

## **ORDINANCE NO. 1543**

AN ORDINANCE OF THE CITY OF DAVID CITY, NEBRASKA, APPROVING A GENERAL BUSINESS OCCUPATION TAX AGREEMENT FOR A PHASE OF THE REDEVELOPMENT PROJECT SET FORTH IN THE "REDEVELOPMENT PLAN FOR GDC PROPERTIES, LLC, REDEVELOPMENT PROJECT", AS AMENDED; AND AUTHORIZING THE CITY'S PURCHASE OF THE COMMUNITY DEVELOPMENT AGENCY'S OCCUPATION TAX PROMISSORY NOTE PURSUANT TO THE TERMS OF THE OCCUPATION TAX AGREEMENT.

WHEREAS, the Mayor and City Council of the City of David City, Nebraska (the "City"), previously adopted a plan for the redevelopment of areas designated blighted and substandard and in need of redevelopment, entitled, "Redevelopment Plan for GDC Properties, LLC, Redevelopment Project", as amended (as amended, the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan set forth a phased mixed-use redevelopment project located in the City (collectively, the "Redevelopment Project"); and

WHEREAS, one phase of the Redevelopment Project contemplates the construction of a new hotel (the "Hotel Project") on a portion of Redevelopment Project site (the "Hotel Site"), all as described and depicted in the Redevelopment Plan; and

WHEREAS, on April 8, 2026, via Resolution No. 4-2026, the Mayor and Council of the City approved an amendment to the Redevelopment Plan, which designated the Hotel Site as an "enhanced employment area", as defined under section 18-2142.02 of the Nebraska Community Redevelopment Law, sections 18-2101 et seq. (the "Act"); and

WHEREAS, the Plan, as amended, permits the levy of a general business occupation tax upon the Hotel Site for the purpose of offsetting and/or reimbursing eligible costs of the Hotel Project, as allowed by the Act; and

WHEREAS, the Mayor and Council of the City has for its consideration, attached hereto and incorporated herein as Exhibit A, a proposed form of the Occupation Tax Agreement by and between the City, the Community Development Agency of the City of David City, Nebraska (the "Agency"), and Hallmark Inns, LLC, a Nebraska limited liability company ("Owner"), as developer, with respect to the rights and obligations of the foregoing parties in relation to the designation of the Hotel Site as an enhanced employment area and attendant levy of a general business occupation tax (the "Occupation Tax Agreement"); and

WHEREAS, pursuant to section 18-2138 of the Act, the City is authorized to purchase the bonds or other obligations of the Agency; and

WHEREAS, in accordance with the foregoing and as approved herein, and for the purpose of assisting the Agency in carrying out its redevelopment powers and objectives under the Act and Redevelopment Plan, the City intends to purchase the Occupation Tax Promissory Note, as set forth herein and in accordance with the terms of the Occupation Tax Agreement.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA:

Section 1. The Occupation Tax Agreement by and between the Agency, the City, and the Owner, in the form presented, is hereby acknowledged and approved. The Mayor and City Clerk of the City are hereby authorized to execute said Occupation Tax Agreement in substantially the form presented but with such changes as they shall deem appropriate or necessary. The execution and delivery by either the Mayor or City Clerk of the Occupation Tax Agreement, or any such documents, instruments, agreements or certifications relating to such matters contained in the Occupation Tax Agreement, shall conclusively establish their authority with respect thereto and the authorization and approval thereof.

Section 2. Pursuant to the terms of the Occupation Tax Agreement, and in accordance with section 18-2138 of the Act, the City is authorized to purchase the Agency's Occupation Tax Promissory Note provided therein, via the City's tender of \$200,000 in City funds to the Agency.

Section 3. The Mayor and City Clerk of the City, on behalf of the City, or any one of them, are hereby authorized to take any and all actions, and to execute any and all documents deemed by them necessary to effect the transactions authorized by this Ordinance and the Occupation Tax Agreement.

Section 4. This Ordinance shall be in full force and take effect fifteen (15) days from and after its passage.

(Signatures on following page)

DATED: August 26, 2026

**CITY OF DAVID CITY, NEBRASKA**

By: \_\_\_\_\_  
Mayor

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**EXHIBIT A**  
**Occupation Tax Agreement**

(See attached)

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EXHIBIT "A"