



Madison City Council Chambers  
211 S. Lincoln Street  
Madison, NE 68748

## **Community Redevelopment Authority Agenda**

**April 13, 2026**

ACKNOWLEDGEMENT OF OPEN MEETINGS ACT

ROLL CALL

CONSENT AGENDA *(one motion to approve items 1 – 3)*

1. March 18, 2026 Meeting Minutes
2. Treasurer's Report
3. Claims

PUBLIC HEARINGS AND RELATED ACTION

REGULAR AGENDA

1. Discussion/Action on Proposed Purchase Option Agreement with K. Herman Development to acquire and redevelop real property owned by the Madison Community Redevelopment Authority.
2. Discussion/Action on issuing payment in the amount of \$3,000 to Nebraska Realty of Columbus, Nebraska to meet contract obligations resulting from the sale of CRA-owned lots on South Ingram.

ECONOMIC DEVELOPMENT REPORT

ADJOURN

The Community Redevelopment Authority will review the above matters and take such action as they deem appropriate and necessary. *The Community Redevelopment Authority reserves the right to enter executive session on certain matters authorized under the Nebraska Open Meetings Act.*

CITY OF MADISON, NEBRASKA  
COMMUNITY REDEVELOPMENT AUTHORITY

March 18, 2026 Meeting Minutes

The Madison Community Redevelopment Authority was called to order on March 18, 2026 at 5:37 PM in the Council Chambers. Members present: Knight, Osnes, and Jones; absent: Mora and Jackson. A quorum was established.

Acknowledgment of the Open Meetings Act was noted on the north wall of the chamber.

The consent agenda included approval of the minutes from December 22, 2025, the Treasurer's Report, and claims (none). It was noted that funds remained in the TIF account that were expected to be transferred, and staff would follow up accordingly. It was also noted that Harry Hansen and spouse had applied for a \$5,000 housing grant for construction in Horizon View, and sufficient funds remained for three such grants.

A motion to approve the consent agenda was made by Osnes and seconded by Knight. The motion carried unanimously with all members voting yes.

Multi-Use Residential Development – Horizon View Phase 2 (JEO)

The Authority reviewed the preliminary concept plans for Horizon View Phase 2 as prepared by JEO. Staff reported that multiple meetings had been held with JEO and city officials to incorporate feedback, including off-street parking preferences, traffic calming features such as a roundabout, trail connectivity, and multiple access points to reduce neighborhood impacts. The plans included a mix of multi-family, senior/townhome-style housing, and single-family walkout lots, along with drainage and open space areas.

It was emphasized that the plans were conceptual in nature and intended to communicate a development vision and assist in planning and marketing to potential developers.

A motion to accept the JEO preliminary concept plans as submitted was made by Osnes and seconded by Knight. The motion carried unanimously with all members voting yes.

Purchase Option Agreement – CRA-Owned Lots on South Ingram Street

The Authority considered a purchase option agreement for six CRA-owned lots located at 1010, 1014, 1102, 1106, 1110, and 1114 South Ingram Street. Staff outlined the potential partnership involving workforce housing funds through the Center for Rural Affairs and a local builder interested in modular and site-built housing utilizing phased construction. The proposed option would allow purchase of lots in stages, with an option period of approximately eighteen months and safeguards requiring building contracts prior to closing.

Staff recommended reducing the lot price to \$10,000 per lot to incentivize development activity and attract builders, noting long-term benefits from tax base growth and housing supply. The agreement had been reviewed by legal counsel and would remain contingent upon City Council consideration of the pricing adjustment at the next regular meeting.

A motion to accept the purchase option agreement, contingent upon City Council concurrence on lot pricing, was made by Osnes and seconded by Knight. The motion carried unanimously with all members voting yes.

#### Election of Officers

Annual election of CRA officers was conducted. It was noted that the Treasurer position remains assigned to Amy, and Andy continues as permanent Secretary. The following slate of officers was proposed:

- Chair: Brenda Jones
- Vice Chair: Trent Osnes
- Treasurer: Amy Wegener
- Secretary (Director): Andy Colvin

A Motion to approve the slate of officers as presented was made by Knight and seconded by Osnes. The motion carried unanimously with all members voting yes.

#### Economic Development Report

Andy provided updates on potential development interest, including preliminary discussions related to tax credit housing and possible acquisition of additional CRA land for phased development. A general overview of Tax Increment Financing (TIF) was provided for informational purposes, including infrastructure financing, statutory timelines, and future tax base implications. Andy also reported on outreach to adjacent landowners regarding future master planning opportunities.

Mora arrived at 6:11 PM.

It was noted that the CRA's realtor agreement would not be renewed as remaining marketed lots were limited, and staff emphasized the importance of identifying future land acquisition opportunities to maintain housing momentum.

The meeting adjourned at 6:15 PM. The next meeting is scheduled for January 14, 2026.



## **CRA Agenda Memo**

Date: April 13, 2026  
To: Community Redevelopment Authority  
From: Andrew Colvin, Economic Development Director  
Subject: Option to Purchase Agreement – Valley Drive Properties, LLC

**Background:** Valley Drive Properties, LLC has expressed interest in acquiring a tract of CRA-owned real estate for the purpose of future housing development. The overall project will involve a mix of single family, medium-density and multi-family housing. This specific agreement is brought at this time in order for Mesner Development, in partnership with Valley Drive Properties (owned by Kallan Herman), to apply to the Nebraska Investment Finance Authority for approval of tax credits for senior housing. This project is key to having the overall property developed. To accommodate this request while preserving CRA control over the property, staff have negotiated an Option to Purchase Real Estate agreement. An option allows the CRA to retain ownership of the property unless and until the buyer elects to move forward with a purchase under defined terms.

**Discussion:** Under the agreement, the CRA grants Valley Drive Properties, LLC an exclusive option to purchase the specified property for \$77,000. The option may be exercised at any time prior to March 31, 2027, with 30 days' advance written notice to the CRA. Chris Lenz with Mesner Development, indicated that notice of approval for tax credits from NIFA should be announced by the end of August 2026. If the application is not approved and the developer otherwise decides not to move forward, the option agreement would be terminated and we would continue marketing the property.

If the buyer exercises the option, the CRA will convey the property by Warranty Deed. The CRA is responsible for providing marketable title and paying all real estate taxes through 2026, as well as its prorated share of 2027 taxes up to the date of possession. All special

assessments due prior to closing will also be paid by the CRA. Future taxes following closing will be the responsibility of the buyer.

The property will be conveyed as-is, and risk of loss remains with the CRA until closing. Title insurance will be obtained at closing, with costs split evenly between the CRA and the buyer. Importantly, the agreement does not obligate the CRA to sell the property unless Valley Drive Properties affirmatively exercises the option within the specified timeframe.

**Financial Consideration:** The Sale price of the property if option is exercised is \$77,000, which would be deposited into the CRA's land/building fund.

The CRA obligations are as follows:

- Payment of property taxes for 2026 and prior years
- Prorated payment of 2027 taxes to date of possession
- Payment of special assessments due prior to closing
- One-half of title insurance costs

No immediate financial impact occurs unless the option is exercised. With respect to a fee to hold the option, staff balanced out the benefit of having a project in hand, as well as the investment of the developer to apply for tax credits, which already amounts to thousands of dollars in planning and legal work. We consider that an investment in Madison.

**Staff Recommendation:** The CRA recently completed master planning of this property. The proposed development, if moved forward, would align with the plan. The CRA's mission is to encourage residential redevelopment and workforce housing. The project would be a significant boost to meeting the workforce housing needs of the community, specifically housing for seniors. The recent housing study pointed to an increase in the senior population of Madison as well as a current and future need for housing.

## **OPTION TO PURCHASE REAL ESTATE**

Agreement made this \_\_\_\_ day of April, 2026, by and between Madison Community Redevelopment Authority, a body corporate and politic, herein referred to as Seller, and Valley Drive Properties, LLC, a Nebraska Limited Liability Company, herein referred to as Buyer. The parties mutually agree as follows:

### **RECITALS**

WHEREAS, Buyer is interested in purchasing real estate to construct housing and desires to obtain an Option to Purchase the premises from Seller, and

WHEREAS, Seller desires to sell said premises, with the approximate legal description:

A tract of land located in the Southeast 1/4 of the Southwest 1/4 of Section 5. T21N, R1W of the 6th P.M, Madison County, Nebraska, more particularly described as follows:

Commencing at the Southeast Corner of the Southeast 1/4 of the Southwest 1/4 of Section 5, T21N. R1W of the 6th P.M., Madison County, Nebraska; thence S 89°02'09" W on the South line of said Southwest 1/4, 342.10 feet to a point of curvature on the former West Highway #81 Right-of-Way line, said point being the Point of Beginning; thence S 89°02'09" W on said South line, 317.86 feet; thence N 01 °17.51" E and parallel to the East line of the Southeast 1/4 of said Southwest 1/4. 843.35 feet to the Southwest corner of Block 1, Philip Bauch's Third Addition to the City of Madison. Madison County, Nebraska; thence N 89°01'18" E on the South line of said Block 1, 612.79 feet to the Southeast corner of said Block 1, said point being a point of curvature on said former West Right-of-Way line; thence Southwesterly on a 2043.48 foot radius curve to the right on said former West Right-of-Way line, 912.05 feet of which said curve has a chord bearing of S 20°18'42" W, 904.50 feet to the Point of Beginning.

### **AGREEMENT**

IT IS, THEREFORE, AGREED by and among the parties that Buyer shall have the first option to purchase the above-described real estate from Seller for the sum of Seventy-Seven Thousand Dollars (\$77,000) at any time prior to March 31, 2027, exercisable on 30 days' advance notice.

In the event Buyer exercises this Option to Purchase the following terms and conditions shall apply:

A. Seller shall furnish Buyer with a title insurance commitment that shows marketable record title to the premises to be vested in the Seller, subject only to easements, restrictions, conditions and encumbrances herein set forth. Within ten days after receipt of the title insurance commitment, Buyer shall furnish Seller with a written opinion from Buyer's attorney containing any objection to Seller's title which Buyer claims to exist. If Buyer finds any meritorious defects in Seller's title, then Seller shall have a reasonable time in which to correct the same. The cost of title insurance shall be split evenly between the Seller and the Buyer.

B. Seller shall pay the general real estate taxes for the year 2026 and all prior years. Seller shall pay the 2027 real estate taxes prorated to the date of possession. Buyer shall pay all other and all future real estate taxes.

C. Seller shall pay all special tax assessments against this property up to closing date.

D. Upon the closing, Seller shall convey the real estate to Buyer by Warranty Deed free and clear of all special assessments, liens, and encumbrances except: NONE.

E. Risk of loss to the real estate shall be upon Seller until the time of closing and thereafter shall be upon Buyer.

F. Seller and Buyer each agree that time is an essential element of this agreement.

G. All covenants and conditions herein contained shall extend to and be obligatory upon the heirs, assigns and legal representatives of the parties hereto and their estates.

H. The Property will be conveyed in the as is condition as of the date of this Agreement.

This Agreement may be executed in any number of counterparts, or using separate signature pages. Each such executed counterpart and each counterpart to which such signature pages are attached shall be deemed to be an original instrument, but all such counterparts together shall constitute one and the same instrument.

[SIGNATURES ON NEXT PAGE]

Executed this \_\_\_\_\_ day of April, 2026.

Madison Community Redevelopment  
Authority – SELLER,

Valley Drive Properties, LLC – BUYER

By: \_\_\_\_\_  
Brenda, Jones, Chair

By: \_\_\_\_\_  
Kallan Herman, Member

STATE OF NEBRASKA :  
: ss.  
COUNTY OF \_\_\_\_\_:

Before me, a Notary Public qualified for said county, personally came Brenda Jones, Chair, as Seller, known to me to be the identical person who signed the foregoing instrument as Seller and acknowledged the execution thereof to be the voluntary act and deed of the Limited Liability Company.

Witness my hand and notarial seal this \_\_\_\_\_ day of April, 2026.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA :  
: ss.  
COUNTY OF \_\_\_\_\_:

Before me, a Notary Public qualified for said county, personally came Kallan Herman, Member of Valley Drive Properties, LLC, a Nebraska Limited Liability Company, as Buyer, known to me to be the identical person who signed the foregoing instrument as Buyer and acknowledged the execution thereof to be the voluntary act and deed of the Corporation.

Witness my hand and notarial seal this \_\_\_\_\_ day of April, 2026.

\_\_\_\_\_  
Notary Public