscal Administrator, and County Attorney are authorized to take such other actions as may be necessary to comply with the provisions of said Commercial Development Fee & Infrastructure Reimbursement Agreement and consummate the transaction contemplated therein, except for those actions that require the further consideration of this Board by law.

DATED this 30th day of June, 2009.

Moved by Rich Jansen, seconded by Pat Thomas, that the above Resolution be adopted. Carried.

YEAS:

NAYS:

ABSENT:

[Signature]

none

none

[Signature]

[Signature]

ABSTAIN:

[Signature]

none

[Signature]



[Signature]

Approved as to form:

[Signature]
Deputy County Attorney

COUNTY OF SARPY

SCHEWE FARMS, INC.

WESTERN SPRINGS LAND CORPORATION

**COMMERCIAL DEVELOPMENT FEE &
INFRASTRUCTURE REIMBURSEMENT AGREEMENT**

THIS COMMERCIAL DEVELOPMENT FEE & INFRASTRUCTURE REIMBURSEMENT AGREEMENT (Agreement) is made and entered into as of July 1, 2009 (Effective Date) by and among the **County of Sarpy**, a political subdivision of the State of Nebraska (the County), **Schewe Farms, Inc.**, a Nebraska corporation (Schewe), and **Western Springs Land Corporation**, a Nebraska corporation (WSLC) (Schewe and WSLC are collectively referred to herein as the Developers).

WHEREAS, Schewe owns a land parcel consisting of approximately 310 acres (the Schewe Property) in Sarpy County, Nebraska generally depicted and legally described as set forth in Exhibit A attached hereto;

WHEREAS, WSLC, either directly or through entities with common ownership and control, owns several land parcels consisting of approximately 73 acres (collectively, the WSLC Property) in Sarpy County, Nebraska generally depicted and legally described as set forth in Exhibit B attached hereto;

WHEREAS, Schewe and WSLC are working cooperatively to develop and implement a proposed mixed-use development within the combined area of their respective parcels generally as set forth on Exhibit C attached hereto, which proposed mixed-use development and the site plan as shown on Exhibit C is subject to change, incorporating a wide range of housing mixes, as well as retail, office and special retail uses (the Mixed-Use Development);

WHEREAS, as part of the Mixed-Use Development, Schewe and the County have entered into that certain Real Estate Transfer Agreement dated June 1, 2009, pursuant to which the parties have agreed that a site consisting of approximately 31-acres located within the Schewe Property (the Stadium Site) is intended to be used for developing and constructing a minor league baseball stadium (Stadium), the use of which Stadium shall be limited to those uses which constitute social, athletic, and recreational purposes, and public health and welfare as allowed by Neb. Rev. Stat. §23-2902 and §77-202(1)(a) (as amended), with uses incidental to the dominant use also allowed;

WHEREAS, the Stadium is to be leased and occupied by the Omaha Royals (ORoyals), as tenant, under and pursuant to that certain Stadium Lease and Use Agreement, as

amended, by and between County and the ORoyals dated March 17, 2009 (the Stadium Agreement);

WHEREAS, in connection with the County's selection of the Schewe Property as the Stadium Site, County has determined that it is necessary that a fee be imposed on commercial owners and occupants whose premises are located within the Mixed-Use Development, such fee to be in lieu of a city imposed local option sales tax, with the proceeds of such fee to be remitted to the County for use in connection with financing the Stadium;

WHEREAS, the requirement to impose the fee was a material factor in the County's selection of the Schewe Property as the location for the Stadium Site versus other prospective sites in connection with which certain municipalities offered to pledge their local option sales tax increment which would be generated from new commercial development at such site toward the financing of the Stadium project;

WHEREAS, although the Stadium will not be located on land owned by it, WSLC acknowledges and agrees that it will be benefitted thereby through increased marketability and desirability of nearby land which it owns;

WHEREAS, as an inducement to the County to construct the Stadium on the Stadium Site, subject to the terms and conditions set forth in this Agreement, Schewe and WSLC agree to impose a fee on the commercial owners and occupants of the Mixed Use Development, with all proceeds of such fee to be paid to the County for use solely in connection with funding the debt service on Bonds (as such term is defined in the Stadium Agreement), or if the Bonds have been paid in full to fund the Capital Maintenance Fund (as such term is defined in the Stadium Agreement);

WHEREAS, because the Stadium has to be operational by April 1, 2011, certain infrastructure improvements generally as set forth on Exhibit D attached hereto (Infrastructure Improvements) are presently anticipated to be required and are subject to change hereafter, which Infrastructure Improvements, based upon the mutual benefit they will provide, the costs and expenses thereof are to be appropriately shared among the County, Schewe, WSLC, one or more sanitary improvement districts (SIDs) created by one or both of them, the City of Papillion and certain other parties;

WHEREAS, by letter written by City of Papillion Mayor James Blinn attached hereto as Exhibit F, which letter was subsequently affirmed by the Papillion City Council thereof on June 16, 2009, the City of Papillion has agreed to provide water and sewer connections to the Stadium Site at no cost to the County or the Developers;

WHEREAS, as an inducement to the County to construct the Stadium on the Stadium Site, and because same is fair and consistent with development principles typically applied in Sarpy County, Schewe and WSLC agree (either directly or through SIDs which they do or will control) to reimburse the appropriate party according to usual and customary practices and principles of developments in Sarpy County, for their respective proportionate

share of the costs and expenses of the Infrastructure Improvements incurred when development on their respective parcels occurs.

NOW THEREFORE, for and in consideration of the premises, the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are expressly acknowledged, the parties hereto, each intending to be legally bound, do hereby mutually agree as follows:

1. **Commercial Development Fee.** In connection with and in acknowledgement of the benefit of the Stadium to the Mixed-Use Development, for so long as the Stadium is not within the taxing authority of the City of Papillion or until such time as the County is entitled to receive county local option sales tax benefits substantially similar to those proposed in LB 615, discussed during the 2009 Nebraska Unicameral legislative session (County Sales Tax), whichever is earlier, and in lieu of a city imposed local option sales tax or such County Sales Tax (i) Schewe hereby covenants and agrees to contractually impose a One and One-Half percent (1.50%) commercial development fee (the Fee) on all commercial property owners and occupants whose premises are located on the Schewe Property within the Mixed-Use Development, and (ii) WSLC likewise hereby covenants and agrees to impose the Fee on all commercial property owners and occupants whose premises are located on the WSLC Property within the Mixed-Use Development, all in accordance with the following terms and procedures:

(a) The Fee shall be calculated based on the formula of One and One Half percent (1.50%) of Gross Receipts (as defined below) by each owner and occupant thereof which occur within the Mixed-Use Development.

(b) The Fee shall be imposed by the Developers and collected from each owner or occupant of the Mixed-Use Development who has Gross Receipts. The Fee shall be contractually imposed by the Developers on the owners and occupants of the Mixed-Use Development by means of written agreement, the form of which shall be determined by the Developers and which may include, without limitation, real estate sale agreements, lease agreements, or other forms of written agreement. The Fee may be paid through an applicable property association which may be formed by the Developers. In connection therewith, upon written request from the County the Developers shall require that an appropriate memorandum of each agreement which imposes the Fee may be recorded in the real estate records of Sarpy County, Nebraska within thirty (30) days after the date that such agreement is entered into by the parties thereto.

(c) The Fee paid by the applicable owners, occupants or others of the Mixed-Use Development to the Developers shall be paid to the County on a quarterly basis all Fee amounts collected, with all such quarterly remittances to be received by the County at the address indicated in Section 4.4 of this Agreement not later than thirty (30) days after the end of each such quarterly period indicated below:

January 1 to March 31

April 1 to June 30
July 1 to September 30
October 1 to December 31

The Developers shall use commercially reasonable efforts to collect the Fee, but in any event, shall not be responsible for payment of any unpaid Fee.

(d) The Developers shall require that each owner and occupant of the Mixed-Use Development who has Gross Receipts shall also provide the Developers with a confidential quarterly statement of Gross Receipts, signed by an authorized representative of such owner or occupant, which statement shall show in reasonable detail the monthly and quarterly Gross Receipts information which is used in calculating the quarterly payment of the Fee. Statements submitted to the State of Nebraska shall be sufficient for reporting purposes. County shall have the right to review such quarterly statements as provided herein below.

(e) County may from time to time (but not more frequently than once each calendar year), upon at least thirty (30) days' written notice to the Developers, cause an examination to be made of any or all of the quarterly statements of Gross Receipts received by the Developers from the owners and occupants of the Mixed-Use Development (Owner/Occupant Records). During such examination, if permitted by the Owner or Occupant, County or its authorized representatives shall have full and free access to Owner/Occupant Records and the right to require that the applicable owners and occupants provide reasonable cooperation and furnish such additional information or explanation with respect to such Owner/Occupant Records as may be necessary for a proper examination thereof. If such audit or examination discloses that any of the Owner/Occupant Records understates their Gross Receipts made during any applicable quarter by five percent (5%) or more, or if any owner or occupant shall have failed to furnish the Developers with Owner/Occupant Records during any quarter, or shall have failed to prepare and maintain Owner/Occupant Records as required herein, then such owners or occupants shall pay County the cost of such audit or examination and any deficiency in the Fee. Any Owner/Occupant Records obtained by County pursuant to the provisions of this Agreement shall be treated as confidential, except in any litigation or arbitration proceedings between the parties.

(f) All proceeds of such Fee paid to the County shall be used solely in connection with funding the debt service on Bonds (as such term is defined in the Stadium Agreement), or if the Bonds have been paid in full to fund the Capital Maintenance Fund (as such term is defined in the Stadium Agreement).

(g) "Gross Receipts" shall be as defined in the Nebraska Revenue Act and shall include the total amount of the sale price of the retail sales of retailers, or of those otherwise furnishing taxable goods or services deriving from premises located within the Mixed-Use Development, which Gross Receipts shall only include amounts

which would otherwise be taxable by the City of Papillion if Papillion's local option sales tax was applicable to the Mixed Use Development.

(h) The covenants set forth in this Agreement shall be binding upon each and every owner of the Schewe Property and each and every owner of the WSLC Property described herein, and shall run with the land for so long as this Agreement remains in effect. The parties hereto agree that an appropriate memorandum of this Agreement reflecting the material terms hereof, including any material amendments hereto, shall be recorded in the real estate records of Sarpy County, Nebraska.

(i) The final structure of collection and payment of the Fee shall be mutually agreed by the Developers and the County consistent with the terms set forth herein. Provided that Developers act in good faith to impose and collect the Fee, including without limitation, providing prior notice of the Fee to prospective owners and occupants of the Mixed-Use Development, then in the event of a court challenge of the validity of the Fee, the County agrees to indemnify and defend Developers and hold Developers harmless from any and all causes of action, claims, liabilities, losses, costs, damages, penalties, fees or expenses (including, without limitation, reasonable attorneys' fees) arising out of or relating in any way to a challenge of the validity or enforceability of the Fee,

2. **Initiation of Fee.** The Fee imposed by this Agreement shall not be effective until such time as the Developers shall have received final plat approval and completion of any and all mutually acceptable Subdivision Agreements, Development Agreements, Interlocal Agreements, and Stadium Site Location Agreement as reasonably required for the proposed Mixed-Use Development from all applicable governmental and zoning authorities, including, without limitation, the City of Papillion, Sarpy County and Papio Natural Resources District.

3. **Termination of Fee.** The Fee imposed by this Agreement shall terminate upon the effective date of the lawful annexation of the Mixed-Use Development by the City of Papillion or the effective date of any enacted County Sales Tax, whichever is earlier, with all amounts of the Fee which are due prior to the effective date of such annexation or County Sales Tax to be paid to County; provided, however, that if only a portion of the Mixed-Use Development is annexed, then the Fee will continue to apply to any portions not so annexed.

4. **Infrastructure Improvements.** As reflected in the recitals hereto, the parties acknowledge that the Infrastructure Improvements are of benefit to all parties. Accordingly, all parties have an interest in ensuring that the costs thereof are kept reasonable and fairly allocated. To that end, the parties hereto acknowledge and agree that:

(a) The Developers agree to use their best efforts to seek the maximum SID general obligation debt as allowed by the City of Papillion and the SID commitment related thereto, and they further agree that the County shall be included

in the material discussions related to the generation of the applicable SID source and use of funds document.

(b) The Developers agree to use their best efforts to the extent allowed by applicable law to apply the SID general obligation funds to the Infrastructure Improvements listed on Exhibit E, in conjunction with the allocation to other improvements within the Mixed-Use Development.

(c) The Infrastructure Improvements are estimated and based upon the best available plans, studies and estimates currently in the possession of the County and Developers (Current Estimates), which Current Estimates are subject to revision based upon final plans, studies and costs negotiated between the Developers/SIDs/City/County/Others.

(d) The costs and expenses of the Infrastructure Improvements shall be allocated among the County, Schewe, WSLC, one or more sanitary improvement districts (SIDs) created by one or both of them, the City of Papillion and certain other parties that will benefit from such Infrastructure Improvements, in a manner which is commercially consistent with customary development practices in Sarpy County.

(e) Based on Current Estimates, the costs and expenses of the Infrastructure Improvements are presently anticipated to be allocated and paid on the basis of the proposed estimated percentage allocations set forth in Exhibit E hereto; provided, however, that the parties hereto acknowledge that such percentages allocations shall be subject to later revision based upon final plans, studies and costs and future negotiations between the Developers/SIDs/City/County/City of Papillion/Others, which revisions shall be documented separately between said parties and shall be reflected on amendments to Exhibit E.

(f) The parties hereto agree to act in good faith and to use commercially reasonable efforts with respect to the percentage allocations of the costs and expenses of the Infrastructure Improvements and any later revisions thereto so that the final allocations are commercially consistent with customary development practices in Sarpy County.

(g) A portion of the costs and expenses of the Infrastructure Improvements shall be allocated to and borne by parties whose property will materially benefit from the Infrastructure Improvements, but who have not yet formulated development plans with respect to such property, with such later cost allocations and reimbursements to be handled in a manner which is commercially consistent with customary development practices in Sarpy County;

(h) The costs and expenses of the Infrastructure Improvements to be borne by a party which does not yet have development thereon shall not be obligated to pay same until a "final plat" therefor is approved;

(i) The obligations of parties other than the County to pay the costs and expenses of any Infrastructure Improvements hereunder shall be a condition running with the land and in no event shall be obviated if any applicable parcel of property is annexed. Any annexation will result in the municipality conducting such annexation becoming responsible for paying such expense of any applicable SID obligation; all other expense obligations shall remain an obligation of the applicable party and the property;

(j) The designation of a "Lead Agent" with regard to the Infrastructure Improvements shall be made on a project-by-project basis by the County and the Developers working in good faith and taking into account material factors related thereto, including without limitation the impact of such designation on project cost and timing, with reimbursement being made thereto generally as set forth on Exhibit E and the applicable Interlocal Agreements among the respective parties to this Agreement; and

(k) Changes to the Mixed Use Development Site Plan attached hereto as Exhibit C shall not materially increase the County's share of costs for Infrastructure Improvements relating thereto.

5. **Breach; Remedies.** If the Developers shall default in the performance of their obligations under this Agreement, County may pursue any and all remedies available for such breach at law or in equity.

6. **Miscellaneous Provisions.**

6.1 **Amendment.** The provisions of this Agreement shall not be amended, waived or modified except by written instrument, signed by the parties hereto.

6.2 **Headings.** All sections and descriptive headings of this Agreement are inserted for convenience only and shall not affect the construction or interpretation hereof.

6.3 **Entire Agreement.** This Agreement constitutes the entire understanding between the parties with respect to the matters set forth herein and supersedes and replaces all previous agreements and understandings between the parties with respect thereto.

6.4 **Notices.** All notices and other communications pertaining to this Agreement shall be in writing and shall be deemed validly given if delivered personally or sent by registered or certified mail, return receipt requested, to the parties as the following addresses:

If to County: Mark S. Wayne
Sarpy County Administrator
Sarpy County Administration Building
1210 Golden Gate Drive, Suite 1126
Papillion, NE 68046

With a copy to: Kermit A. Brashear, Esq.
Brashear LLP
North Old Mill
711 No. 108th Court
Omaha, NE 68154

If to Schewe: Roger W. Langpaul
360 Real Estate Services, Inc.
1245 Jordan Creek Parkway, Suite 120
West Des Moines, IE 50266

With a copy to: John Q. Bachman, Esq.
Pansing Hogan Ernst Bachman LLP
10250 Regency Circles, Suite 300
Omaha, NE 68154

If to WSLC: Gerald L. Torczon
Western Springs Land Corporation
10205 So. 150th Street, Suite 100
Omaha, NE 68138

With a copy to: John Q. Bachman, Esq.
Pansing Hogan Ernst Bachman LLP
10250 Regency Circle, Suite 300
Omaha, NE 68154

or such other address as a party shall furnish in writing. Any notice delivered personally shall be deemed received when such delivery is tendered and if mailed it shall be deemed received on the day after it is postmarked. Notices sent by other methods shall be deemed received when actually received by the addressee or their authorized agent.

6.5 Waiver. The waiver by any party of any breach or default by any other party under any of the terms of this Agreement shall not be deemed to be, nor shall the same constitute, a waiver of any subsequent breach or default on the part of any other party.

6.6 Assignment. No assignment or transfer of any rights or delegation of any obligations provided for in this Agreement shall be made by or be binding upon any party hereto without the prior written consent of all parties hereto, which consent

shall not be unreasonably withheld. Notwithstanding the foregoing, County's interest in this Agreement may be assigned, conveyed or transferred upon prior written notice to, but without the prior consent of the Developers, to any authority or entity.

6.7 Binding Effect. This Agreement shall inure to the benefit of and remain fully binding upon the parties hereto and their respective successors and permitted assigns.

6.8 Further Assurances. The parties hereto shall from time to time after the date of this Agreement reasonably cooperate with one another to fulfill the intent and purposes of this Agreement, including without limitation executing and delivering such additional instruments and documents as any party hereto may reasonably request to carry out the transactions contemplated hereby.

6.9 Governing Law. This Agreement shall be construed and enforced pursuant to the laws of the State of Nebraska.

6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, but all counterparts shall together constitute one and the same instrument.

[Remainder of this page left intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first set forth above.

COUNTY:

COUNTY OF SARPY, a political subdivision of the State of Nebraska

By: Joni Jones

Name: Joni Jones

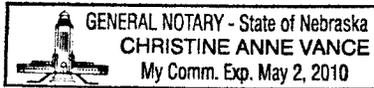
Its: Chairman

STATE OF Nebraska

COUNTY OF Sarpy

)
) ss.
)

Subscribed and sworn to before me this 30th day of June, 2009.



Christine Anne Vance
Notary Public

SCHEWE:

SCHEWE FARMS, INC., a Nebraska corporation

By: Margaret K. Langpaul

Name: Margaret K. Langpaul

Its: President of Scheve Farms, Inc.

STATE OF MO

COUNTY OF Camden

)
) ss.
)

Subscribed and sworn to before me this 1 day of July, 2009.



DARN A. ARNOLD
My Commission Expires
April 3, 2013
Miller County
Commission #09406466

Darn Arnold
Notary Public

WSLC:

WESTERN SPRINGS LAND CORPORATION, a
Nebraska corporation

By: *Gerald Torrey*

Name: *Berain Torrey*

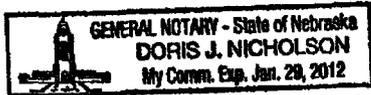
Its: *President*

STATE OF Nebraska

)
) ss.
)

COUNTY OF Sarpy

Subscribed and sworn to before me this 1 day of July, 2009.



Doris J. Nicholson
Notary Public

COUNTY OF SARPY

SCHEWE FARMS, INC.

WESTERN SPRINGS LAND CORPORATION

COMMERCIAL DEVELOPMENT FEE &
INFRASTRUCTURE REIMBURSEMENT AGREEMENT

Exhibit A

Description of Schewe Property

[To be provided by Schewe and attached hereto when available]

COUNTY OF SARPY

SCHEWE FARMS, INC.

WESTERN SPRINGS LAND CORPORATION

**COMMERCIAL DEVELOPMENT FEE &
INFRASTRUCTURE REIMBURSEMENT AGREEMENT**

Exhibit B

Description of WSLC Property

The tract of land known as Tax Lot 4, located in the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 29, Township 14 North, Range 12 East of the Sixth P.M., Sarpy County, Nebraska, consisting of 7.34 acres more or less.

The Northwest quarter of the Southwest quarter of Section 29, Township 14 North, Range 12 East of the 6th P.M., subject to easement of public highways; also the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 29, Township 14 North, Range 12 East of the 6th P.M.; AND a tract of land located in the South $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 29, Township 14 North, Range 12 East of the 6th P.M., Sarpy County, Nebraska, consisting of 65.87 acres more or less.

COUNTY OF SARPY

SCHEWE FARMS, INC.

WESTERN SPRINGS LAND CORPORATION

**COMMERCIAL DEVELOPMENT FEE &
INFRASTRUCTURE REIMBURSEMENT AGREEMENT**

Exhibit C

Proposed Site Plan of Mixed-Use Development Property

Proposed Transportation 2011

Cornhusker Road

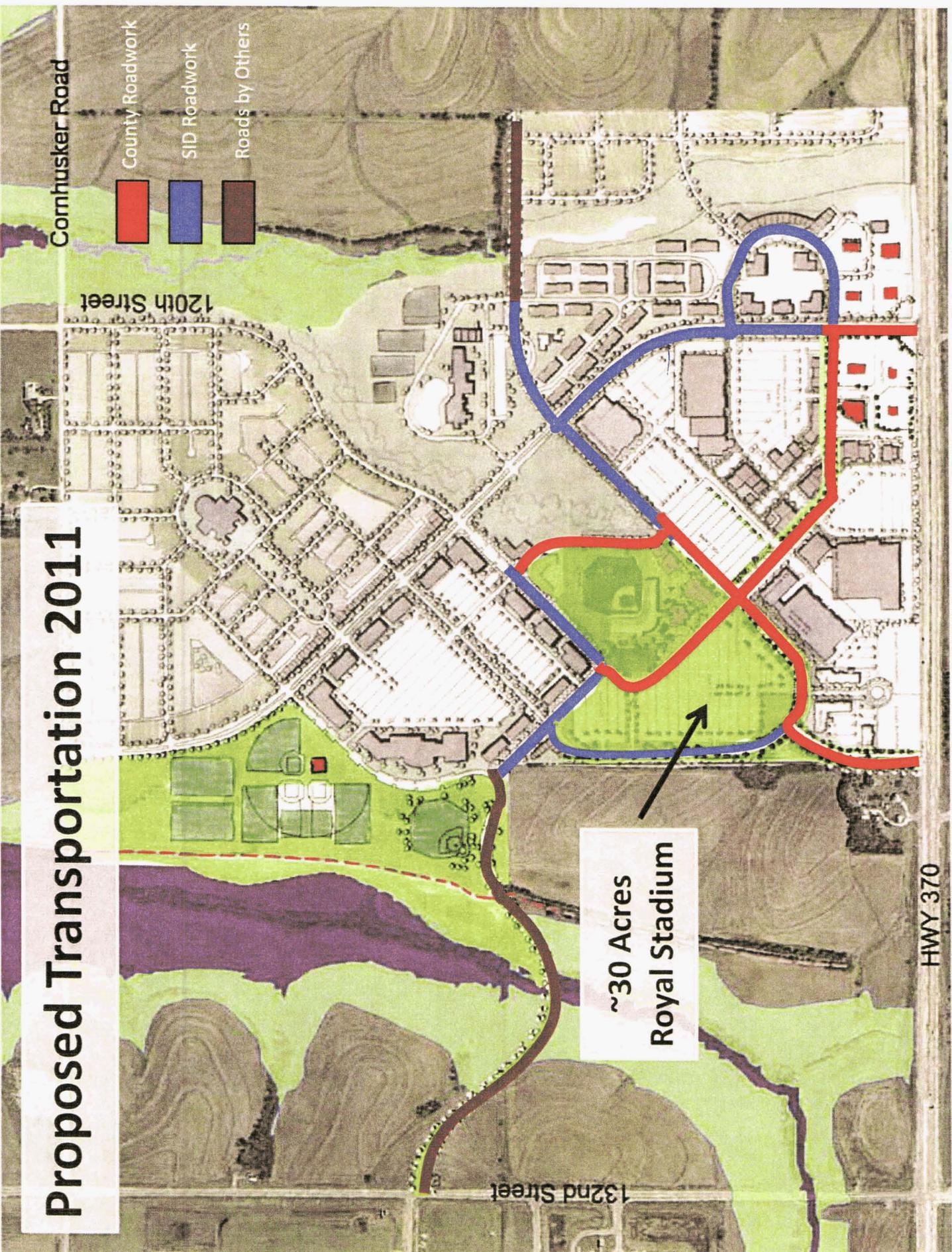
- County Roadwork
- SID Roadwork
- Roads by Others

120th Street

132nd Street

HWY 370

~30 Acres
Royal Stadium



COUNTY OF SARPY

SCHEWE FARMS, INC.

WESTERN SPRINGS LAND CORPORATION

**COMMERCIAL DEVELOPMENT FEE &
INFRASTRUCTURE REIMBURSEMENT AGREEMENT**

Exhibit D

Proposed Shared Infrastructure Improvements

Roadway

- Hwy 370 – add two lanes east of 120th St. to west of 132nd St.
- Obtain NDOR permit to construct within NDOR right-of-way
- 120th St. - Add dual left turn lane
- 120th St. - Add right turn lane
- 126th St. - Add dual left turn lane
- 126th St. - Add right turn lane
- 126th - Relocated driveway south
- 126th - Relocated driveway north
- 120th & Hwy 370 – Add traffic signal
- 126th & Hwy 370 – Add traffic signal
- Install six lane roads for two main entrances into development
- Install three lane road and associated storm sewer through entertainment district and around east side of stadium
- Realign Cornhusker Road (east/west lake crossing) from west edge of development to 132nd Street
- 132nd Street – South bound dual left turn lanes and North bound dual left turn lanes (one lane striped out)

Water System

- Extend water system - 16" main - 114th to 126th St. and to the stadium site
- \$4,500/ac. City of Papillion Capital Facilities Charge
- Extend water system - 12" line - loop from 120th & 126th around west side of stadium

Wastewater System

- Install new sanitary system east of proposed dam
- Sarpy County standard charges (\$5,500/ac.)
- Extend 8" sanitary sewer (From east side of proposed dam to loop road east thru

entertainment district area)

Electrical Service

- OPPD Standard Charges (\$3,150/ac.)

Shared Parking Lot

Mass Grading of Stadium Site & Internal Roads

COUNTY OF SARPY

SCHEWE FARMS, INC.

WESTERN SPRINGS LAND CORPORATION

**COMMERCIAL DEVELOPMENT FEE &
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Exhibit E

Preliminary Infrastructure Improvements Cost Sharing

	County %	SID %	City %	Other %	Method of Calculating Cost Sharing
FUTURE OFF-SITE ROADWAY IMPROVEMENTS					TBD
Hwy 370 Expansion	TBD	TBD	TBD	TBD	
Realigned Cornhusker Road (east/ west lake crossing) from west edge of development to 132 nd Street	TBD	TBD	TBD	TBD	
INITIAL OFF-SITE ROADWAY IMPROVEMENTS					To be calculated based on (i) trip generation, or (ii) pro rata based on number of planned commercial development acres owned by each party, subject to the maximum General Obligation Debt. Future reimbursement from others (if applicable) will be calculated based on same methodology.
NDOR Construction Permit	TBD	TBD	TBD	TBD	
120 th St. – Add Dual	TBD	TBD	TBD	TBD	

Left Turn Lane					
120 th St. - Add Right Turn Lane	TBD	TBD	TBD	TBD	
126 th St. - Add Dual Left Turn Lane	TBD	TBD	TBD	TBD	
126 th St. - Add Right Turn Lane	TBD	TBD	TBD	TBD	
126 th St. - Relocate Driveway South	TBD	TBD	TBD	TBD	
126 th St. - Relocate Driveway North	TBD	TBD	TBD	TBD	
120 th St. & Hwy 370 - Add Traffic Signal	TBD	TBD	TBD	TBD	
126 th St. & Hwy 370 - Add Traffic Signal	TBD	TBD	TBD	TBD	
132 nd Street - South bound dual left turn lanes and North bound dual left turn lanes (one lane striped out)	TBD	TBD	TBD	TBD	
ON-SITE DEVELOPMENT IMPROVEMENTS					To be calculated based on (i) trip generation, or (ii) pro rata based on number of planned commercial development acres owned by each party, subject to the maximum General Obligation Debt. Future reimbursement from others (if applicable) will be calculated based on same methodology.
Install two separate six lane road entrances into Schewe Development	TBD	TBD	TBD	TBD	

Install three lane road and associated storm sewer through entertainment district and around stadium parcel	TBD	TBD	TBD	TBD	
OTHER IMPROVEMENTS					
Water System					
Extend Water System from 114 th St. to 126 th St and the stadium site. (16" main)	0	0	100		Costs covered by the City of Papillion.
City of Papillion Capital Facilities Charge	0	100			County parcel is exempt of fees.
Extend water system from 120 th St. & 126 th St. around west side of stadium (12" line)	0	100			
Wastewater System					
Install new sanitary system east of proposed dam site	0	0	100		Costs covered by the City of Papillion.
Sarpy County Access Charge for Stadium parcel only.	100	0			County parcel is exempt of fees.
Extend sanitary sewer from east side of proposed dam site to loop road east through entertainment district area	0	100			
Electrical Service					

OPPD Standard Charge for Stadium parcel only	100	0			
Shared Stadium/Ice Parking Lot	TBD	TBD	TBD	TBD	
Mass Grading					
Stadium Site		100			
Internal Roads		100			

COUNTY OF SARPY

SCHEWE FARMS, INC.

WESTERN SPRINGS LAND CORPORATION

**COMMERCIAL DEVELOPMENT FEE &
INFRASTRUCTURE REIMBURSEMENT AGREEMENT**

Exhibit F

City of Papillion Letter of Support



CITY OF PAPIILLION

James E. Blinn, Mayor

122 East Third Street
Papillion, Nebraska 68046
Phone 402-827-1111
Fax 402-339-0670

Kermit A. Brashear, Esq.
BRASHEAR LLP
North Old Mill
711 North 108th Court
Omaha, Nebraska 68154

Dear Kermit:

The City of Papillion (City) is very excited about the possibility of the Omaha Royals relocating to Sarpy County (County), and we are pleased to have the opportunity to provide information to your firm regarding how the City of Papillion is willing to assist in making such relocation possible within our zoning jurisdiction. I am sure you and the county will understand that due to the timeframe we are working under and some specific details that still need to be worked out that this letter is based on some assumptions. Those assumptions are reasonable, such as the project being completed substantially as having been described to date, the financing being substantially as anticipated, the lack of legislative or state assistance to fund the project, the rate at which the city may impose sales tax not changing, the lack of availability of other funding sources, etc. If other funding sources become available those shall be used to help reduce the County and City's obligation in an equal and fair manner. While this list is not exhaustive it is the intent of the city to work in good faith to complete the project and the city is confident that absent any extraordinary unforeseen circumstances that all of these assumptions and contingencies can be accommodated.

Obviously, this letter should be considered confidential information and is not authorized for disclosure with anyone except the Sarpy County Board of Commissioners, Sarpy County staff, Brashear LLP, DLR Group and Olsson Associates unless and until the City of Papillion authorizes its disclosure and/or the "Schewe Farms" site is chosen as the location for the stadium, whichever comes first. Furthermore, I assume you understand that I am not representing this letter as binding on the City of Papillion, it is not. The Papillion City Council, and City staff, will need to review and negotiate all documents, agreements and other applicable instruments, conduct hearings open for public input, and the items are subject to City council approval.

Subject to the foregoing, the City of Papillion is prepared to immediately "partner" with Sarpy County as follows:

- Timely work toward approval of all zoning, platting, permits and other regulatory approvals and waiver of any related fees for the stadium site.

- The installation of sewer and water connections to the ultimate location within Schewe Farms selected for the stadium at no expense to Sarpy County. The actual financing of various sections may be amongst several sources, one of them not being Sarpy County.
- Subject to any conditions precedent being satisfied (match funds, etc.), the City of Papillion will apply for a grant from the Nebraska Local Civic, Cultural and Convention Center Financing Fund and provide any such grant monies received to Sarpy County to help pay costs associated with the stadium. If a match is required, the source of the matching funds will need to be negotiated. If for some reason it becomes apparent this project is not going to receive the grant, then the City may apply for other purposes.
- Subject to the same commercially appropriate and financially reasonable standards traditionally imposed by the City of Papillion in regard to other projects, the city of Papillion is prepared to cooperate with and facilitate the funding and installation of infrastructure and other improvements throughout the Schewe Farm site. We intend to do this through the implementation of sanitary improvement districts, and other sources, possibly including Sarpy County, utilizing whichever combination may appear to be most fiscally responsible and desirable by the parties. Improvements which would need consideration include, but are not necessarily limited to:
 - Installation of turn lanes and traffic signals along Highway 370 at the Schewe Farm site.
 - Installation of roadways and traffic signals within the Schewe Farms site itself.
 - Creation of park areas and water amenities in and around the stadium.
 - Installation of parking lots to be used by those attending games at the stadium and other uses of the development.

Furthermore, once the City of Papillion is legally able to impose, capture and pledge same, the City of Papillion is willing to assist as outlined below. In this regard the commitment outlined below is for the project as having been reasonably described to date (approximately \$20m in building cost and \$6m in infrastructure for stadium), financing being within normal financing mechanisms and terms as previously discussed (approximately 20-25 year term). Furthermore this commitment is declaring funds for the purposes of debt payments only for the original term of the bond (or any refinancing that may reduce interest but not increase principal), and shall not include any additional cost being added to the bond throughout the life of the bonds without the consent of the City. Furthermore the "Area" upon which such sources shall come from will generally include a substantial portion of the new development described at the onset of the project. The Area will include at least most of the entertainment venue or complex described to date as the "Schewe Farms". The funds shall be made through a pledge of the following revenues (collectively, "Future Funds"):

- All local option sales tax generated at the stadium itself for the life of the original bond documents issued by Sarpy County to finance the construction of the stadium.
- One-half of any hotel tax generated within the Area, specific boundaries to be determined for a period not to exceed 10 years.
- One-half of any local option sales tax generated within the mixed-use Area to be developed around the stadium for a period of eight years.
- One-third of any local option sales tax generated within the mixed-use Area to be developed around the stadium for the next eight years (years 9-16).
- One-sixth of any local option sales tax generated within the mixed-use Area to be developed around the stadium for the next nine years (years 17-25).
- All revenues generated from the imposition of any seat tax imposed upon users of the stadium for the term of the original bonds.

The total payment of Future Funds is subject to the following limitations. The sum total and annual total of any Future Funds paid to Sarpy County shall not exceed the annual and total amount of funds or payments made by Sarpy County itself to fund construction of the Stadium and the bond payments (with interest) related thereto. Furthermore, if the bonds are for a period shorter than 25 years, the City's obligations shall be adjusted accordingly.

An agreement will need to be developed providing that if at any time the stadium, or the county's interest in the stadium, is sold or transferred to another party the City shall be reimbursed or paid on a pro-rata share compared to the county's debt payments to date after outstanding debt is paid. The details and contingencies on this provision can be worked out at a later date, but the intent is to handle what happens in the event of a shortened term of the lease or conclusion of the lease and sale of the stadium.

In addition, if the Papillion site is chosen on or around June 1st, 2009 and the City begins any staff work or outside consulting and the Royals are required to make any penalty payments to Sarpy County then those payments may be shared in some proportion that recognizes each side's general contribution to the project.

Furthermore, if the Papillion Schewe Farms site is chosen on or about June 1st, 2009 then the consent of the city shall be required to change the location.

It is also understood that it is the intent of the City of Papillion to annex the stadium in this project, and/or the areas around the project. That decision and timing is obviously made by the City of Papillion. However, the City and the County will both recognize that intent and will work cooperatively in developing a plan that works towards that goal.

If any covenants, or requirements that run with the land, are created or imposed on the land, then the City shall be made a party to those agreements and the city's consent will be required for their change.

Finally, in recognition of the financial contribution being made, the City of Papillion would expect that Sarpy County would work cooperatively with it to facilitate the City hosting of events within the stadium.

Once again I will re-iterate, due to the nature and timing of this project not all possible contingencies and guarantees can be considered. The City of Papillion will host hearings open to the public to discuss the project, votes will need to be taken by the city council and the agreements and pledges are not binding unless approved by the city council. However, it is the intent of the City to forge towards getting this project completed on time with the cooperation of the county in a venture of which Sarpy County and the City of Papillion can be proud. The City of Papillion is excited about this project and is willing to partner with Sarpy County to make it happen. Thank you in advance for your consideration.

I have shared this letter with all members of the Papillion City Council prior to its' issuance and all of them have agreed and supported my forwarding of this letter to you.

With warm regards,

A handwritten signature in black ink, appearing to read 'JEB', with a long horizontal line extending to the right.

James E. Blinn
Mayor

Cc: Members of Papillion City Council