

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE CITY OF LA VISTA, NEBRASKA, AUTHORIZING THE ISSUANCE OF ECONOMIC DEVELOPMENT FUND BONDS OF THE CITY OF LA VISTA, NEBRASKA, IN THE PRINCIPAL AMOUNT OF TWENTY-ONE MILLION TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$21,225,000) FOR THE PURPOSE OF FUNDING THE LA VISTA ECONOMIC DEVELOPMENT PROGRAM AS ESTABLISHED BY ORDINANCE OF THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE PLEDGING OF SALES TAX COLLECTIONS RECEIVED FOR SAID PROGRAM INTO THE ECONOMIC DEVELOPMENT FUND OF THE CITY OF LA VISTA FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON SAID BONDS; PROVIDING FOR THE RIGHT OF THE CITY TO MAKE PAYMENT FROM OTHER SOURCES IN THE ECONOMIC DEVELOPMENT FUND; PROVIDING FOR PAYMENT FROM PROPERTY TAXES IN THE EVENT THAT PLEDGED SALES TAXES AND FUNDS FROM OTHER SOURCES ARE INSUFFICIENT; PROVIDING FOR THE HOLDING AND APPLICATION OF PROCEEDS; PROVIDING FOR THE SALE OF THE BONDS; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID BONDS; AND AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER.

BE IT RESOLVED by the Mayor and Council of the City of La Vista, Nebraska, as follows:

Section 1. The Mayor and Council of the City of La Vista, Nebraska, hereby find and determine that (a) pursuant to the provisions of the Local Option Municipal Economic Development Act (Sections 18-2701 to 18-2738, R.R.S. Neb. 1997, as amended, the “Act”), the Mayor and Council have previously passed and approved Ordinance No. 921 (the “Program Ordinance”) establishing an economic development program for the City of La Vista (the “Program”) and providing funding for such program through the application of funds from the City’s 1% sales tax (the “Sales Tax”) previously adopted under the Local Option Revenue Act (Sections 77-27,142 to 77-27,148, R.R.S. Neb. 1997, as amended) (the “Special Tax Portion”); (b) the Program was approved by the voters of the City at an election held on September 30, 2003; (c) the Sales Tax has been imposed under the terms of Ordinance No. 363 passed and approved on November 20, 1984 (the “Sales Tax Ordinance”) and the levying of such tax was approved by the

voters of the City at an election held on , November 6, 1984 and is to remain in effect indefinitely; (d) under the terms of the Program the City has received an application from John Q Hammons and related entities (collectively, the “Hammons Interests”) for the development of a portion of Southport West by construction of a hotel and conference center complex which is expected to provide substantial economic development benefits for the City in the form of (i) significant employment opportunities, (ii) a substantial increase in the City’s property tax base, (iii) increased governmental revenues from occupation taxes resulting from taxes on hotel and motel occupancy, (iv) increased sales taxes from hotel patrons using both hotel services and nearby retail shopping, (v) increased incentives for other private interests to further develop Southport West and adjacent commercial areas and (vi) hotel and conference space within the City; (e) under the terms of the Program, the Program Administrator, the Application Review Committee of the City Economic Development Program and Strategic Advisory Group (as consultant to the City) have recommended the application submitted by the Hammons Interests and the City has entered into a Master Development Agreement with the Hammons Interests dated May 1, 2007 (the “Master Agreement”); (f) under the terms of the Master Agreement the City has agreed (i) to provide a grant in the amount of \$3,000,000 to assist the Hammons Interests with paying the costs of land acquisition primarily associated with the acquisition of the proposed conference center and related parking (the “EDP Grant”) and (ii) to provide a loan in the amount of up to \$18,000,000 to the Hammons Interests to finance a portion of the costs of the proposed conference center (the “EDP Loan”); (g) by the issuance of bonds as provided for in this Resolution, the City will have committed within five full budget years by contract for the spending of more than 50% of the money collected and to be collected from local sources of revenue for the Program and the City will not be required to place the continuation of the Program on a ballot at any election under the

terms of Section 18-2718(5) of the Act; (h) under the terms of the Program the City may issue bonds to provide funding for the Program and the Mayor and Council hereby declare it necessary and advisable for the City to issue its economic development fund bonds in the principal amount of Twenty-one Million Two Hundred Twenty-five Thousand Dollars (\$21,225,000) for the purpose of funding the EDP Grant and the EDP Loan; and (hi) all conditions, acts and things required by law to exist or to be done precedent to the issuance of such bonds do exist and have been done as required by law.

Section 2. To provide funds for the Program, including the funding of the EDP Grant and the EDP Loan, there shall be and there are hereby ordered issued negotiable bonds of the City of La Vista, Nebraska, to be designated as "Economic Development Fund Bonds, Series 2007" (the "2007 Bonds") in the aggregate principal amount of Twenty-one Million Two Hundred Twenty-five Thousand Dollars (\$21,225,000), with said bonds bearing interest at the rates per annum and to become due on October 15 of the year as indicated below:

<u>Maturing on October 15 of Year</u>	<u>Amount of Principal Maturing</u>	<u>Interest Rate Per Annum</u>
2017	\$5,855,000	<u>7.20%</u>
2023	6,430,000	<u>7.40%</u>
2029	8,940,000	<u>7.60%</u>

The 2007 Bonds maturing as term bonds on October 15, 2017 (the "2017 Term Bonds"), the 2007 Bonds maturing as term bonds on October 15, 2023 (the "2023 Term Bonds") and the 2007 Bonds maturing as term bonds on October 15, 2029 (the "2029 Term Bonds" and together with the 2017 Term Bonds and the 2023 Term Bonds, the "Term Bonds") are subject to mandatory sinking fund redemptions as set forthprovided for in Section 5 of this OrdinanceResolution.

*The terms set forth above are intended as preliminary directions relating to the sale and issuance of the 2007 Bonds. In connection with determining the final terms of sale for the 2007 Bonds under Section 8 of this OrdinanceResolution there shall be*

*executed and delivered on behalf of the City a designation of final terms (the "Designation") subject to the following: (a) such 2007 Bonds may bear interest at any lower interest rate per annum for each maturity from that shown above, (b) the principal maturity amounts may be modified, (c) term maturities and the related mandatory sinking fund redemptions may be modified and (d) the premium payable on any optional redemption may be modified within the limitations permitted under Section 10-126, R.R.S. Neb. 1997, as amended, all as the City Administrator and/or Mayor may establish acting on behalf of the City and as may be agreed to by the initial purchaser designated in Section 8 of this Ordinance Resolution, provided further that in no event ~~(x)~~ shall (x) the aggregate stated principal amount of the 2007 Bonds exceed \$~~21,500,000~~22,000,000 or (y) the debt service (taking into consideration any and all designated mandatory sinking fund redemptions) due on the 2007 Bonds in any fiscal year exceed \$2,000,000.*

The 2007 Bonds shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The date of original issue of the 2007 Bonds shall be the date of delivery thereof. Interest on the 2007 Bonds, at the respective rate for each maturity, shall be payable on April 15 and October 15 of each year, commencing April 15, 2008 (each an "Interest Payment Date"), and the 2007 Bonds shall bear such interest from the date of original issue or the most recent Interest Payment Date, whichever is later. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The interest due on each Interest Payment Date shall be payable to the registered owners of record as of the fifteenth day (whether or not a business day) immediately preceding the Interest Payment Date (the "Record Date"), subject to the provisions of Section 4 hereof. The 2007 Bonds shall be numbered from 1 upwards in the order of their issuance. No 2007 Bond shall be issued originally or upon transfer or partial redemption having more than one principal maturity. The initial bond numbering and principal amounts for each of the 2007 Bonds issued shall be as directed by the initial purchaser thereof. Payments of interest due on the 2007 Bonds prior to maturity or earlier redemption shall be made by the Paying Agent and Registrar as designated pursuant to Section 3 hereof (the "Paying Agent and Registrar"), by mailing a check or draft in the amount due for such interest on each Interest Payment Date to the

registered owner of each 2007 Bond, as of the Record Date for such Interest Payment Date, to such owner's registered address as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal due at maturity or at any date fixed for redemption prior to maturity together with any unpaid interest accrued thereon shall be made by the Paying Agent and Registrar to the registered owners upon presentation and surrender of the 2007 Bonds to the Paying Agent and Registrar. The City and the Paying Agent and Registrar may treat the registered owner of any 2007 Bond as the absolute owner of such 2007 Bond for the purpose of making payments thereon and for all other purposes and neither the City nor the Paying Agent and Registrar shall be affected by any notice or knowledge to the contrary whether such 2007 Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of any 2007 Bond in accordance with the terms of this Resolution shall be valid and effectual and shall be a discharge of the City and the Paying Agent and Registrar, in respect of the liability upon the 2007 Bonds or claims for interest to the extent of the sum or sums so paid.

Section 3. The City Treasurer is hereby designated to serve as Paying Agent and Registrar for the 2007 Bonds. The Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the 2007 Bonds at the City's Offices in La Vista, Nebraska. The names and registered addresses of the registered owner or owners of the 2007 Bonds shall at all times be recorded in such books. Any 2007 Bond may be transferred pursuant to its provisions at the office of the Paying Agent and Registrar by surrender of such bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to said Paying Agent and Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent and thereupon the Paying Agent and Registrar on behalf of the City will register

such transfer and will deliver at its office (or send by registered mail to the transferee owner or owners thereof at such transferee owner's or owners' risk and expense), registered in the name of such transferee owner or owners, a new 2007 Bond or 2007 Bonds of the same interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the 2007 Bonds by this Resolution, one 2007 Bond may be transferred for several such 2007 Bonds of the same interest rate and maturity and for a like aggregate principal amount, and several such 2007 Bonds may be transferred for one or several such 2007 Bonds, respectively, of the same interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a 2007 Bond, the surrendered 2007 Bond or 2007 Bonds shall be cancelled and destroyed. All 2007 Bonds issued upon transfer of the 2007 Bonds so surrendered shall be valid obligations of the City evidencing the same obligations as the 2007 Bonds surrendered and shall be entitled to all the benefits and protection of this Resolution to the same extent as the 2007 Bonds upon transfer of which they were delivered. The City and said Paying Agent and Registrar shall not be required to transfer any 2007 Bond during any period from any Record Date until its immediately following Interest Payment Date or to transfer any 2007 Bond called for redemption for a period of 30 days next preceding the date fixed for redemption.

Section 4. In the event that payments of interest due on the 2007 Bonds on an Interest Payment Date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such Interest Payment Date and shall be payable to the registered owners of the 2007 Bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Paying Agent and Registrar whenever monies for the purpose of paying such defaulted interest become available.

Section 5. The 2007 Bonds maturing on or after October 15, 2012, shall be subject to redemption, in whole or in part, prior to maturity at any time on or after the fifth anniversary of the date of original issuance of the 2007 Bonds at the following redemption prices for the periods shown plus accrued interest on the principal amount redeemed to the date fixed for redemption:

<u>Period During Which Redeemed (both dates inclusive)</u>	<u>Redemption Price</u>
Fifth Anniversary through October 15, 2013	102%
October 16, 2013 through October 15, 2014	101.5%
October 16, 2014 through October 15, 2015	101%
October 16, 2015 through October 15, 2016	100.5%
October 16, 2016 and thereafter	100%

*provided that such redemption prices may be modified (including to provide for higher redemption prices for any period and for extended periods at which redemption prices exceed 100%) in the Designation as set forth provided for in Section 2 of this Resolution. Such optional redemption shall be made from time to time as shall be directed by the Mayor and Council of the City. The City may select the 2007 Bonds for optional redemption in its sole discretion.*

The 2017 Term Bonds, the 2023 Term Bonds and the 2029 Term Bonds shall be redeemed prior to their stated maturity and paid at stated maturity from mandatory sinking fund payments required to be made by the City in accordance with the following schedules:

#### **The 2017 Term Bonds**

<u>Redemption Date</u>	<u>Amount Required to be Redeemed</u>
October 15, 2010	\$600,000
October 15, 2011	\$630,000
October 15, 2012	\$670,000
October 15, 2013	\$705,000
October 15, 2014	\$745,000
October 15, 2015	\$790,000
October 15, 2016	\$835,000
October 15, 2017	\$880,000 (final maturity)

### The 2023 Term Bonds

<u>Redemption Date</u>	<u>Amount Required to be Redeemed</u>
October 15, 2018	\$930,000
October 15, 2019	\$980,000
October 15, 2020	\$1,040,000
October 15, 2021	\$1,095,000
October 15, 2022	\$1,160,000
October 15, 2023	\$1,225,000 (final maturity)

### The 2029 Term Bonds

<u>Redemption Date</u>	<u>Amount Required to be Redeemed</u>
October 15, 2024	\$1,295,000
October 15, 2025	\$1,365,000
October 15, 2026	\$1,445,000
October 15, 2027	\$1,525,000
October 15, 2028	\$1,610,000
October 15, 2029	\$1,700,000 (final maturity)

Such mandatory redemptions shall be at a price equal to 100% of the principal amount redeemed, plus accrued interest to the date fixed for redemption. The Paying Agent shall select the 2017 Term Bonds, the 2023 Term Bonds and the 2029 Term Bonds for mandatory redemption using any random method of selection determined appropriate by the Paying Agent. On or before the forty-fifth (45th) day prior to any mandatory sinking fund redemption date set forth above, the Paying Agent and Registrar shall proceed to select for redemption, from all the Term Bonds then subject to redemption (as applies for such mandatory redemption date), an aggregate principal amount of such Term Bonds, as the case may be, equal to the amount for such year as set forth in the table above and shall call such Term Bonds, or portions thereof (\$5,000 or any integral multiple thereof) for redemption and give notice of such call. At the option of the City, to be exercised by delivery of a certificate to the Paying Agent and Registrar on or before the sixtieth (60th) day next preceding any mandatory sinking fund redemption date, the City may (i) deliver to

the Paying Agent and Registrar for cancellation Term Bonds, which are then subject to such redemption or portions thereof (\$5,000 or any integral multiple thereof) in any aggregate principal amount desired by the City, or (ii) specify a principal amount of such Term Bonds, as are then next subject to mandatory sinking fund redemption, or portions thereof (\$5,000 or any integral multiple thereof), which prior to said date have been purchased or redeemed (otherwise than through the operation of mandatory sinking fund redemption) and canceled by the Paying Agent and Registrar at the request of the City and not theretofore applied as a credit against any sinking fund payment. Each Term Bond or portion thereof so delivered or previously redeemed shall be credited by the Paying Agent and Registrar at 100% of the principal amount thereof against the obligation of the City on such mandatory sinking fund redemption date. Any excess shall be credited against the next mandatory sinking fund redemption amount (including payments due at final maturity).

2007 Bonds shall be redeemed only in amounts of \$5,000 or integral multiples thereof. Any 2007 Bond redeemed in part only shall be surrendered to said Paying Agent and Registrar in exchange for a new 2007 Bond evidencing the unredeemed principal thereof. Notice of redemption of any 2007 Bond called for redemption shall be given, at the direction of the City in the case of optional redemption and without further direction in the case of mandatory sinking fund redemption, by said Paying Agent and Registrar by mail not less than 30 days prior to the date fixed for redemption, first class, postage prepaid, sent to the registered owner of such 2007 Bond at said owner's registered address. Such notice shall designate the 2007 Bond or 2007 Bonds to be redeemed by maturity or otherwise, the date of original issue and the date fixed for redemption and shall state that such 2007 Bond or 2007 Bonds are to be presented for prepayment at the office of said Paying Agent and Registrar. In case of any 2007 Bond partially redeemed, such notice shall specify the portion of the principal amount of such 2007 Bond to be redeemed. No defect in the

mailing of notice for any 2007 Bond shall affect the sufficiency of the proceedings of the City designating the 2007 Bonds called for redemption or the effectiveness of such call for the 2007 Bonds for which notice by mail has been properly given and the City shall have the right to direct further notice of redemption for any such 2007 Bond for which defective notice has been given.

Section 6. If the date for payment of the principal of or interest on the 2007 Bonds shall be a Saturday, Sunday, legal holiday or a day on which the banking institutions in the City of La Vista, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

Section 7. The 2007 Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF NEBRASKA  
COUNTY OF SARPY

CITY OF LA VISTA  
ECONOMIC DEVELOPMENT FUND BOND  
SERIES 2007

No. _____		\$ _____	
<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP NUMBER</u>
_____ %	October 15, _____	July __, 2007	

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of La Vista, in the County of Sarpy, in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay, but only from the special sources hereinafter described, to the registered owner specified above, or registered assigns, the principal amount specified above in lawful money of the United States of America on the date of maturity specified above with interest thereon to maturity (or earlier redemption) from the date of original issue or most recent Interest Payment Date, whichever is later, at the rate per annum specified above, payable semiannually on April 15 and October 15 of each year, commencing April 15, 2008 (each, an "Interest Payment Date"). Such interest shall be computed on the basis of a 360-day year consisting of twelve 30 day months. The principal of this bond together with interest thereon unpaid and accrued at maturity (or earlier redemption) is payable upon presentation and surrender of this bond at the office of the City Treasurer of the City of La Vista, Nebraska, as Paying Agent and Registrar, at such City's offices in La Vista, Nebraska. Interest on this bond due prior to maturity or earlier redemption will be paid on each Interest Payment Date by a check or draft mailed by the Paying Agent and Registrar to the registered owner of this bond, as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the fifteenth day immediately preceding the Interest Payment Date, to such owner's address as shown on such books and records. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond (or of one or more predecessor bonds hereto) on such special record date for payment of such defaulted interest as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available.

This bond is one of an issue of fully registered bonds of the total principal amount of Twenty-one Million Two Hundred Twenty-five Thousand Dollars (\$21,225,000) of even date and like tenor, except as to date of maturity, rate of interest and denomination, which were issued by the City for the purpose of providing funds for the economic development program of the City of La Vista as established pursuant to Ordinance No. 921 of the City and has been duly authorized by resolution duly adopted (the "Resolution") and by proceedings duly had by the Mayor and Council of the City of La Vista, Nebraska, pursuant to Sections 18-2701 to 18-2738, R.R.S. Neb. 1997, as amended.

The bonds due as term bonds in the year 2017 (the "2017 Term Bonds") are required to be redeemed, in part, prior to their stated maturity, commencing on October 15, 2010, and to be paid at maturity which redemption and payment at maturity shall be in the years and for the principal amounts set forth below:

#### The 2017 Term Bonds

<u>Redemption Date</u>	<u>Amount Required to be Redeemed</u>
October 15, 2010	\$600,000
October 15, 2011	\$630,000
October 15, 2012	\$670,000
October 15, 2013	\$705,000
October 15, 2014	\$745,000
October 15, 2015	\$790,000
October 15, 2016	\$835,000
October 15, 2017	\$880,000 (final maturity)

The bonds due as term bonds in the year 2023 (the "2023 Term Bonds") are required to be redeemed, in part, prior to their stated maturity, commencing on October 15, 2018, and to be paid at maturity which redemptions and payment at maturity shall be in the years and for the principal amounts set forth below:

#### The 2023 Term Bonds

<u>Redemption Date</u>	<u>Amount Required to be Redeemed</u>
October 15, 2018	\$930,000
October 15, 2019	\$980,000
October 15, 2020	\$1,040,000
October 15, 2021	\$1,095,000
October 15, 2022	\$1,160,000
October 15, 2023	\$1,225,000 (final maturity)

The bonds due as term bonds in the year 2029 (the “2029 Term Bonds”) are required to be redeemed, in part, prior to their stated maturity, commencing on October 15, 2024, and to be paid at maturity which redemptions and payment at maturity shall be in the years and for the principal amounts set forth below:

**The 2029 Term Bonds**

<u>Redemption Date</u>	<u>Amount Required to be Redeemed</u>
October 15, 2024	\$1,295,000
October 15, 2025	\$1,365,000
October 15, 2026	\$1,445,000
October 15, 2027	\$1,525,000
October 15, 2028	\$1,610,000
October 15, 2029	\$1,700,000 (final maturity)

Such mandatory redemptions for the 2017 Term Bonds, the 2023 Term Bonds and the 2029 Term Bonds shall be at a price equal to 100% of the principal amount redeemed plus interest accrued on the principal amount being redeemed to the date fixed for redemption. The Paying Agent and Registrar shall select the 2017 Term Bonds, the 2023 Term Bonds and the 2029 Term Bonds for mandatory redemption using any random method of selection deemed appropriate by the Paying Agent and Registrar, subject to the terms of the Resolution.

Any or all of the bonds of said issue maturing on or after October 15, 2012, are subject to redemption at the option of the City, in whole or in part, at any time on or after the fifth anniversary of the date of original issue at the following redemption prices for the periods shown plus accrued interest on the principal amount redeemed to the date fixed for redemption:

<u>Period During Which Redeemed (both dates inclusive)</u>	<u>Redemption Price</u>
Fifth Anniversary through October 15, 2013	102%
October 16, 2013 through October 15, 2014	101.5%
October 16, 2014 through October 15, 2015	101%
October 16, 2015 through October 15, 2016	100.5%
October 16, 2016 and thereafter	100%

Notice of redemption shall be given by mail to the registered owner of any bond called for redemption in the manner specified in the Resolution authorizing said issue of bonds. Individual bonds may be redeemed in part but only in the amount of \$5,000 or integral multiples thereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender and cancellation of this bond, and thereupon a new bond or bonds of the same aggregate principal amount, interest rate and maturity will be issued to the transferee as provided in the Resolution, subject to the limitations therein prescribed. The City, the Paying Agent and Registrar and any

other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment due hereunder and for all other purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

If the day for payment of the principal of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of La Vista, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

Under the Resolution, the City has pledged all revenues of the City received for its Economic Development Fund from a designated portion of that tax upon sales within the City of La Vista, Nebraska, provided for pursuant to Ordinance No. 363 of the City of La Vista, passed and approved, after the approving vote of a majority of the electors of said City voting at an election held on November 6, 1984, in accordance with the provisions of Sections 77-27,142 to 77-27,148, R.R.S. Neb. 2003, as amended. The City has further agreed that in each fiscal year funds from such sales tax or other sources as deposited to such fund, subject to a limitation of \$2,000,000 per fiscal year, shall be applied to pay principal and interest on the bonds of this issue as the same fall due. **The bonds of this issue are limited obligations of the City payable from amounts in the City's Economic Development Fund as so pledged and not from any other fund or source and are not general obligations of the City of La Vista, Nebraska.**

The Resolution sets forth the covenants and obligations of the City with respect to its Economic Development Fund and certain revenues therein and the application of such revenues which are by the terms of the Resolution to be disbursed to make payments of principal and interest on the bonds of this issue. The City also reserves the right to provide for payments of the bonds of this issue from other available revenues in its Economic Development Fund and to issue bonds junior in lien to the bonds of this issue, the principal and interest of which are payable from such revenues on a subordinate basis as described in the Resolution. The Resolution also designates the terms and conditions upon which this bond shall cease to be entitled to any lien, benefit or security under the Resolution and all covenants, agreements and obligations of the City under the Resolution may be discharged and satisfied at or prior to the maturity or redemption of this bond if monies or certain specified securities shall have been deposited with a trustee bank. The Resolution constitutes a contract with the holders of the bonds and cannot be modified except as provided in the Resolution.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as provided by law.

This bond shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar.

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE RESOLUTION TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR. DTC OR A NOMINEE, TRANSFeree OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREOF IS REGISTERED IN THE NAME OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

IN WITNESS WHEREOF, the Mayor and Council of the City of La Vista, Nebraska, have caused this bond to be executed on behalf of the City with the facsimile signatures of the Mayor and City Clerk of the City, all as of the Date of Original Issue shown above.

CITY OF LA VISTA, NEBRASKA

(facsimile signature)

Mayor

ATTEST:

(facsimile signature)

City Clerk

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds authorized by Resolution passed and approved by the Mayor and Council of the City of La Vista, Nebraska, as described in said bond.

City Treasurer of the City of La Vista, Nebraska,  
Paying Agent and Registrar

\_\_\_\_\_  
Authorized Signature

(FORM OF ASSIGNMENT)

For value received \_\_\_\_\_ hereby sells, assigns, and transfers unto \_\_\_\_\_ the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_, Attorney, to transfer the same on the books of registration in the office of the within mentioned Paying Agent and Registrar with full power of substitution in the premises.

Date:

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Registered Owner(s)

### Signature Guaranteed

By \_\_\_\_\_

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Authorized Officer

Note: The signature(s) on this assignment MUST CORRESPOND with the name(s) as written on the face of the within bond in every particular, without alteration, enlargement or any change whatsoever, and must be guaranteed by a commercial bank or a trust company or by a firm having membership on the New York, Midwest or other stock exchange.

Section 8. Each of the 2007 Bonds shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and City Clerk of the City. The 2007 Bonds shall be issued initially as “book-entry only” bonds under the services of The Depository Trust Company (the “Depository”), with one typewritten bond per maturity being issued to the Depository. In such connection said officers of the City are authorized to execute and deliver a Letter of Representations (the “Letter of Representations”) in the form required by the Depository (which may be in the form of a blanket letter previously executed and delivered by the City), for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the 2007 Bonds. Upon issuance of the 2007 Bonds as “book-entry-only” bonds, the following provisions shall apply:

(a) The City and the Paying Agent and Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds 2007 Bonds as securities depository (each, a “Bond Participant”) or to any person who is an actual purchaser of a 2007 Bond from a Bond Participant while the 2007 Bonds are in book-entry form (each, a “Beneficial Owner”) with respect to the following:

(i) the accuracy of the records of the Depository, any nominees of the Depository or any Bond Participant with respect to any ownership interest in the 2007 Bonds,

(ii) the delivery to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the 2007 Bonds, including any notice of redemption, or

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the 2007 Bonds. The Paying Agent and Registrar shall make payments with respect to the 2007 Bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such 2007 Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated Bond, except as provided in (e) below.

(b) Upon receipt by the Paying Agent and Registrar of written notice from the Depository to the effect that the Depository is unable or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange 2007 Bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the Paying Agent and Registrar to do so. The Paying Agent and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the City, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the 2007 Bonds or (ii) to make available 2007 Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such 2007 Bonds shall designate.

(c) If the City determines that it is desirable that certificates representing the 2007 Bonds be delivered to the ultimate Beneficial Owners of the 2007 Bonds and so notifies the Paying Agent and Registrar in writing, the Paying Agent and Registrar shall so notify the Depository, whereupon the Depository will notify the Bond Participants of the availability through the Depository of bond certificates representing the 2007 Bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the 2007 Bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Resolution to the contrary, so long as any 2007 Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such 2007 Bond and all notices with respect to such 2007 Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the 2007 Bonds may be transferred on the books of registration maintained by the Paying Agent and Registrar, and the 2007 Bonds may be delivered in physical form to the following:

- (i) any successor securities depository or its nominee;
- (ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section.

(f) In the event of any partial redemption of a 2007 Bond unless and until such partially redeemed 2007 Bond has been replaced in accordance with the provisions of this Resolution, the books and records of the Paying Agent and Registrar shall govern and establish the principal amount of such 2007 Bond as is then outstanding and all of the 2007 Bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced or upon termination by the City of book-entry-only form, the City shall immediately provide a supply of bond certificates for issuance upon subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement bond certificates upon transfer or partial redemption, the City agrees to order printed an additional supply of bond certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting officers. In case any officer whose signature or facsimile thereof shall appear on any 2007 Bond shall cease to be such officer before the delivery of such 2007 Bond (including any bond certificates delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption) such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such 2007 Bond. The 2007 Bonds shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. The 2007 Bonds shall be delivered to the Paying Agent and Registrar for registration and authentication. Upon execution, registration and authentication of the 2007 Bonds, they shall be delivered to the City's Treasurer, acting on behalf of the City, who is authorized to deliver them to D.A. Davidson & Co. as initial purchaser thereof, upon receipt of the purchase price of 99.25% (which amount may be modified in the Designation to include original issue discount and/or original issue premium if determined appropriate for any maturity in connection with the determination of final interest rates and maturity schedule under the terms of Section 2 of this Resolution) of the principal amount thereof plus accrued interest on the stated principal amount of the 2007 Bonds to date of payment for the 2007 Bonds. Said initial purchasers shall have the right to direct the registration of the 2007 Bonds and the denominations thereof within

each maturity, subject to the restrictions of this Resolution. Such purchaser and its agents, representatives and counsel (including the City's bond counsel) are hereby authorized to take such actions on behalf of the City as are necessary to effectuate the closing of the issuance and sale of the 2007 Bonds, including, without limitation, authorizing the release of the 2007 Bonds by the Depository at closing. The City Clerk shall make and certify a transcript of the proceedings of the Mayor and Council with respect to the 2007 Bonds which shall be delivered to said purchaser.

Section 9. Pursuant to the terms of the Program (as approved by the voters of the City and as set forth in Ordinance No. 921), the City hereby agrees to appropriate and deposit into the Economic Development Fund in each budget/fiscal year (the period commencing October 1 of each year and ending September 30 of the following year) commencing with the City's budget/fiscal year beginning October 1, 2007, so long as the 2007 Bonds remain outstanding and until and including the budget/fiscal year ending September 30, 2029, an amount from collections received with respect to the Special Tax Portion or other sources sufficient to pay the principal and interest on the 2007 Bonds as the same fall due, subject to the limitation set forth in Ordinance No. 921 that such deposited amount shall not exceed \$2,000,000 in any such budget/fiscal year. The City hereby covenants and agrees that there shall be set up within the Economic Development Fund a separate special account in the Economic Development Fund designated as the "Economic Development Fund Bond Payment Account" (the "Bond Payment Account") which shall constitute a separate and special account held by the City Treasurer of the City of La Vista for the benefit of the registered owners of the 2007 Bonds. In each budget/fiscal year, the City further hereby covenants and agrees that it shall deposit to the Bond Payment Account from amounts attributable to the Special Tax Portion an amount sufficient to pay principal of and interest on the 2007 Bonds as the same fall due, after taking into consideration any other amounts available for

such purposes in the Bond Payment Account. The City reserves the right to make deposit to the Bond Payment Account in any budget/fiscal year from any other amounts in the Economic Development Fund to satisfy its obligation under the terms of this Resolution to make deposit of amounts from the Special Tax Portion. Receipts from the Special Tax Portion required to be deposited to the Bond Payment Account and any such other amounts deposited to the Bond Payment Account are hereby pledged for the payment of the 2007 Bonds as the same fall due. The pledge and hypothecation provided for the 2007 Bonds in this Resolution is intended to and shall provide for a first and prior pledge or lien upon and security interest on amounts held in the Bond Payment Account superior to any pledge, lien or security interest made or given with respect to any other indebtedness of the City and is intended as an exercise of the powers of the City provided for in Sections 18-2701 to 18-2738, R.R.S. Neb. 1997, as now or hereafter amended, with respect to such deposited amounts. In the event of default of any of the provisions of the 2007 Bonds, the bondholders (or any receiver appointed for their protection) shall have the right at any time while such default continues to apply or require the application of receipts from the Special Tax Portion to the indebtedness evidenced by the 2007 Bonds, equally and ratably, subject to the limitation set forth in Ordinance No. 921. For purposes of holding, allocating and applying the receipts from the Economic Development Fund, the City hereby agrees to establish and maintain under this Resolution the Bond Payment Account in accordance with the following terms and conditions:

**BOND PAYMENT ACCOUNT** - In each budget/fiscal year, as and when received, revenues from the Special Tax Portion or allocated from other available funds in the Economic Development Fund shall be deposited to the Bond Payment Account until such account has credited thereto an amount equal to the amount of principal and interest falling due on the 2007 Bonds in such budget/fiscal year. The City Treasurer is hereby authorized and directed, without further authorization, to withdraw monies credited to the Bond Payment Account in an amount sufficient to pay, when due, the principal of and interest on the 2007 Bonds (including amounts necessary for any mandatory sinking fund redemptions as set forth in Section 5 of

this Resolution) and to transfer such amounts to the Paying Agent and Registrar for the 2007 Bonds on or before each principal and interest payment date (including any mandatory sinking fund redemption date). Amounts required to make payments on the 2007 Bonds falling due on October 15, 2029 shall be deposited to the Bond Payment Account on or before September 30, 2029.

The provisions of this Section 9 shall require the City to maintain a set of books and records in accordance with such accounting methods and procedures as are generally applicable to municipal funds and accounts, which books and records shall show credits to and expenditures from the separate ~~accounts~~account required by this Section. Monies credited to ~~any of the~~ ~~accounts~~account described in this Section 9 shall be deposited or invested separate and apart from other City funds. The City shall not be required to establish separate bank or investment accounts within its separate and segregated Economic Development Fund, for the account described in this Section 9. In any fiscal year collections from Special Tax Portion appropriated to or budgeted for the Economic Development Fund, after satisfying the requirements for the Bond Payment Account may be applied to any other purposes of the Program determined appropriate by the Mayor and Council. The City hereby acknowledges and agrees (a) that the provisions of the Program and Ordinance No. 921 both provide for the levying of taxes on all the taxable property in the City of La Vista to provide funding for the Program; (b) that the Program as presented to the voters of the City indicated that property taxes as authorized under the terms of the Program were not expected to be required to be applied to the funding of the Program; (c) that if, for any reason, including but not limited to changes in law or changes in economic conditions, receipts for the Special Tax Portion or other sources are not sufficient to make the deposits to the Bond Payment Account and payments on the 2007 Bonds as provided for in this Section 9, the City shall cause to be levied and collected annually a tax on all the taxable property in the City sufficient in rate or amount (within the limitation to \$2,000,000 per budget/fiscal year as set forth in the Program) to pay the principal

of and interest on the 2007 Bonds as the same fall due, after application of all other available resources.

Section 10. Until the 2007 Bonds have been paid in full, the City agrees that it will not incur any additional indebtedness or issue any bonds or notes payable from the Economic Development Fund unless such indebtedness, bonds or notes are expressly made subordinate to the 2007 Bonds, with the payments for such bonds or notes to be made from any monies available in each budget/fiscal year after the Bond Payment Account has been fully funded for such budget/fiscal year. Refunding Bonds to refund the 2007 Bonds may be issued so long as none of the 2007 Bonds shall remain outstanding after the issuance of such refunding bonds.

Section 11. So long as any of the 2007 Bonds remain outstanding, the City agrees that it shall not amend the terms of the Program or Ordinance No. 921 or Ordinance No. 363 in any manner to reduce the rate of tax provided for therein or reduce the anticipated revenues from such tax available for deposit to the Economic Development Fund.

Section 12. The City's obligations under this Resolution and the liens, pledges, covenants and agreements of the City herein made or provided for, shall be fully discharged and satisfied as to the 2007 Bonds issued pursuant to this Resolution and any such bonds shall no longer be deemed outstanding hereunder if such bonds shall have been purchased and cancelled by the City, or when payment of the principal of and interest thereon to the respective date of maturity or redemption (a) shall have been made or caused to be made in accordance with the terms thereof, or (b) shall have been provided for by depositing with a national or state bank having trust powers or trust company, in trust solely for such payment, (i) sufficient money to make such payment and/or (ii) Deposit Securities in such amount and bearing interest payable and maturing or redeemable at stated fixed prices at the option of the holder as to principal, at such time or times, as

will ensure the availability of sufficient money to make such payment; provided, however, that, with respect to any 2007 Bond to be paid prior to maturity, the City shall have duly given notice of redemption of such bond as provided by law or made irrevocable provisions for the giving of such notice. Any such money so deposited with a bank or trust company may be invested and reinvested in Deposit Securities and all interest and income from such Deposit Securities in the hands of such bank or trust company, in excess of the amount required to pay principal of and interest on the bonds for which such monies were deposited, shall be paid over to the City as and when collected. The term "Deposit Securities" as used in this Section shall mean direct obligations of or obligations the principal and interest which are unconditionally guaranteed by the United States of America, including obligations issued in book-entry form.

Section 13. The terms and provisions of this Resolution do and shall constitute a contract between the City and the registered owner or owners of the 2007 Bonds and no changes, variations or alterations of any kind, except for changes necessary to cure any ambiguity, formal defect or omission, shall be made to this Resolution without the written consent of the registered owners of two-thirds (2/3rds) in principal amount of the 2007 Bonds then outstanding, provided, however, that neither the principal and interest to be paid upon any 2007 Bond nor the maturity date of any 2007 Bond shall be changed without the written consent of the registered owners of all such bonds then outstanding. Any registered owner of a 2007 Bond may by mandamus or other appropriate action or proceedings at law or in equity in any court of competent jurisdiction enforce and compel performance of this Resolution and every provision and covenant hereof, including without limiting the generality of the foregoing, the enforcement of the performance of all duties required of the City by this Resolution and the applicable laws of the State of Nebraska, including in such duties the collecting of revenues pursuant to the provisions of the Program and Ordinance

No. 921 and the segregation of such revenues in the Bond Payment Account of the City's Economic Development Fund for the 2007 Bonds as described in Section 9 of this Resolution. Any and all actions brought by any registered owner or owners of the 2007 Bonds shall be maintained for the equal and ratable benefit of all registered owners of the 2007 Bonds then outstanding and no registered owners of any of the 2007 Bonds shall have any right in any manner whatsoever by any action or proceedings to affect, disturb or prejudice the pledge created by this Resolution.

Section 14. In accordance with the requirements of Rule 15c2-12 (as now existing or subsequently amended, the "Rule") promulgated by the Securities and Exchange Commission (the "Commission"), the City hereby agrees that it will provide the following continuing disclosure information:

(a) to each nationally recognized municipal securities information repository (a "NRMSIR") and to the initial purchaser of the Bonds, the City shall provide annual financial and operating information generally consistent with the information set forth under the heading "SELECTED FINANCIAL AND OPERATING INFORMATION" in Appendix A to the Official Statement for the 2007 Bonds and its audited financial statements; such information is expected to be available not later than seven months after the end of each fiscal year for the City; audited financial information shall be provided for the regular City funds, proprietary funds and pension trust funds in conformity with generally accepted accounting principles;

(b) in a timely manner to each NRMSIR (as and to the extent required by the Rule) or to the Municipal Securities Rule Making Board ("MSRB") (as and to the extent required by the Rule), notice of the occurrence of any of the following events with respect to the 2007 Bonds, if in the judgment of the City, such event is material:

- (1) principal and interest payment delinquencies,
- (2) non-payment related defaults,
- (3) unscheduled draws on debt service reserves reflecting financial difficulties,

- (4) unscheduled draws on credit enhancements reflecting financial difficulties,
- (5) substitution of credit or liquidity providers, or their failure to perform,
- (6) adverse tax opinions or events affecting the tax-exempt status of the 2007 Bonds (interest on the 2007 Bonds is not tax-exempt for purposes of federal income taxation),
- (7) modifications to rights of the registered owners of the 2007 Bonds,
- (8) bond calls for the 2007 Bonds,
- (9) defeasances for the 2007 Bonds,
- (10) release, substitution, or sale of property securing repayment of the 2007 Bonds, and
- (11) rating changes, if any.

The City has not undertaken to provide notice of the occurrence of any other material event, except the events listed above.

(c) in a timely manner to each NRMSIR (as and to the extent required by the Rule) or to the MSRB (as and to the extent required by the Rule) notice of any failure on the part of the City to provide required annual financial information not later than seven months from the close of the City's fiscal year.

The City reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City, consistent with the Rule. The City hereby agrees that such covenants may be enforced by any registered owner or Beneficial Owner of the Bonds, provided that any such right to enforcement shall be limited to specific enforcement of the continuing disclosure provisions of this Resolution and any failure shall not constitute an event of default under this Resolution or the

2007 Bonds. The continuing disclosure obligations of the City shall cease when none of the 2007 Bonds remain outstanding.

Section 15. The proceeds of the 2007 Bonds shall be deposited with the City Treasurer and shall be held and applied in accordance with the terms of the Program Ordinance and the Master Agreement. The Mayor and Council may designate any depository bank or banks and may contract for disbursing agent services as may be determined appropriate by subsequent resolution. Investment earnings related to the proceeds of the 2007 Bonds shall be transferred to the Economic Development Fund and shall be deposited to the Bond Payment Account within such fund as established by this Resolution.

Section 16. The Mayor and City Clerk and City Treasurer of the City are hereby authorized to do all things and execute all documents as may by them be deemed necessary and proper to complete the issuance and sale of the 2007 Bonds contemplated by this Resolution. The Preliminary Official Statement is hereby approved and such officers are further authorized to approve a final Official Statement on behalf of the City.

Section 17. Pursuant to the provisions of Section 18-2736 of the Act, the Mayor and Council hereby declare the 2007 Bonds to be issued for an essential public and governmental purpose and determine, under the terms of such section, that the 2007 Bonds, together with interest thereon and income therefrom, are exempt from all Nebraska state taxes.

Section 18. The net principal proceeds of the 2007 Bonds, after payment of issuance expenses, shall be held in a separate account in the Economic Development Fund of the City of La Vista and shall be applied to make the EDP Grant and the EDP Loan in accordance with the terms of the Master Redevelopment Agreement.

~~Section 18.~~ Section 19. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

~~Section 19. This Resolution~~20. This Resolution is hereby determined to be a measure necessary to carry out the contractual obligations of the City relating to the issuance of bonds as provided for in the Master Agreement and shall be in force and take effect from and after its adoption, as provided by law.

PASSED AND APPROVED this 19th day of June, 2007.

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Mayor

ATTEST:

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City Clerk

DOCS/~~794759.2~~794759.4