

**MINUTES
ALBION CITY COUNCIL
REGULAR MEETING
THURSDAY, MAY 7, 2009**

A Special Meeting of the Albion City Council of the City of Albion, Nebraska was convened in open and public session at 7:30 a.m., on May 7, 2009 in the Council Chambers. Present were Mayor James Jarecki; Council members: Rasmussen, Riedmiller, Hoefler. Appointed Officials: City Administrator Devine, City Attorney Bird, and Marc Abbott with Gillmore & Bell by telephone. Notice of this meeting along with the agenda was simultaneously given in advance to all members of the Board. Notice of this meeting was given in advance by publication, a designated method for giving notice; a copy of proof of publication is attached to these minutes. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

3. Councilman Rasmussen made a motion to approve the minutes from the April 14, 2009 meeting, seconded by Hoefler. **Vote: Yeas; Riedmiller, Hoefler, Rasmussen. Nays; None.**

4. This document is needed so that the Mayor may execute the amendment to the Redevelopment Agreement once finalized. A Redevelopment Agreement was entered into with ASA in 2006 in order to allow for TIF financing of the project. There was a shortfall of TIF revenues the City uses to make the TIF note payment when the Feb 1, 2009 TIF note payment was due because ASA didn't make one the required tax payments due to the bankruptcy. Therefore as part of the terms of the original contract, as of Feb 1, 2009 ASA owed the City a little over \$400,000 in form of cash payment for the shortfall. When 2008's outstanding taxes are paid at the closing of the sale to Valero, the City can pay the shortfall from that amount, and the amount that is leftover will be used to make the payment due Feb. 1, 2010. The new buyer wants to amend the original Redevelopment contract to take out some clauses that they do not feel obligated to comply with due to the bankruptcy proceedings. These clauses mainly deal with assurances provided by ASA as a redeveloper during the construction phase of the project. Since the proposed amendment does not add any obligation to the City or the City's general funds, the City is willing to work with them on this, and also work with the note holder to change the terms of the contract so that the note is paid off. The original contract stated that the redeveloper could get \$10 million in TIF Financing. Valero doesn't want to request another \$5 million. The original agreement also stated that the Ethanol plant would be assessed at a minimum value of approximately \$46 million until 2021. Since Valero is not requesting an additional \$5 million in TIF financing, they would like to have the minimum assessment agreement end after tax year 2014. This way they will have an opportunity to petition the assessor for a lower assessed valuation beginning in 2015. The assessor currently has the real property valued at around \$48 million. The personal property is not subject to the redevelopment contract and is subject to market valuation and depreciation. Valero and Dougherty have agreed to pay the City's attorney fees of around \$13,000.00. Valero has agreed to pay half and or all if Dougherty will not pay half. If there is any significant change in the amendment by one of the other parties it will be brought to the council at the next meeting. Councilman Hoefler introduced Resolution 109(09), seconded by Riedmiller. **Vote: Yeas; Rasmussen, Riedmiller, Hoefler. Nays; None.**

5. At 8:07 a.m. Councilman Rasmussen made a motion to adjourn, seconded by Hoefler. **Vote: Yeas; Riedmiller, Rasmussen, Hoefler. Nays; None.**

I the undersigned Clerk hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Mayor and Council; that all subjects included in the foregoing proceedings were contained in the Agenda for the meeting, kept continually current and available for inspection at the office of the Clerk; that such subjects were contained in said Agenda for at least 24 hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for the examination and copying of the public; that said minutes were in written form and available for public inspection with in ten working days and prior to the next convened meeting of said body; that all next media requesting notification of meetings of said body were provided advance notification of the time and place of said meeting and subjects to be discussed at said meeting.

Jim Jarecki, Mayor

ATTEST:

Andrew Devine, City Clerk