

COUNCIL CHAMBERS, THURSDAY, JULY 10, 2014 AT 7:00 P.M

The meeting was called to order in special session by Mayor Powers with the following members present: Harrington, Peterson, Odom, Niemeyer, Krings, Hoops, Skutnik, Goebel. Absent: None.

Moved by Niemeyer, seconded by Skutnik that the Open Meetings Act is posted on the southeast wall of the City Council Chambers and that prior to this meeting a notice was placed in the Hastings Tribune on July 9, 2014, that notice was posted in three public places, that each Councilmember and Mayor received a copy of the proposed agenda and that an agenda for such meeting, kept continuously current, is available for public inspection and that said meeting is held in open session. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Krings, Hoops, Skutnik, Goebel. Nays: None. The motion carried.

The Mayor stated the reason for tonight's meeting is discussion and possible action on the Down-town Redevelopment Project which we have been working on for quite a long time. We have had presentations here for the last few months and tonight he would like to welcome Colleen Adam to discuss the project and as a representative, give their recommendation.

Colleen Adam of 4900 East Osborne Drive stated she first wanted to acknowledge the members of the committee who studied the development proposals for downtown Hastings and those members, besides herself, are Jeremy Anderson, Jamey Hamburger, Marcie Kemnitz, Chuck Shoemaker, Amy Skalka and Mike Weeks. Ms. Adam stated she believes she is speaking for each member of this committee when she says thank you to the Mayor, Randy Chick, Dave Rippe and to numerous others who engaged our services for studying these new proposals for the redevelopment of downtown. In doing our due diligence, we read the Hastings Conference Center Feasibility Study and we also read the invitation for redevelopment proposals regarding the City block property owned by the City of Hastings. We read proposals from two developers, we met with those developers, we met with their team of experts and we questioned all of them. We are pleased to report to you that our committee's recommendation regarding the two development proposals is that we believe both proposals merit further discussion and if a decision is made to proceed with only one of the two proposals, we believe you should advise those who made the second proposal to not consider that a rejection. The reason we ask you to do that is that we would like you to leave the door open to bring them back to the table for discussion if that is warranted in the future. We especially think that is important because both of these proposals presented significantly different opportunities for our community. Both proposals, we felt, would serve as a catalyst for continued investment and redevelopment in downtown Hastings. In our opinion, however, one clearly stood head and shoulders above the other. Our committee is recommending that you proceed with discussions and negotiations with the WRK/Chief Industrial Design Proposal team and that the key stakeholders whom they identify in their proposal are brought to the table for the discussions. The WRK team proposal presents an exciting opportunity for an enhanced and revitalized core for our downtown community. We liked their concept, we liked their vision and we especially appreciated their

identified significant economic impact to Hastings.

Dave Rippe, Executive Director of the Hastings Economic Development Corporation, stated in April of this year, the City of Hastings applied for a grant from the State of Nebraska Civic & Community Center Financing Fund in order to renovate and expand the City Auditorium in accordance with the suggestions outlined in a 2013 Convention Center Feasibility Study which was spearheaded by the Adams County Convention & Visitors Bureau and supported by numerous other public and private entities in our community. In May of this year, we received notice that we had submitted the highest overall scoring application in the State and that we would be receiving \$750,000 to assist in our project. We immediately asked that you look to leverage this award by seeking a private sector partner through redevelopment proposals for the vacant block of City owned property south of the City Auditorium. As Ms. Adam mentioned, we received two very good proposals. The quality of these proposals is a testament to the energy of our community, the forward thinking of its leaders and the momentum that we have in our vibrant downtown. Mr. Rippe thanked Ms. Adam and the six other members of the Citizen Review Committee for the time and effort they put into reviewing both proposals, interviewing both development teams and ultimately formulating a well thought out and well reasoned recommendation for the Mayor and Council this evening. The recommendation of the WRK/Chief Industries development team is one that the Hastings Economic Development Corporation fully supports; for more than 30 years Chief Industries has been a part of the Hastings community. We toured the Haymarket in Lincoln where WRK/Chief Industries have transformed that area into a major destination in Nebraska and we discussed what could be possible in Hastings. We are excited to explore the potential and welcome WRK to our community. It is a real coup to partner with this team and to move forward toward a shared vision for Hastings. Tonight we are asking that the Mayor and Council approve a motion that would name WRK/Chief Industries the developer of record for a large scale, mixed use development that will work in conjunction with the City's renovation and expansion to the City Auditorium. This motion would allow the City and the developer to negotiate in good faith exclusively with one another over the next 90 days toward a mutually, beneficial redevelopment agreement. Being named the developer of record for the project would allow the developer the ability to incur costs, knowing that the property is available and that we aren't simultaneously working with other entities. The potential footprint of the project, the potential uses and the potential tenants will all be determined through the negotiation of the redevelopment agreement. Until such point that all parties involved know what the numbers are going to be and how this public/private partnership might work, we don't want to make any promises that we can't deliver on and as such, he would ask that any questions that relate directly to the programming of the project wait until the negotiation process. Mr. Rippe thanked the Mayor and Council for their leadership and thanked them for allowing us to dream big. If the Mayor and/or Council have any questions regarding the development team and their experience and/or qualifications, he would invite you to direct questions to Roger Bullington, Vice President of Chief Construction and Development or Will Scott of WRK.

Moved by Krings, seconded by Niemeyer that the Mayor and Council name Chief Industries/WRK the developer of record for the City Block Project.

The Mayor stated this will be a great project and will redefine our town for many years to come; we can't wait to get started on this no matter what form it ends up being. The Mayor thanked the committee for putting in their volunteer time and effort. The Mayor stated he would like to keep the committee, if they so choose, to help us go through working on the bonding process and working on the building process, everything we need to do is going to take a lot of people to put together a large project.

Councilman Krings thanked the committee as well for all their work. Councilman Krings also thanked both developers that came forward with these proposals. It is a testament to what a lot of people have been doing in our community, that people want to come here and invest in our community because of what is going on here. It is important to reiterate to the community that this is just the starting process at this point, there are a lot of things that have to be gone through and a lot of decisions that have to be made. Councilman Krings stated a concept was provided and the concept was exciting, but now we have to work through all the details and come up with exactly what is going to be put together before we actually make a decision on the final plans. Councilman Krings stated he is excited for this and believes it is going to be a good thing for the community no matter how we end up.

Councilmember Peterson stated she too is excited about this, but one question she does have at this point is what is the process that we are doing and how is the team determined as to negotiations and what are the parameters or vision. Councilmember Peterson stated she doesn't understand the process and how does this work over the next few months.

The Mayor stated he and Mr. Rippe will put together an outline on what the next progression will be. We will be working with WRK and we will have to talk to bond counsel. The City Administrator, City Attorney and Councilmember will have to exchange information in the next couple of weeks to hit the ground and is guessing that in about two or three weeks we will probably be going full tilt with at least talking to bond counsel to find out what we can or can't do. We will put together a little outline and it will be circulated to all the players and then we will start from there. Tonight gives us the opportunity for these gentlemen to start sketching, penciling and maybe throwing some costing toward a general outline and then we can start honing it down from there.

Councilman Harrington thanked the committee for doing such a great job, it is an exciting project and there isn't any question that we need to step in that direction. There is a long process ahead and believes we need to be very deliberate about it, it is very exciting to get this thing going and it is exciting to cut the ribbon, but we need to keep in mind that we have long the term future and success of Hastings in mind and we need to proceed one step at a time.

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The Mayor stated this Mayor and Council has been on a very conservative bias and doesn't want us to get in trouble. The Mayor stated he agrees with Councilman Harrington, we don't want to get into any financial trouble, but believes we can do this without doing that. We need to look at this as a 30 to 50 year project, there are things we can do and obviously there are things we can't do. We will put all heads together to see what they are going to do and see what we are going to do and that will come in the next few weeks.

Vote on the motion. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Krings, Hoops, Skutnik, Goebel. Nays: None. The motion carried.

Moved by Krings, seconded by Niemeyer there being no further business to come before the Council, the meeting adjourn at 7:16 P.M. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Krings, Hoops, Skutnik, Goebel. Nays: None. The motion carried.

APPROVED:

Mayor

ATTEST:

City Clerk

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