"EXHIBIT A"

TAX INCREMENT FINANCING

CONTRACT

BETWEEN

THE CITY OF JOPLIN, MISSOURI

and

HOPE VALLEY DEVELOPMENT GROUP, INC.

for

REDEVELOPMENT PROJECT I

of the

HOPE VALLEY

TAX INCREMENT FINANCING REDEVELOPMENT PLAN

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TAX INCREMENT FINANCING CONTRACT

THIS TAX INCREMENT FINANCING CONTRACT (the "**Contract**") is made and entered into as of the ____ day of _____, 2015 (the "**Effective Date**"), by and between **THE CITY OF JOPLIN, MISSOURI** ("**City**"), and **HOPE VALLEY DEVELOPMENT GROUP, INC.**, a Missouri corporation, the developer selected by the City ("**Developer**") to implement its plan of redevelopment more fully described herein.

Recitals.

A. The Tax Increment Financing Commission of Joplin, Missouri (the "**Commission**") on May 15, 2014, recommended that the City approve the Hope Valley Tax Increment Financing Redevelopment Plan (the "**Redevelopment Plan**") in an area described in the Redevelopment Plan determined to be a Blighted Area and as set forth in **Exhibit A**, attached hereto and incorporated herein by reference (the "**Redevelopment Area**").

B. The Redevelopment Plan provides for the construction of three (3) redevelopment projects designated as Redevelopment Projects I, II, and III (the "**Redevelopment Projects**") in Joplin, Missouri which consists of the "**Project Improvements**" described in Section 5 herein.

C. By Ordinance No. 2014-109, adopted by the City Council of City (the "**City Council**") on July 21, 2014 and with an effective date of August 10, 2014, City approved the Redevelopment Plan, determined that the Redevelopment Area is a Blighted Area and that it met the other applicable requirements of the Act, and selected Developer to implement the Redevelopment Plan.

D. Ordinance No. 2014-109 includes a condition that the designation of the Developer as the developer of Redevelopment Project I and any reimbursement to the Developer of tax increment financing revenues for reimbursable project expenses is conditioned upon the execution of a redevelopment agreement between the City and Developer no later than six (6) months from the date of the ordinance, said redevelopment agreement to be approved by the City Council by ordinance upon terms and conditions as agreed upon by the parties to carry out the goals and objectives of the Redevelopment Plan that are consistent with the Term Sheet attached to the ordinance as Exhibit B.

E. On February 2, 2015, the City Council adopted Ordinance No. 2015-017 approving an extension of time for completion and execution of the redevelopment agreement by one hundred twenty (120) days from said date.

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants herein contained, City and Developer agree as follows:

1. Rules of Interpretation. Unless the context clearly indicates to the contrary or unless otherwise provided herein, the following rules of interpretation shall apply to this Contract:

A. The terms defined in this Contract which refer to a particular agreement, instrument or document also refer to and include all renewals, extensions, modifications, amendments and restatements of such agreement, instrument or document; provided, that nothing contained in this sentence shall be construed to authorize any such renewal, extension, modification, amendment or restatement other than in accordance with **Section 38** of this Contract.

B. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Contract shall refer to this Contract as a whole and not to any particular provision of this Contract. Section, subsection and exhibit references are to this Contract unless otherwise specified. Whenever an item or items are listed after the word "including", such listing is not intended to be a listing that excludes items not listed.

C. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing person shall include individuals, corporations, partnerships, joint ventures, associations, joint stock companies, trusts, unincorporated organizations and governments and any agency or political subdivision thereof.

D. The table of contents, captions and headings in this Contract are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Contract.

2. Definitions. All capitalized words or terms used in this Contract and defined in the Redevelopment Plan shall have the meaning ascribed to them in the Redevelopment Plan. In addition thereto and in addition to words and terms defined elsewhere in this Contract, the following words and terms shall have the meanings ascribed to them in this **Section 2** unless the context in which such words and terms are used clearly requires otherwise.

"Act," the Real Property Tax Increment Allocation Redevelopment Act, Section 99.800, et seq., RSMo, as amended.

"Affiliate," any person, entity or group of persons or entities which controls a party, which a party controls or which is under common control with a party. As used herein, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

"Blighted Area," an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions,

deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

"CID," means a community improvement district formed pursuant to the CID Act and in accordance with this Contract, with boundaries coterminous with the boundaries of the Redevelopment Area.

"CID Act," the Community Improvement District Act, Sections 67.1401 to 67.1471 RSMo, as amended.

"CID Revenue," all funds derived from the CID Sales Tax revenue and any interest earned thereon.

"CID Sales Tax," a one percent (1%) sales tax imposed by the CID on sales within the CID in accordance with the CID Act.

"City," the City of Joplin, Missouri.

"City Council," the governing body of Joplin, Missouri.

"City Engineer," the city engineer of Joplin, Missouri.

"City Manager," the City Manager of Joplin, Missouri.

"City Treasurer," the Finance Director of Joplin, Missouri.

"Commission," the Tax Increment Financing Commission of Joplin, Missouri;

"County," Newton County, Missouri.

"County Assessor," the assessor of Newton County, Missouri.

"County Collector," the collector of Newton County, Missouri.

"Developer," Hope Valley Development Group, Inc., its successors and assigns, subject, however, to the provisions of **Section 30** hereof.

"Developer Controlled Improvements," the Project Improvements owned or controlled by Developer or its Affiliates and authorized transferees, successors and assigns pursuant to the provisions of **Section 30** hereof.

"Economic Activity Account," the separate segregated account within the Special Allocation Fund into which Economic Activity Taxes are to be deposited.

"Economic Activity Taxes," fifty percent (50%) of the total additional revenue from taxes which are imposed by City or other Taxing Districts, which are generated by economic activities within the Redevelopment Area, while Tax Increment Financing remains in effect, excluding licenses, fees, personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, utility taxes, taxes levied pursuant to Section 70.500 RSMo., taxes levied for the purpose of public transportation pursuant to Section 94.660 RSMo., or special assessments, other than payments in lieu of taxes, until the designation is terminated pursuant to Subsection 2 of Section 99.850 of the Act.

"Financing Costs," all necessary and incidental expenses related to any loans or other obligations obtained by the Developer for the purpose of funding the Reimbursable Project Costs. In addition to the Reimbursable Project Costs described herein, Developer's actual financing costs, including, *inter alia*, interest incurred on amounts Developer was loaned to pay for any of the Reimbursable Project Costs identified on **Exhibit F**, shall be deemed a Reimbursable Project Cost. Payment of financing costs shall be calculated pursuant to the provisions of **Section 19.C**.

"Land Use Approvals," those approvals required pursuant to City's zoning and subdivision regulations for the construction of Redevelopment Project I.

"Legal Requirements," any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, city or otherwise), whether now or hereafter in existence and specifically including but not limited to all ordinances, rules and regulations of the City of Joplin, Missouri, such as zoning ordinances, subdivision ordinances, building codes, property maintenance codes, and City's adopted Public Works engineering standards and requirements; provided, however, unless otherwise provided herein Developer shall have the right to contest, in any manner provided by law and at its sole expense, the applicability or validity of any Legal Requirement.

"MHTC," the Missouri Highways and Transportation Commission,

"MoDOT," the Missouri Department of Transportation.

"Ordinance," an ordinance enacted by the City Council.

"Payment in Lieu of Taxes," those estimated revenues from real property in the Redevelopment Area, which revenues are to be used to pay Reimbursable Project Costs, which Taxing Districts would have received had the City not

adopted Tax Increment Financing, and which would result from levies made after the time of the adoption of Tax Increment Financing during the time the current equalized value of real property in Redevelopment Project Area I exceeds the Total Initial Equalized Value of real property in such area until the designation is terminated pursuant to subsection 2 of Section 99.850 of the Act, which shall not be later than twenty three (23) years after Redevelopment Project I and Redevelopment Project Area I are approved by an Ordinance of the City Council. Payments in Lieu of Taxes which are due and owing shall constitute a lien against the real estate in Redevelopment Project Area I from which they are derived, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in Section 88.861 RSMo.;

"Payment in Lieu of Taxes Account," the separate segregated account within the Special Allocation Fund into which Payments in Lieu of Taxes are to be deposited.

"Private Loans," private loans obtained by the Developer, or its successors, assigns or transferees, from third party private lending institutions to fund Reimbursable Project Costs. Financing Costs, as defined herein, relating to Private Loans, including interest thereon shall be a Reimbursable Project Cost.

"Project Improvements," shall have the meaning assigned in **Section 5**.

"Redevelopment Plan," means the Hope Valley Tax Increment Financing Redevelopment Plan approved by the City Council by Ordinance No. 2014-109 on July 21, 2014, and any amendments thereto.

"Redevelopment Project Cost Budget," the budget setting forth the Redevelopment Project Costs, and identifying those Redevelopment Project Costs to be funded or reimbursed in accordance with this Contract, attached hereto as **Exhibit F** and incorporated herein by reference.

"Redevelopment Project Costs," include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, any such costs incidental to the Redevelopment Plan and Redevelopment Project I. Such costs include, but are not limited to the costs set forth in **Exhibit F**, specifically:

(1) Costs of studies, surveys, plans and specifications;

(2) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services. Except the reasonable costs incurred by the City or Commission established in the Act for the administration of the Redevelopment Plan, such costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the costs of the Redevelopment Plan and Redevelopment Project I;

(3) Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;

(4) Costs of construction, rehabilitation and/or repair or remodeling of existing buildings and fixtures or any other public or private improvements;

(5) Cost of construction of public works or improvements;

(6) Financing Costs;

(7) All or a portion of a taxing district's capital cost resulting from Redevelopment Project I necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan, to the extent the City, by written agreement, accepts and approves such costs;

(8) Relocation costs to the extent that the City determines that relocation costs shall be paid or are required to be paid by federal or state law; and

(9) Payments in Lieu of Taxes.

"Reimbursable Project Costs," the portion of Redevelopment Project Costs, which pursuant to the Redevelopment Plan and this Contract are to be funded or reimbursed with Payments in Lieu of Taxes, Economic Activity Taxes, or CID Sales Tax revenue as are set forth in the Redevelopment Project Cost Budget and elsewhere in this Contract. Reimbursable Project Costs include the portion of Redevelopment Project Costs incurred by City and, to the extent included in the Redevelopment Cost Project Budget as being funded or reimbursed with Payments in Lieu of Taxes or Economic Activity Taxes, Developer as a result of: preparing, reviewing and adopting the Redevelopment Plan or Redevelopment Project I; designation of Redevelopment Project Area I; planning, financing, acquiring and constructing of Redevelopment Project I; and any other work authorized by the Redevelopment Plan; the oversight of the construction of Redevelopment Project I, the implementation of the Redevelopment Plan, and the management of the Special Allocation Fund.

"Special Allocation Fund," the fund established by the City into which, as required by the Act, all Payments in Lieu of Taxes and Economic Activity Taxes from Redevelopment Projects are deposited for the purpose of paying Reimbursable Project Costs.

"Tax Increment Financing," tax increment allocation financing as provided pursuant to the Act.

"Taxing Districts," any political subdivision of this state having the power to levy taxes on sales or property in the Redevelopment Area.

"TIF Revenue," Payments in Lieu of Taxes and Economic Activity Taxes and all interest earned on funds deposited in the Special Allocation Fund.

"Total Initial Equalized Assessed Value," that amount certified by the County Assessor which equals the most recently ascertained equalized land assessed value of each taxable lot, block, tract or parcel or real property within Redevelopment Project Area I immediately after the Ordinance approving each such Redevelopment Project has been approved by the City Council.

3. Redevelopment Area. The Redevelopment Area consists of the area legally described on **Exhibit A** attached hereto.

4. Redevelopment Project Area.

A. The Redevelopment Area consists of three (3) Redevelopment Project Areas designated as Redevelopment Projects I, II, and III, in accordance with the provisions of the Redevelopment Plan. The Redevelopment Project Areas may only be changed, modified or amended in accordance with the Act. This Contract shall only apply to Redevelopment Project I and the Redevelopment Project Area I legally described in **Exhibit B**.

B. Designation of Redevelopment Project Areas. Tax Increment Financing with respect to Redevelopment Project I shall become effective only upon the approval thereof by an Ordinance of the Council (the "**Redevelopment Project Ordinance**") for Redevelopment Project Area I.

5. Project Improvements. In accordance with the Act and the terms and conditions of the Redevelopment Plan and this Contract, to ameliorate or satisfy those conditions which are the basis for eligibility and designation of the Redevelopment Area as a Blighted Area and otherwise eligible as a redevelopment area under the Act, Developer shall cause Redevelopment Project Area I to be redeveloped through the construction of the Project Improvements. The Project Improvements consist of: (A) the Private Project Improvements described in **Exhibit C** attached hereto and incorporated herein by reference, (the "**Private Project Improvements**"); and (B) the Public Project Improvements described in **Exhibit D** attached hereto and incorporated herein by reference (the "**Public Project Improvements**").

6. Redevelopment Schedule.

A. It is the intention of the parties that development activities for Redevelopment Project I be substantially commenced and completed on or before the estimated dates set forth on **Exhibit E**, as may be reasonably amended from time to time, attached hereto and incorporated herein by reference (the "**Redevelopment Schedule**"). Developer shall construct all Private Project Improvements and all Public Project Improvements, and shall

complete all other development-related activities including, but not necessarily limited to design, land preparation, environmental evaluation and remediation, construction, management, maintenance and procurement of private financing in sufficient time to comply with the Redevelopment Schedule. Changes in the development program contemplated by the Redevelopment Plan that require a Redevelopment Plan amendment under the Act (as determined by City) shall be processed in accordance with the Act, and changes in the development program contemplated by the Redevelopment Plan that do not require a statutorily mandated Redevelopment Plan amendment shall be made by agreement of the parties hereto. The parties hereto recognize and agree that market and other conditions may affect the Redevelopment Schedule. Therefore, the Redevelopment Schedule is subject to change and/or modification, with the written approval of City, which shall not be unreasonably conditioned, delayed, or withheld.

B. Any amendment to the Redevelopment Plan that is approved by City as provided herein shall immediately operate and be deemed to be an amendment to the approved Redevelopment Schedule and the provisions of this Contract. In order to implement the Redevelopment Schedule, City will endeavor to facilitate the timely passage of the Redevelopment Project Ordinance referred to in **Section 4.B.** hereof. Developer shall render such reasonable aid and assistance as requested by City to insure favorable consideration of any such Redevelopment Project Ordinance by the City Council. City shall endeavor to expedite the approval of the Redevelopment Plan and the Land Use Approvals; provided, however, that nothing herein shall constitute or be deemed to be a waiver by City or the City Council of its legislative authority. If as a result of solely the Developer's failure to timely complete its obligations under this Contract and provided that the City has fulfilled all of the terms of this Contract and provided that the delay has not been caused by event not otherwise in control of the Developer, City may require Developer to appear before the City Council to show cause why this Contract and the Redevelopment Plan shall not be terminated in accordance with **Section 35** hereof.

7. Design and Construction of Public Project Improvements.

A. Developer's Duties. Developer shall cause all of the Public Project Improvements to be designed and constructed as follows:

(1) The Public Project Improvements shall be constructed in accordance with all Legal Requirements and such Developer Public Project Plans (as defined in **Section 7.A.(4)** below) as are approved by City in writing. Developer, with the assistance of City as requested, shall obtain all approvals and permits required by MoDOT, and any other entities or governmental departments specified by MoDOT, for the Public Project Improvements prior to the commencement of any construction for any Public Project Improvements requiring MoDOT approval. City agrees to cooperate in good faith to facilitate approval of the design, engineering

and construction of the Public Project Improvements requiring approval by MoDOT, if any and by any other governmental entities or governmental departments.

(2) The contracts related to the construction of the Public Project Improvements shall be subject to a transparent, open and competitive public bidding process conducted by Developer which will allow for the selection of the lowest and most qualified contractor that is capable of complying with the Redevelopment Schedule to be selected based upon bid criteria developed by Developer and approved in writing by City (the "**Public Bid Process**"), such approval shall not be unreasonably withheld.

(3) Timing of Public Project Improvements. Prior to the design, engineering, and construction of the Public Project Improvements, Developer shall submit to the City a proposed schedule for the Public Project Improvements. The City Engineer shall approve the schedule as presented or return the schedule with comments, to be resubmitted by Developer until approved by the City Engineer, and such approval shall not be unreasonably withheld. Once the schedule is approved by the City Engineer, City and Developer shall mutually approve and adopt such changes to the Redevelopment Schedule as required to take into account the schedule for the Public Project Improvements approved by the City Engineer. Such changes to the Redevelopment Schedule shall be approved administratively, unless a statutorily mandated Redevelopment Plan amendment is required. The provisions of this **Section 7.A.(3)** and the schedule for the Public Project Improvements are subject to the provisions of **Section 9.D.** hereof.

(4) Design Phase. Developer shall meet with City staff regarding preliminary design of the Public Project Improvements to be constructed by Developer pursuant to this Contract and shall submit all preliminary design documents to City for approval before proceeding with the construction of the Public Project Improvements. On the basis of such approved preliminary design documents, Developer shall:

(a) Prepare detailed drawings, plans, design data, estimates, and technical specifications to show the character and scope of the work to be performed by contractors for all Public Project Improvements ("**Developer Public Project Plans**").

(b) Furnish to City for its review and approval copies of such Developer Public Project Plans and other documents and design data as may be required to secure approval of such governmental authorities as may have jurisdiction over design criteria applicable to the Public Project Improvements.

(c) Following review and approval of the Developer Public Project Plans, furnish the number of approval copies of the final Developer Public Project Plans for the Public Project Improvements as City may reasonably require.

(5) Right of Way Acquisition.

(a) Developer shall be responsible for acquiring or negotiating for the conveyance of the right-of-way or easements, if any, that are needed to construct the Public Project Improvements, including necessary temporary construction easements. In addition, Developer will convey or cause to be conveyed all rights-of-way or easements upon property owned or controlled by Developer that are needed to construct the Public Project Improvements, including all necessary temporary construction easements. All rights-of-way or easements to be provided by Developer under this **Section 7.A.(5)(a)** shall be provided to City without charge.

(b) In the event that Developer is unable, after good faith negotiations, to acquire some or all of the right-of-way or easements necessary for those Public Project Improvements over which City exercises jurisdiction (the "**Necessary Rights-of-Way**"), Developer shall deliver to City a written request (the "**Developer Request**") for City to acquire any of the Necessary Right-of-Way. If City agrees, at its sole discretion, to attempt to acquire any of the Necessary Rights-of-Way, City will enter into good faith negotiations and, at its option, may exercise its power of eminent domain to acquire any or all of such Necessary Rights-of-Way.

(c) In the event City agrees to enter into good faith negotiations or exercise its power of eminent domain to acquire the Necessary Right-of-Way, prior to beginning any work to acquire said Necessary Right-of-Way, Developer shall first deposit into escrow with City an amount equal to one hundred twenty five percent (125%) of the estimated acquisition costs. Acquisition costs paid by City ("**Acquisition Costs**") shall be a Reimbursable Project Cost and shall include, but shall not be limited to: the actual price paid for all rights-of-way or easements, whether determined by negotiation or eminent domain; expenses paid to third parties related to the establishment of acquisition values of rights-of-way or easements, including appraisals, legal fees, other expenses paid to third parties, and expenses incurred by City related to acquisition of rights-of-way or easements, whether through negotiation or eminent domain; and any other reasonable and necessary costs or expenses related to acquisition of the rights-of-way or easements. City may require that Developer enter into a separate acquisition

funding agreement with City to provide for the terms and conditions under which Developer will place one hundred twenty five (125%) of all estimated Acquisition Costs in escrow with City prior to commencement of condemnation for rights-of-way or easements. The acquisition funding agreement shall obligate Developer to reimburse City in full for all Acquisition Costs that result from City's condemnation process for any portion of the Public Project Improvements.

(6) Utility Relocation. The parties agree that if costs are incurred associated with relocating the existing utilities, if any, from any existing public or private easement or from any existing right-of-way, as a result of construction of the Public Project Improvements, and such costs are not paid by a utility company, such costs shall be paid by Developer and are not the responsibility of City; such costs shall be a Reimbursable Project Cost.

(7) Inspections and Change Orders. City, or its designees, shall have the right to inspect, observe, and oversee the construction of all Public Project Improvements in order to ascertain and determine that the standards of City have been met.

(8) Dedication. Upon completion, inspection and approval of the Public Project Improvements by City or MoDOT, as applicable, Developer will dedicate the Public Project Improvements to City or MoDOT, as applicable, for its use, operation and maintenance. City shall be under no obligation to accept the dedication or conveyance of any Public Project Improvement constructed pursuant to this Contract until it has been inspected and approved to the reasonable satisfaction of City. Upon written notice of the inspection and approval of the City's Director of Public Works, Developer agrees to convey all the Public Project Improvements to City free and clear of all liens and encumbrances or other obligations. Said conveyance shall be by appropriate document, and shall be sufficient, in the reasonable opinion of the City Attorney, to convey marketable title of record, as set forth in Title Standard 4 of the Missouri Bar.

(9) Insurance.

(a) General Provisions. Prior to commencing construction of the Public Project Improvements, and at all times until the Public Project Improvements are accepted by and dedicated to City or conveyed to MoDOT, as applicable, Developer shall obtain and keep in force the following insurance and Developer shall file with City a certificate of insurance evidencing such insurance:

(i). Commercial General Liability: Commercial general liability insurance written on an occurrence basis including personal injury, bodily injury, broad form property damage, operations hazard, owner's protective coverage, contractual liability (with a cross liability clause), and products and completed operations liability, in limits not to exceed $1,000,000 inclusive per occurrence and $1,000,000 annual aggregate.

(ii). Automobile Liability: Minimum $1,000,000 combined single limit for bodily injury and property damage; applicable to owned, non-owned and hired automobiles.

(iii). Workers' Compensation: As required by state statute; if exempt, must submit letter stating the exemption; employer's liability $1,000,000 each occurrence.

(iv). Umbrella/Excess Liability: An umbrella or excess liability policy in the minimum amount of $5,000,000 each occurrence and aggregate; at least as broad as the underlying general liability, automobile liability and employer's liability.

(b) Endorsements. The following endorsements shall attach to the policy:

(i). The policy shall cover personal injury as well as bodily injury.

(ii). The policy shall cover blanket contractual liability subject to the standard universal exclusions of contractual liability included in the carrier's standard endorsement as to bodily injuries, personal injuries and property damage.

(iii). Broad form property damage liability shall be afforded.

(iv). City shall be listed as an additional insured.

(v). Standard form of cross-liability shall be afforded.

(vi). The policy shall not be canceled or not renewed without thirty (30) days advance written notice of such event being given to City.

(c) Use of Contractors and Subcontractors. Developer shall not permit any contractor to commence or continue work until they shall have obtained or caused to be obtained a City business license and all insurance required under this Subsection. Said insurance shall be maintained in full force and effect until the completion of construction of the Public Project Improvements, and acceptance of such Public Project Improvements by City or MoDOT (as used in this Subsection, **"Final Completion"**). Subject to MoDOT requirements, Developer shall send City not less than ten (10) days' advance notice of Final Completion. City shall provide Developer with a detailed written notice of the reasons for objection to the Final Completion of the Public Improvements within such ten (10) day period. In the event no objections are received by Developer, Final Completion shall be deemed to have occurred on the date of Final Completion set forth in the Developer's notice provided as set forth above. In the event objections are made by the City, Developer shall proceed to correct the deficiency in accordance with the Developer Public Project Plans and the foregoing procedure shall be repeated until the deficiency is corrected and the City approves the Final Completion in accordance with the foregoing procedure. Upon request of Developer, City shall provide verification in writing of Final Completion.

(d) Workers' Compensation. Developer shall ensure that all contractors performing work for Developer obtain and maintain Workers' Compensation Insurance for all employees, Developer shall cause all contractors to require subcontractors to provide Workers' Compensation insurance for all subcontractor's employees, in compliance with State laws, and to fully protect City from any and all claims arising out of occurrences during construction of the Public Project Improvements. Developer hereby indemnifies City for any damage resulting to it from failure of either Developer or any contractor to obtain and maintain such insurance. Developer further waives, and shall cause all contractors performing work for Developer to waive, its rights to subrogation with respect to any claim against the City for injury arising out of performance under this Contract. Developer shall cause all contractors to ensure that all subcontractors performing work for Developer to waive, their rights to subrogation with respect to any claim against City for injury arising out of performance under this Contract. Developer shall provide City with a certificate of insurance indicating Workers' Compensation coverage prior to commencing construction of the Public Project Improvements, and shall cause such insurance to be maintained at all times that any work on the Public Project Improvements is being performed until Final Completion.

(e) Bonds; Assignment of Warranty. Developer shall provide, or cause to be provided, or cause its contractor to provide the following bonds and assignment of warranty for the Public Project Improvements and all other public infrastructure improvements that are constructed by Developer and dedicated to City. Developer shall comply with MoDOT requirements for bonds regarding work performed in MoDOT right of way.

(i). Performance Bond and Payment Bond. Prior to commencement of construction and ending upon the completion of construction of the Public Project Improvements and acceptance of such Public Project Improvements by the City in accordance with adopted City engineering standards and requirements (as used in this Subsection, **"Final Completion"**), Developer shall maintain or cause to be maintained or cause its contractor to maintain a performance and payment bond in a form as approved by the City Engineer, in an amount equal to the cost of the Public Projects Improvements covered by such bond, as reasonably determined by the City Engineer, conditioned upon the faithful performance of the provisions, terms and conditions of the construction contract. The performance and payment bond shall name City as obligee and copies of certificates of such bond shall be delivered to City. No other party shall be named as a co-obligee on any of such bonds except with the prior written consent of City. Developer shall send City not less than ten (10) days' advance notice of Final Completion. City shall provide Developer with a detailed written notice of the reasons for objection to the Final Completion of the Public Project Improvements within such ten (10) day period. In the event no objections are received by Developer, Final Completion shall be deemed to have occurred on the date of Final Completion set forth in the Developer's notice provided as set forth above. In the event objections are made by the City, Developer shall proceed to correct the deficiency in accordance with the Developer Public Project Plans and the foregoing procedure shall be repeated until the deficiency is corrected and the City approves the Final Completion in accordance with the foregoing procedure. Upon request of Developer, City shall provide verification in writing of Final Completion.

(ii). Assignment of Contractor's Warranty. Prior to acceptance and dedication of the Public Projects Improvements, Developer shall assign, in a form reasonably approved by the City Attorney, general contractor's warranty for the Public Projects Improvements, which warranty shall

be in effect for a term of one (1) year from the date of Final Completion as defined in Subsection (i) above for such Public Projects Improvements.

(iii). Indemnity for Failure to Provide Bonds. Developer shall indemnify City and its officers and employees for any damage resulting to City, its officers or employees from failure of Developer to provide the bonds set forth in this Section.

(10) City Inspector. City shall cause a qualified and authorized inspector to be present at reasonable times during the construction of the Public Project Improvements to facilitate the resolution of construction decisions arising in the field.

(11) 44th Street Improvements. Design and construction of a portion of the Public Project Improvements to widen 44th Street adjacent to the Redevelopment Area from Rangeline Road west to the western boundary of Redevelopment Project I as described in the Redevelopment Plan and in accordance with the provisions of this Contract (the **"44th Street Improvements"**) shall be substantially complete pursuant to **Section 9.D.** hereof prior to the construction of more than fifty thousand (50,000) square feet of commercial, office, retail, or hospitality space within Redevelopment Project Area I. In addition to reimbursing the Developer from TIF Revenue and CID Revenue for the 44th Street Improvements, the City shall, subject to annual appropriation, reimburse the Developer for a portion of the costs associated with the 44th Street Improvements from the incremental increase in revenues generated by the City's existing three-eights of one percent (0.375%) capital improvements sales tax generated within Redevelopment Project Area I and not deposited into the Special Allocation Fund.

8. Bidding, Design Criteria and Review Procedures for Private Project Improvements.

A. The construction plans, site plans and building elevations for the Private Project Improvements shall conform to the requirements of a Planned Development Overlay District approved in conjunction with the zoning district designation for Redevelopment Project Area I. In order to insure that the Private Project Improvements and their construction will be in accordance with the provisions of this Contract, and in substantial agreement with proposals made by Developer to City, the parties agree as follows:

(1) The Developer shall comply with and/or follow controls and design criteria in the Planned Development Overlay District relating to exterior improvements that defines and visually represents the exterior finishes and signage allowed for individual tenants, street furniture, lighting

and other similar features to be used throughout the development (hereinafter the "**Design Criteria**").

(2) No Private Project Improvements shall be commenced or made unless and until all the construction plans therefore, in the detail herein, or any changes thereto, shall have been submitted to City staff, all in accordance with **Section 8.A.(1)** above.

(3) City shall have the absolute right, in its sole judgment and discretion at any time to the extent allowed by State law or the City's ordinances, to approve a variance from conformance to, or a waiver of compliance with, the Planned Development Overlay District and the Land Use Approvals relating to exterior improvements, or to eliminate any one or more of such requirements in connection with the approval or disapproval of the above construction plans or changes thereto, subject to all applicable City ordinance provisions.

(4) Subsequent to commencement of the Private Project Improvements and until said Private Project Improvements have been completed, Developer shall be subject to inspection by representatives of City as described in **Section 9.A.** hereof and as required by Legal Requirements.

(5) Unless otherwise provided by law, neither City, nor any officer, director, commissioner, member, employee or agent of the same, shall be liable to Developer with respect to construction plans or modifications submitted for approval, nor for any other action in connection with its or their duties hereunder.

B. Research and Conservation Park. The Developer shall construct the Hope Valley Research and Conservation Park for wetlands mitigation in conjunction with the development of Redevelopment Project I as described in Exhibit C of the Redevelopment Plan at such time as it is required to do so by the U.S. Army Corps of Engineers and in accordance with its approved Management Plan and Permit. The Developer shall actively pursue federal and state tax credits and grants as described in the Redevelopment Plan to reduce the Reimbursable Project Costs associated with the Research and Conservation Park. Upon request of the City, the Developer shall provide to the City documentation and evidence of its efforts to obtain such tax credits and grants. Upon completion of construction of the Research and Conservation Park, it shall be dedicated by the Developer to the CID. Thereafter, the CID shall own, operate, and maintain the Research and Conservation Park.

9. Control of Project.

A. Construction. Except as otherwise provided in this Contract, Developer shall have complete and exclusive control over construction of the

Developer Controlled Improvements, subject, however, to all Legal Requirements. As to all parts of Redevelopment Project I, Developer hereby grants to City, its agents and employees the right to enter at reasonable times for the purpose of inspecting Redevelopment Project I.

B. Dedication of Right of Way. Developer shall dedicate all necessary rights-of-way located within the boundaries of the Redevelopment Area to City. Developer shall dedicate the real property necessary for construction of the Public Project Improvements to City as shown on **Exhibit D** at no cost to City. Developer shall convey, at no cost to City, the necessary rights of way located within the boundaries of the Redevelopment Area to MoDOT and convey the real property necessary for construction of the Public Project Improvements to MoDOT. To the extent that Developer does not dedicate any portion of the Redevelopment Area to MoDOT, Developer agrees that any portion not dedicated to MoDOT shall, at the option of City, be conveyed to City (or such third party as City may approve) by Special Warranty Deed free and clear of all liens and encumbrances.

C. Vacation of Right of Way by City and MoDOT. Implementation of the Redevelopment Plan may require the vacation of any existing rights of way and easements by City as well as by MoDOT. In order to allow Developer to maintain the Redevelopment Schedule, City will endeavor to facilitate the timely passage of ordinances which will vacate City-owned rights of way. City will also reasonably assist in securing the vacation by MoDOT of any MoDOT rights of way needed for implementation of the Redevelopment Plan.

D. Certificates of Substantial Completion. The City shall issue a certificate of substantial completion at such time that the Public Project Improvements are sufficiently complete in accordance with the applicable construction specifications so that the Public Project Improvements are functional and can be utilized for their intended use (herein **"Substantial Completion"**); provided that, the City has received all required approvals, licenses, and other documents from any other governmental authority having jurisdiction over the Public Project Improvements. Developer shall send City not less than ten (10) days' advance notice of Substantial Completion of the Public Project Improvements. City shall provide Developer with a detailed written notice of the reasons for objection to the Substantial Completion of the Public Project Improvements within such ten (10) day period. In the event no objections are received by Developer, Substantial Completion shall be deemed to have occurred on the date of Substantial Completion set forth in the Developer's notice provided as set forth above. In the event objections are made by the City, Developer shall proceed to correct the deficiency in accordance with the Developer Public Project Plans and the foregoing procedure shall be repeated until the deficiency is corrected and the City approves the Substantial Completion in accordance with the foregoing procedure. Upon request of Developer, City shall provide verification in writing of Substantial Completion.

E. Maintenance and Repair. Developer, at its sole cost and expense, at all times shall (1) maintain and operate Developer Controlled Improvements, but not City or State owned Public Project Improvements, like other similarly situated commercial developments, (2) timely make all necessary repairs to and replacements and restorations of all parts of the Developer Controlled Improvements, (3) keep the Developer Controlled Improvements in good condition, repair and appearance, and (4) maintain casualty insurance on the Developer Controlled Improvements in an amount equal to the full replacement value thereof and provide City with evidence of such insurance upon demand.

Unless Developer has agreed to fulfill such obligations, Developer shall use its best efforts to contractually obligate any tenant, purchaser, transferee, developer, manager, contractor or subcontractor ("**User**") to comply with the provisions of this **Section 9.E.** for its respective portion of the Private Improvements. Developer shall enforce the provisions of this **Section 9.E.** in a commercially reasonable manner. Developer hereby agrees that every lease, sales contract or other contract regarding Redevelopment Project Area I entered into following the effective date of this Contract shall indicate the responsibility of the Developer or User to fulfill **Section 9.E**. Developer shall use commercially reasonable efforts to enforce such contract rights.

10. Certificate of Completion and Compliance.

A. Upon the completion of construction of Redevelopment Project I, Developer shall submit a report certifying that the Project Improvements contained therein have been completed in accordance with the Redevelopment Plan and that it is in material compliance with all other provisions of this Contract. Developer shall, as part of its report, submit its certificate setting forth on an aggregate basis and to Developer knowledge, a reasonable estimate of (1) the total cost of completing the Project Improvements; (2) Redevelopment Project Costs incurred which are eligible for reimbursement pursuant to the Redevelopment Plan; and (3) the actual private equity and debt used to complete the Project Improvements, which may include capitalized interest to the extent actually paid to unrelated third parties during construction, but not during any "lease-up" period.

B. City may conduct an investigation, and if City determines that Redevelopment Project I or any portion thereof has been completed in material accordance with the Redevelopment Plan, as evidenced by a Certificate of Substantial Completion where appropriate and other applicable Legal Requirements, and that as of the date of the request, all of Developer's duties pursuant to this Contract have been performed, then it shall issue a Certificate of Completion and Compliance. If City determines that Redevelopment Project I or any portion thereof which is the subject of an investigation or review under this **Section 10.B.** has not been completed in material accordance with the Redevelopment Plan, or that Redevelopment Project Costs have not been incurred as certified, or that Developer is not in material compliance with the

terms of this Contract, then it shall not issue a Certificate of Completion and Compliance and shall specify in writing the reason or reasons for withholding its certification. Upon request of Developer, City shall hold a hearing at which Developer may present new and/or additional evidence.

(1) The issuance of a Certificate of Completion and Compliance by City shall be a conclusive determination of the satisfaction of the covenants in this Contract with respect to the obligations of Developer to complete the Project Improvements within the dates for the beginning and completion thereof, but shall not prevent City from future action in the event of any subsequent default by Developer in the performance of any of its other obligations under this Contract.

(2) Each such certificate issued by City shall contain a description of the real property affected thereby and shall be in such form as will enable it to be accepted for recording in the Office of the Recorder of Deeds for Newton County, Missouri.

The City shall respond within fifteen (15) days to all requests by Developer for the issuance of a certificate or hearing under this Section.

11. Financing Plan.

A. Within ninety (90) days after the Effective Date, Developer shall submit to City a financing plan for the financing of Redevelopment Project I setting forth (1) the anticipated sources of funds to pay Redevelopment Project Costs, and (2) the anticipated type and term of the sources of funds to pay said Redevelopment Project Costs (the "**Financing Plan**") for City's review and approval, which approval will not be unreasonably withheld. Before or after City approval, Developer shall immediately notify City of any material changes in the information affecting the Financing Plan for City's review and approval, which approval will not be unreasonably withheld.

B. Concurrently with delivery of the items described in **Section 11.A.** above, Developer will deliver to City its certificate stating that to the best of its knowledge and belief; (1) such sources of funds and financing commitments will enable Developer to timely implement Redevelopment Project I by constructing the Project Improvements contained therein; (2) the information and statements contained therein, taken as a whole, are accurate in all material respects and complete for the purposes for which used and made; (3) the information and statements contained therein do not fail to state any material facts necessary in order to make the statements or representations made therein, in light of the circumstances under which they were made, not misleading. Developer's warranties and representations as set forth herein shall be deemed to be ongoing until termination or expiration of this Contract.

C. At such time that Developer has secured real estate contracts for pad site sales and/or is ready to incur costs and commence with construction of the Project Improvements or a portion thereof, the Developer shall cooperate with the City and its consultants to provide sufficient information to enable the City to verify the Developer's financial capacity to complete the Project Improvements or portion thereof. The City shall have no obligation to approve the Redevelopment Project Ordinance pursuant to **Section 4.B.** hereof until it has completed the verification of the Developer's financial capacity.

12. Funding Sources and Uses of Funds.

A. Private Funds. Developer shall construct the Private Project Improvements and the Public Project Improvements with private funds. Developer shall advance all Private Funds necessary to construct the Private Project Improvements and the Public Project Improvements. The private funds will be derived from a combination of Developer's equity or equity investment provided by third parties, and debt incurred by Developer or third parties (hereinafter the "**Private Funds**").

B. Community Improvement District. Developer shall cause a valid petition for the formation of a Community Improvement District ("**CID**") with boundaries that include the Redevelopment Area to be filed with the City Council, along with all evidence, drawings, affidavits and any other supporting documentation required by the CID Act.

(1) CID Sales Tax. In accordance with the CID Act, the CID will take all steps necessary, and as expeditiously as possible, to impose a sales tax in the amount of one percent (1%) (the "**CID Sales Tax**") on all retail sales in the CID area.

(2) Capture of CID Sales Tax Revenue as EATs. Following the activation by Ordinance of Redevelopment Project I and Redevelopment Project Area I, the CID Sales Tax will be an Economic Activity Tax. As such, subject to the calculation of Economic Activity Taxes as defined in the Act, approximately fifty percent (50%) of the revenues generated by the CID Sales Tax occurring within Redevelopment Project Area I will be directed to the Special Allocation Fund. All Redevelopment Project Costs which are included within the definition of "projects" in the CID Act will also be declared as Reimbursable Project Costs.

(3) CID Cooperative Agreement. The parties will enter into a into a contract with the CID that shall specify the rights, duties and obligations of the City, Developer and CID with respect to the operation and management of the CID and the use of the CID Sales Tax revenues. The CID Cooperative Agreement shall include, without limitation, provisions granting City (1) the right to review and reasonably approve all budgets (capital or operating) of the CID prior to adoption thereof by the

CID and (2) such other provisions as City shall reasonably determine to be necessary for the CID's role in the implementation and funding of this Redevelopment Plan. The contract shall further provide that the CID may pledge that portion of the CID Sales Tax revenue not captured as EATs to the payment of Reimbursable Project Costs, subject to the limitations of the CID Act.

13. Conditions Precedent to Developer's Duties. Developer's obligations hereunder are expressly conditioned upon the occurrence of each of the following events:

A. City approval of the Financing Plan pursuant to **Section 11** hereof.

B. The establishment of the CID and the imposition of the CID Sales Tax.

C. City approval of all zoning, subdivision and permit applications required for implementation of the Redevelopment Plan.

D. Developer obtaining the financing substantially in accordance with the terms set forth in the Financing Plan, provided such financing is deemed satisfactory in the sole discretion of Developer to implement this Redevelopment Plan.

E. MoDOT approval of construction plans for Public Project Improvements to be owned by MoDOT, including all right-of-way and easement acquisition.

F. MoDOT approval of all construction plans for all improvements within the MoDOT right-of-way.

G. MoDOT and City approval of all applications for vacation of right-of-way and sale/transfer to Developer.

By commencing construction, which for purposes of this clause means the pouring of footings and foundations, for any of the Private Project Improvements, Developer shall be deemed to have agreed that all of the foregoing conditions precedent in this **Section 13** have been satisfied or, to the extent not so satisfied, Developer shall be deemed to have waived all such conditions precedent. City and Developer agree to use good faith efforts and cooperate with and assist each other in accomplishing all of the foregoing conditions precedent on or before the date set forth above.

14. Conditions Precedent to City's Duties. City's obligations hereunder are expressly conditioned upon the occurrence of each of the following events:

A. The establishment of the CID and the imposition of the CID Sales Tax.

B. City approval of the Financing Plan pursuant to **Section 11** hereof.

C. Developer obtaining the financing substantially in accordance with the terms set forth in the Financing Plan, provided such financing is deemed satisfactory in the sole discretion of Developer to implement this Redevelopment Plan.

D. MoDOT approval of construction plans for Public Project Improvements to be owned by MoDOT, including all right-of-way and easement acquisition.

E. MoDOT approval of all construction plans for improvements within the MoDOT right-of-way.

F. MoDOT approval of all applications for vacation of right-of-way and sale/transfer to Developer.

G. City approval of all zoning, subdivision and permit applications required for implementation of the Redevelopment Plan.

City and Developer agree to use good faith efforts and cooperate with and assist each other in accomplishing all of the foregoing conditions precedent.

15. Payments in Lieu of Taxes.

A. Pursuant to the provisions of the Redevelopment Plan and the Act, including, but not limited to, Section 99.845 thereof, when Tax Increment Financing is established by Ordinance for a Redevelopment Project Area, the real property located therein is subject to assessment for annual Payments in Lieu of Taxes. Payments in Lieu of Taxes shall be due November 30 of each year in which said amount is required to be paid and will be considered delinquent if not paid by December 31 of each such year or as otherwise determined by applicable law. The obligation to make said Payments in Lieu of Taxes shall be a covenant running with the land for the duration of the Redevelopment Plan (and any renewal periods thereof) and shall create a lien in favor of City on each such tax parcel as constituted from time to time and shall be enforceable against Developer and its successors and assigns in ownership of property in Redevelopment Project Area I.

B. Failure to pay Payments in Lieu of Taxes as to any property in a Redevelopment Project Area shall constitute a default by the owner, assignee, and/or tenant of such property (but not the Developer in the event Developer is not the owner of such property) of the provisions of **Section 35** hereof, and shall entitle City, the County Collector or any other government official or body charged with the collection of any such sums (any one or more of such persons hereinafter individually or collectively referred to as the "**Collection Authority**") to proceed against such property and/or the tenant or the owner thereof (but not Developer in the event Developer is not the owner of such property) as in other

delinquent property tax cases or otherwise as permitted at law or in equity, and, if applicable, such failure shall entitle the Collection Authority to seek all other legal and equitable remedies it may have to ensure the timely payment of all such sums; provided, however, that the failure of any property in a Redevelopment Project Area to yield sufficient payments in lieu of taxes because the increase in the current equalized assessed value of such property is or was not as great as expected, shall not by itself constitute a breach or default. Promptly upon the designation and approval of a Redevelopment Project Ordinance, City shall use all reasonable and diligent efforts to promptly notify the County Assessor, County Collector, the City Treasurer and all other appropriate officials and persons and seek to assess the property within Redevelopment Project Area I as described in the Act and fully collect the Payments in Lieu of Taxes and implement reimbursement of Reimbursable Project Costs as provided in this Contract and in the Redevelopment Plan.

C. Notwithstanding anything to the contrary, herein, the lien on property within a Redevelopment Project Area shall be deemed (1) released as to any public street or other public way included within any plat proposed by Developer, effective upon the passage of an Ordinance by City approving the same, and (2) subordinated to the lot lines, utility easements and other similar matters established by any such plat (but not to any private access or parking rights granted or created by any such plat), effective upon the passage of Ordinance by City as aforesaid, and to any easement or like interests granted to City or any public utility for public facilities or utilities or connection(s) thereto.

16. Economic Activity Taxes. In addition to the Payments in Lieu of Taxes described herein, and pursuant to Section 99.845.3 of the Act, Economic Activity Taxes shall be allocated to, and paid by the collecting officer, who shall be the City, as hereinafter provided, to the City Treasurer or other designated financial officer of City, who shall deposit such funds in the Economic Activity Account within the Special Allocation Fund. Following the approval of Redevelopment Project I, for as long as Redevelopment Project Area I is subject to Tax Increment Financing, Economic Activity Taxes shall be determined in accordance with the following procedures (subject, however, to the provisions of Section 99.835 of the Act):

A. Documentation of Economic Activity Taxes. So long as Developer owns the subject property within Redevelopment Project Area I, Developer shall use commercially reasonable efforts to include the provisions as specified in **Section 26** hereof in all lease documents with tenants located at such subject property within a Redevelopment Project Area requiring said sales tax information to be provided to City. Developer shall use commercially reasonable efforts to include a similar provision in all sales contracts with purchasers of property located in a Redevelopment Project Area requiring said sales tax information to be provided to City. So long as Developer owns the subject property within Redevelopment Project Area I, Developer shall use commercially reasonable efforts to enforce said provisions with respect to such subject property, and Developer shall use commercially reasonable efforts to provide that

each such lease or sales contract provide that City is an intended third party beneficiary of such provisions and has a separate and independent right to enforce such provisions directly against any such tenant or purchaser. City shall comply with all applicable state laws limiting disclosure of sales tax information related to individual business provided to the City as documentation of Economic Activity Taxes. The City shall provide copies of all such sales tax information provided by tenants, users, occupants and owners within Redevelopment Project Area I to Developer upon request by Developer, but in no event later than thirty (30) days after such request.

B. Certification by City. City, following reasonable research and investigation, using independent consultants, accountants and counsel shall certify the nature and amount of Economic Activity Taxes payable by each Taxing District from which Economic Activity Taxes are due, or as otherwise required by the procedures and requirements of the Taxing District from time to time established. Upon written request from Developer or Taxing District, City shall provide its certification of Economic Activity Taxes due to the governing body of each such Taxing District.

17. Special Allocation Fund. The City Treasurer shall establish and maintain the Special Allocation Fund which shall contain two (2) separate segregated accounts. Payments in Lieu of Taxes shall be deposited into the Payment in Lieu of Taxes Account within the Special Allocation Fund. Economic Activity Taxes, including the EATS portion of the CID Sales Tax, shall be deposited into the Economic Activity Account within the Special Allocation Fund. Payments in Lieu of Taxes and Economic Activity Taxes so deposited and any interest earned on such deposits will be used for the payment of Reimbursable Project Costs and for the distribution to the Taxing Districts, in the manner set forth in the Redevelopment Plan and this Contract.

18. Disbursements from Special Allocation Fund. Disbursements from the Special Allocation Fund will be made in the following manner and order of priority:

A. Payment of fees and expenses incurred by the City in the administration of the Redevelopment Plan and this Contract as detailed in **Section 44.A.** hereof, to the extent not reimbursed pursuant to the Funding Agreement referenced in **Section 44** hereof;

B. Payment of any Payment in Lieu of Taxes derived from the value of any real property, or any portion of real property, within Redevelopment Project Area I which is classified residential by the County Assessor after the redevelopment of said property which shall be declared as surplus and distributed to the taxing jurisdictions in accordance with the provisions of Section 99.820.1(12) of the Act; and

C. Reimbursement of Reimbursable Project Costs.

19. Reimbursable Project Cost Certification.

A. Request for Certification. Developer shall have the right to submit requests for certification for the line items and within the budget amounts identified on **Exhibit F** as reimbursable expenses, and including Financing Costs incurred by Developer relating to Private Loans obtained to fund Reimbursable Project Costs. Developer shall submit its request for certification of Reimbursable Project Costs incurred within thirty (30) days of the date of the end of each City fiscal year for all such costs incurred during said fiscal year. For all Reimbursable Project Costs incurred by Developer prior to the execution of this Contract, such Reimbursable Project Costs shall be submitted for certification within thirty (30) days from the date of the end of the first fiscal year after execution of this Contract. Upon presentation to City of an application for certification of Reimbursable Project Costs which details Reimbursable Project Costs paid in accordance with this Contract and the Redevelopment Plan, together with such supporting documentation in a format as stipulated by the City (including copies of invoices, canceled checks, receipts, lien waivers, and such other supporting documentation as City shall reasonably require) as City shall reasonably determine to be necessary (the **"Reimbursement Request"**), City shall review, verify and confirm the information included in the Reimbursement Request. The Reimbursement Request shall (1) identify each item of Reimbursable Project Cost by line item category in the Redevelopment Project Cost Budget separately, (2) aggregate all costs in the Reimbursement Request by line item category as set forth in the Redevelopment Project Cost Budget or elsewhere in this Contract, (3) include a report setting forth the total amount, by line item category from the Redevelopment Project Cost Budget, of all Reimbursable Project Costs set forth in the then-current Reimbursement Request and all prior Reimbursement Requests approved by City or for which approval is pending, and (4) include a report setting forth the percentage of work, by line item category from the Redevelopment Project Cost Budget, completed as of the date of the current Reimbursement Request. Notwithstanding anything contained herein to the contrary, Developer shall be entitled to transfer amounts among each line item category in **Exhibit F** so long as Developer does not (a) exceed the aggregate of the Total Reimbursable Project Costs, (b) transfer to line items that are not approved for Tax Increment Financing funds, or (c) result in any additional fees or payments directly to Developer. If City determines that: (i) the Reimbursement Request accurately reflects Reimbursable Project Costs paid in accordance with this Contract and the Redevelopment Plan and (ii) the Reimbursable Project Costs for which certification is requested (considered in combination with all prior amounts certified for the same cost category or item, as applicable) are in accordance with the Redevelopment Project Cost Budget (subject to the foregoing sentence), it shall approve and certify the Reimbursement Request. If City, pursuant to its review of such Reimbursement Request and supporting documentation, determines that any portion of the request for reimbursement should not be approved, it shall promptly state the reasons for such disapproval to Developer. Any such disapproval may be appealed by Developer to the City Council, which shall upon Developer's request

hold a hearing at which Developer may present new and/or additional evidence. No Reimbursement Request will be approved if it causes the total Reimbursable Project Costs to exceed the Final Project Budget without the formal approval by City Council of an amended and restated **Exhibit F** reflecting such an increase. Each Reimbursement Request for Developer Reimbursable Project Costs shall be approved administratively, and no action of the City Council shall be required to approve such Reimbursement Request. All Reimbursement Requests and Draw Certificates for City Reimbursable Project Costs may be approved by the City Treasurer and Developer shall not be required to approve or consent to any such Reimbursement Request for City Reimbursable Project Costs prior to the disbursement of funds to City. The City shall respond within a reasonable time period not to exceed thirty (30) days to all requests by Developer for approval under this **Section**.

B. Cost Allocation Across Line Items. Developer shall, in each Reimbursement Request, identify the specific line item within the Redevelopment Project Cost Budget as to which each Reimbursable Project Cost for which certification is requested is assigned. Subject to the provisions in **Section 19.A.** herein, savings in the amount expended with respect to any specific line item in the Redevelopment Project Cost Budget may be used to fund cost overruns in another line item of the Redevelopment Project Cost Budget. To the extent Developer achieves savings in the Total Project Costs as shown on **Exhibit F** and as reduced by costs associated with the Public Project Improvements, the amount of Total TIF/CID Reimbursable Project Costs as shown on **Exhibit F** and as reduced by costs associated with the Public Project Improvements shall be reduced proportionally so that the ratio of Total Project Costs to Total TIF/CID Reimbursable Project Costs remains constant.

C. Payment of Interest Expenses

(1) Third Party Borrowing. In the event Developer incurs Financing Costs on amounts Developer was loaned to finance and pay for Reimbursable Project Costs from a "non-Affiliate" third party in an arms-length transaction, City shall reimburse Developer as a Reimbursable Project Cost the actual Financing Costs incurred and certified pursuant to **Section 19**. For purposes of calculating interest expenses, Developer shall certify its interest expense pursuant to **Section 19** as a separate line item expense. For the month in which interest expense is initially incurred with respect to any advance of funds, the interest expense shall accrue from the 15th day of the month incurred for costs certified from the 1st through the 14th day of a month and from the last day of the month incurred for costs certified after the 15th day of a given month.

(2) Affiliate Borrowing. In the event Developer incurs Financing Costs on amounts Developer was loaned to finance and pay for Reimbursable Project Costs from an Affiliate of Developer, City shall reimburse Developer as a Reimbursable Project Cost with the actual

Financing Costs incurred and certified pursuant to this **Section 19**. Financing Costs under this **Section 19.C.(2)** shall not exceed the lesser of (i) the lowest rate at which any Affiliate of Developer, loans any funds to any other first tier Affiliate of Developer for any purpose, (ii) the actual lowest cost of funds at which an Affiliate of Developer is able to borrow funds for its corporate purposes from time to time, or (iii) the rate at which the Developer could have acquired private financing from a non-Affiliate lender. For purposes of calculating interest expenses, Developer shall certify its interest expense pursuant to this **Section 19** as a separate line item expense, and as part of such certification Developer shall certify to City the actual lowest cost of funds at which any Affiliate of Developer is able to borrow funds for its corporate purposes as of the date such interest was incurred. For the month in which interest expense is initially incurred with respect to any advance of funds, the interest expense shall accrue from the 15th day of the month incurred for costs certified from the 1st through the 14th day of a month and from the last day of the month incurred for costs certified after the 15th day of a given month.

(3) Interest on Developer Equity – Project Improvements. In the event Developer finances a portion of the Reimbursable Project Costs associated with the Project Improvements with equity, Developer shall receive as a Reimbursable Project Cost, in addition to the return of its equity, interest on said equity as and from the date the equity was advanced at the same rate charged to Developer by its lender for debt financing. For purposes of calculating interest expense on Developer advanced equity, Developer shall certify its interest expense pursuant to this **Section 19** as a separate line item expense. For the month in which equity is initially advanced, the interest expense shall accrue from the 15th day of the month for equity advanced from the 1st through the 14th day of a month and from the last day of the month for equity advanced after the 15th day of a given month.

(4) Limit on Total Interest Expense. Notwithstanding any other provision in this **Section 19.C.** or elsewhere in this Contract, the total amount of interest expense to be reimbursed to the Developer for Redevelopment Project I from TIF Revenue (including that portion of CID Revenue deposited in the Special Allocation Fund) shall not exceed $5,678,972 as shown on **Exhibit F**.

20. Payment of Project Costs - "As Collected" Basis. The Reimbursable Project Costs shall be reimbursed from the Special Allocation Fund on an "as collected" basis. Developer shall present to the City a Reimbursement Request for the City's certification pursuant to the procedure set forth in **Section 19**. The City shall disburse to Developer sufficient proceeds from the Special Allocation Fund, to the extent such funds are available in the Special Allocation Fund, to pay those amounts identified on the certified Reimbursement Request within thirty (30) days following City's certification

of such Reimbursement Request. City shall have the right to require lien releases (full or partial) and such other releases and documents as City may reasonably require prior to authorizing any such disbursement.

21. Cost Overruns. The Project Improvements shall be constructed in substantial accordance with the Redevelopment Project Cost Budget attached hereto as **Exhibit F**. In no event shall the aggregate total of the Reimbursable Project Costs that is to be paid for in whole or in part from the Special Allocation Fund exceed the aggregate of the Total Reimbursable Project Costs set out on **Exhibit F**, and if and to the extent that the Reimbursable Project Costs, exceed the Redevelopment Project Cost Budget in the aggregate then, Developer, subject to its right to seek to amend the Redevelopment Plan or this Contract, shall pay and be responsible for such Reimbursable Project Costs that exceed the Redevelopment Project Cost Budget in the aggregate.

22. Full Assessment of Redevelopment Area. After all Reimbursable Project Costs have been paid, payment of all Redevelopment Project Costs and distribution of any excess moneys pursuant to Section 99.845 and 99.850 of the Act, but not later than twenty-three (23) years from the adoption of an Ordinance approving and designating Redevelopment Projects, City shall adopt an Ordinance dissolving the Special Allocation Fund and terminating the designation of the Redevelopment Area as a redevelopment area under the Act (the "**Termination Ordinance**"). From that date forward, all property in Redevelopment Project Area I shall be subject to assessments and payment of all ad valorem taxes, including, but not limited to, City, State, and County taxes, based on the full true value of the real property and the standard assessment ratio then in use for similar property by the County Assessor. After the adoption of the Termination Ordinance, the Redevelopment Area shall be owned and operated by Developer free from the conditions, restrictions and provisions of the Act, of any rules or regulations adopted pursuant thereto, of the Ordinance, of the Redevelopment Plan, and of this Contract, except as otherwise set forth herein or therein.

23. Public Participation. The purpose of affording public assistance to Redevelopment Project I is to accomplish the stated public purposes and not to subsidize an otherwise economically viable development project. While it has been determined by both the Commission and the City Council that Redevelopment Project I would not be undertaken but for the public assistance being provided, the parties recognize that the ongoing profitability of Redevelopment Project I to Developer is based upon projections that may or may not be fulfilled. Therefore, in order to ensure that the public assistance being provided does not subsidize an unreasonable level of earnings for Developer, the parties agree that a reasonable level of earnings for Redevelopment Project I is an "all cash" annual rate of return upon the Private Investment (as hereinafter defined) of twenty percent (20%) after taxes (the "**Annual Rate of Return**"). The amount of Private Investment shall be reduced by the net proceeds of any sale of property in the Redevelopment Area by Developer.

A. Cash Flow. Each year the Developer shall determine if, as of the last day of each calendar year after the Effective Date of this Contract and prior to the termination of the Redevelopment Area as a development area pursuant to **Section 22** hereof, the Net Cash Flow (as hereinafter defined) exceeds the cash flow necessary to generate said Annual Rate of Return. If such excess exists, Developer may carry such excess forward to offset any years in which the Net Cash Flow is less than the cash flow necessary to generate said Annual Rate of Return. Similarly, if the Net Cash Flow in any year is less than the cash flow necessary to generate said Annual Rate of Return, Developer may carry forward such shortfall to offset any years in which the Net Cash Flow is in excess of the cash flow necessary to generate said Annual Rate of Return. Within ninety (90) days of the effective date of the Termination Ordinance, Developer shall add together all such annual excesses and/or shortfalls, and determine if there is a cumulative excess or shortfall. In the event Developer determines at such time that a cumulative excess exists, Developer shall, provided that City is not otherwise in default of this Contract beyond applicable grace and cure periods, contribute to the City the City Share (as hereinafter defined) of such cumulative excess to be distributed by the City to the impacted taxing districts on a pro rata basis. Any cumulative excess remaining after the contribution of the City Share of the cumulative excess to the City shall be retained by Developer.

B. Developer Financial Information.

(1) Developer shall upon written request by City but not more than once per calendar year, provide to City a complete written financial statement to City in a format reasonably acceptable to City showing in reasonable detail the calculation of actual earnings from Redevelopment Project I and Net Cash Flow. Such statement shall include the income attributable to all Private Project Improvements. The financial statement shall include only those expenses which are reasonable and necessary to the operation of the Private Project Improvements and those Public Project Improvements maintained or operated by Developer, and may include allocable reasonable general administrative expenses.

(2) Developer shall upon written request by City but not more than once per calendar year, provide to City the amount of Private Investment by Developer and the month in which each item constituting a component of the Private Investment was expended (it being agreed that Developer shall be entitled to a return upon each such amount constituting a component of the Private Investment from the date the Private Investment was made), including the total amount of all net proceeds of any sale of property in the Redevelopment Area by Developer, together with a calculation of Developer's Annual Rate of Return on Private Investment in accordance with the provisions of **Section 23.A.** hereof.

(3) All such statements shall be certified to by Developer's Chief Financial Officer, shall be prepared in accordance with generally accepted

accounting principles consistently applied (except as otherwise specified herein). Upon request from City, Developer shall provide such additional information or documentation as City shall reasonably require to verify or confirm the information set forth in such statements or to otherwise determine Developer's obligations hereunder and compliance with the requirements hereof.

C. Audit Right. Upon ten (10) days prior written notice, City may cause an audit, at City's sole cost and expense, of Developer's statements and calculations referred to herein by City's staff or consultant. If, as a result of any such audit, City believes that Developer's statement is materially inaccurate, then City shall inform Developer of its position in writing along with providing reasonable details and the material basis for City's position. Developer and City shall meet and discuss their conflicting positions (the "**Audit Meeting**"). If following the Audit Meeting both parties agree that Developer made a material misrepresentation in its statements, then the Developer shall immediately remit the costs of the City's audit, and submit its revised statement. Provided, however, if the parties do not come to agreement following the Audit Meeting, the Developer shall have a right to appeal the City's position to the City Manager at which appeal it may provide additional evidence.

D. For purposes of this **Section 23**, the following terms shall have the meaning set forth below:

(1) **City Share:** The percentage equal to the percentage that the total actual Reimbursable Project Costs paid from the Special Allocation Fund (hereinafter the "**Public Investment**") bears to the sum of Public Investment plus Private Investment. For example purposes, if the amounts set forth in the **Exhibit F** Budget are actually expended, the Public Investment would be the $17,157,199 shown as TIF reimbursable expenses, the Private Investment would be the $39,632,518 shown as Developer expenses (plus any other Private Investment as defined below), and thus the City Share would be 30%.

(2) **Net Cash Flow:** The net operating income from Redevelopment Project I, determined in accordance with generally accepted accounting principles consistently applied (except as otherwise specified herein), for each calendar year during which the provisions of this **Section 23** are applicable. In determining the net operating income from Redevelopment Project I there shall be no reduction for (a) debt service (principal or interest), depreciation, amortization, reserve deposits or any other non-cash charges, nor (b) any costs or expenses relating to sales of all or any part of Redevelopment Project I or any real property in Redevelopment Project Area I.

(3) **Private Investment:** The total cost incurred by the Developer in the construction, development and operation of the Private

Project Improvements which are paid by Developer with Private Funds, including Developer's capital expenditures on the Private Project Improvements during the term of this Contract, as determined in accordance with generally accepted accounting principles consistently applied, reduced by all net proceeds (after deduction of reasonable costs and expenses of such sale) from sales of all or any part of Redevelopment Project I or any real property in Redevelopment Project Area I; subject, however, to the provisions of this **Section 23**.

E. Financial Statements. Developer shall, upon written request by City but not more than once per calendar year, submit to City, within ninety (90) days after the close of Developer's fiscal year, financial statements of Developer, certified by an independent certified public accounting firm.

24. Calculation of Public Participation. From and after the consummation of any sale or conveyance (not including leases) to any unaffiliated third party of any portion of Redevelopment Project I, City's participation pursuant to **Section 23** hereof and as outlined in this Section shall end as to that part so sold or conveyed after the date of such sale or conveyance and the proceeds thereof shall be taken into account in determining Net Cash Flow pursuant to the terms hereof.

25. Tenant Approvals and Prohibitions.

A. The Developer shall have complete and exclusive control over the leasing or sales of property that it owns within the Redevelopment Area including, without limitation, the fixing of rentals and the selection or rejection of users; provided, however, that the City prohibits certain uses and shall have the right to review and approve the following Tenants within the Redevelopment Area:

(1) Existing Users in the City. Without the approval of the City, which approval shall not be unreasonably withheld, the Developer shall not cause the relocation of a tenant into the Redevelopment Area, which is then open and operating one or more facilities in the City and then ceases to operate at least the same number of existing facilities within one (1) year of the opening of the new facility within the Redevelopment Area.

(2) Restaurants. Without City approval, which approval shall not be unreasonably withheld, the Developer shall not lease or sell more than two (2) of the lots in the Redevelopment Area to Fast Food Restaurants as hereinafter defined. For the purpose of this section a Fast Food Restaurant shall be defined as a restaurant with all of the following characteristics:

(a) A "drive through" window;

(b) Less than 15 tables for the service of customers;

(c) No menu items in excess of $8.00;

(d) No waiter or waitress service; and

(e) No Liquor, wine or beer sales.

(3) Surplus or Second Hand Stores. Without City approval, which approval shall not be unreasonably withheld, the Developer shall not lease or sell any of the Redevelopment Area to a store whose primary business is the sale of used or second hand merchandise, a thrift shop, or a flea market.

(4) Gasoline Station/Convenience Stores. Without City approval, the Developer shall not by sale or lease locate more than one (1) gasoline station/convenience store in the Redevelopment Area. For the purpose of this section a gasoline station/convenience store shall be defined as a facility where gasoline, diesel fuel and oil may be dispensed at retail with no automobile repair facilities. Uses may also include the sale of cold drinks, packaged foods, tobacco and similar household convenience goods for station customers.

(5) Auto Repair Businesses or Lube Shops. The Developer shall not, without City approval, which approval shall not be unreasonably withheld, sell or lease any of the Redevelopment Area to a store whose primary business is as an automobile repair or lube shop or similar business that includes garage doors as a primary feature of its facility.

(6) Non-Sales Tax Generating Businesses. The Developer shall not, without City approval, sell or lease for development more than 20,000 square feet of finished first (1st) floor space in the Redevelopment Area to non-sales tax generating businesses such as office uses or fitness centers.

26. Lease of Project Property.

A. Developer, or any third party, may lease real property within the Redevelopment Area. With regard to leases entered into following the Effective Date of this Contract, Developer shall use commercially reasonable efforts to insert in any such lease, and shall use commercially reasonable efforts to cause any third party to insert language reasonably similar to the following and shall use commercially reasonable efforts to have such Developer-lease signed by the lessee indicating acknowledgment and agreement to the following provision:

Economic Activity Taxes and Community Improvement District Taxes

Tenant acknowledges that the Leased Premises are a part of a Tax Increment Financing district (**"TIF District"**) created by the City and that certain taxes generated by Tenant's economic activities), including sales taxes, will be applied toward the costs of certain improvements for the Development. In addition, Tenant acknowledges that the Shopping Center (including Tenant's Premises) are or may become within the area of a Community Improvement District (**"CID"**) which will have the power to impose a sales tax on any retail sales generated within Tenant's Premises. Upon request of the City, Tenant shall forward to the City copies of Tenant's State of Missouri sales tax returns for its property located in the TIF District when and as they are filed with the Missouri Department of Revenue, and, upon good cause shown, shall provide such other reports and returns regarding other local taxes generated by Tenant's economic activities in the TIF District and/or the City which will permit the City to administer the TIF as well as the CID.

Tenant shall provide to Landlord upon Landlord's request a certification to the City that this Lease includes the provisions of preceding paragraph.

Tenant represents and warrants that its business is not currently located in the City within the meaning of the TIF Act. Tenant acknowledges that if Tenant's business is currently located within the City within the meaning of the TIF Act or the TIF Contract, this Lease shall not be effective unless the City Council approves this Lease, in addition to any other required approvals. Tenant acknowledges that the City is a third-party beneficiary of the obligations in this Section, and that the City may enforce these obligations in any manner provided by law.

Failure of Developer to require that such restrictions be placed in any such lease shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Redevelopment Area. The City shall comply with all applicable state laws limiting disclosure of sales tax information related to individual businesses provided to the City as documentation of Economic Activity Taxes.

27. Sale or Disposition of Project Property.

A. Purchasing Entity. As a condition precedent to: (1) the transfer of any property interest within the boundaries of the Redevelopment Area to any transferee, other than a Lender or a party under any sale or lease of a pad site parcel for the construction thereon of improvements to be used by the purchaser or lessee of the parcel or its affiliate or borrower (such as the sale, lease, or transfer of a pad site retail building area for the construction and operation

thereon, or (2) any transfer and assignment of Developer's obligations as set forth in **Sections 30 and 33** hereof, the Developer shall require the transferee or assignee to comply with the requirements of the Redevelopment Plan and the obligations set forth in this Contract. As a condition to the City granting consent, the City may require the transferee or assignee to expressly assume in writing the obligations of Developer hereunder. Upon such sale or disposition, Developer shall be released from its obligations in this Contract relating to said transferred property or transferred or assigned obligations.

B. Continuation of Payments in Lieu of Taxes. In the event of the sale or other voluntary or involuntary disposition of any or all of the real property of Developer or any third party in the Redevelopment Area, Payments in Lieu of Taxes with respect to the real property so sold or otherwise disposed of shall continue and shall constitute a lien against the property from which they are derived, and such obligations shall inure to and be binding upon Developer and its successors and assigns in ownership of said property as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable as if such purchaser, transferee or other possessor thereof were originally a party to and bound by this Contract.

C. Obligation to Ameliorate Existing Conditions. Developer's obligations pursuant to **Section 5** hereof, unless earlier satisfied and certified pursuant to **Section 10** hereof, shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties as if they were in every case specifically named.

D. Incorporation. The restrictions set forth above in **Section 27** hereof, shall be incorporated into any deed or other instrument conveying an interest in real property, other than a lease agreement, within the Redevelopment Area and shall provide that said obligations or restrictions shall constitute a benefit held by both Developer and City and that City is an intended third party beneficiary of said obligations and restrictions. Failure of Developer to require that such restrictions be placed in any such deed or other instrument shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Redevelopment Area.

E. Notification to City of Transfer; City Council Approval. Developer shall notify City in writing of any proposed sale or other transfer of any or all of the real property in the Redevelopment Area or any interest therein other than any sale of a pad area for the construction thereon of improvements to be used by the purchaser of the pad area or its affiliate for retail and other permitted uses as provided for in this Contract. Such notice shall be provided not less than sixty (60) days prior to the proposed effective date of the sale or other transfer in a manner as described in **Section 37** hereof and shall include a copy of the instrument effecting such sale or other disposition to enable City to confirm that the requirements set forth above in this **Section 27** hereof have been fulfilled. Notwithstanding anything to the contrary herein, prior to Developer's sale or other

transfer of any or all of the real property in the Redevelopment Area or any interest therein other than any sale of a pad area for the construction thereon of improvements to be used by the purchaser of the pad area or its affiliate for retail and other permitted uses as provided for in this Contract, Developer must obtain the consent to such sale or transfer by the City Council, such consent not to be unreasonably withheld.

28. Progress Reports.

A. Upon the City's written request (not to exceed more than once per year) until all Project Improvements are completed, Developer shall report to the City Council the progress of its implementation of Redevelopment Project I. Such reports shall include such information as is required under the reporting requirements of the Act, such additional information as City may reasonably require, and such additional information as Developer wishes to present, including, without limitation:

(1) Project Improvements completed;

(2) status of Project Improvements in progress but not yet completed;

(3) actual Redevelopment Project Costs in the Redevelopment Area compared to Redevelopment Plan estimates;

(4) actual start and completion dates of Project Improvements in the Redevelopment Area compared to Redevelopment Plan estimates; and

(5) estimated start date of Project Improvements not yet commenced at date of report.

B. Developer shall from time to time furnish such other reports on specific matters not addressed by the foregoing as City may reasonably require.

29. Compliance with Laws. Subject to Developer's rights to contest the same in any manner permitted by law, Developer, its officers, directors and principals, at its sole cost and expense, shall comply in every respect with all Legal Requirements, ordinances, rules and regulations of all federal, state, county and municipal governments, agencies, bureaus or instrumentalities thereof now in force or which may be enacted hereafter which pertain to construction of the Project Improvements, the ownership, occupancy, use and operation of Redevelopment Project I and the Redevelopment Area.

30. Assignment of Developer's Obligations. The Developer represents that its undertakings pursuant to this Contract are for the purpose of redevelopment. Without limiting the rights of Developer or any third party under **Section 27** hereof, Developer agrees that this Contract and the rights, duties and obligations hereunder may not and

shall not be assigned by Developer without the prior written consent of the City Council, not to be unreasonably withheld, delayed or conditioned. Any proposed transferee shall have all of the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations of Developer, and, if the proposed transfer relates to a portion of the Redevelopment Area on which Project Improvements are under way, such obligations to the extent that they relate to such property. Any proposed transferee shall, expressly for the benefit of City, enter into an agreement with the City obligating the transferee to assume all of the obligations of Developer under this Contract and agree to be subject to all the conditions and restrictions to which Developer is subject (or, in the event the transfer is of or relates to a portion of the Redevelopment Area, such obligations, conditions and restrictions to the extent that they relate to such portion). For purposes of this section, any sale, transfer, assignment, pledge or hypothecation of an interest in Developer (other than to an Affiliate of Developer) that results in a change in management control of Developer will constitute an assignment of this Contract. Notwithstanding the foregoing:

A. Developer may at any time without the City's consent convey the Redevelopment Area, assign its rights, and delegate its duties and obligations under this Contract to any entity controlled by the Developer or the principals of the Developer, provided that the management of the entity is provided by the principals, or by an entity which they together or individually control.

B. For so long as any of the principals of the Developer or their entities continues to be the managing member or managing partner of Developer or any successor entity to Developer, no sale, transfer, assignment, pledge or hypothecation of an interest in Developer, to an investor, or other person will be construed as resulting in a change of control or construed as constituting an assignment of this Contract that requires the City's consent.

C. No consent will be required under this section for any pledge or assignment of this Contract or pledge or assignment of an interest in Developer or any interest in any member of Developer as collateral security for Developer's financing.

D. Approval by the City Manager, not to be unreasonably withheld, will be required under this section for any sale or lease of a pad site parcel for the construction thereon of improvements to be used by the purchaser or lessee of the parcel or its affiliate or borrower (such as the sale, lease, or transfer of a pad site retail building area for the construction and operation thereon).

Upon such assignment, Developer shall be released from such obligations accruing after the date of such assignment.

31. Assignment of Payments. Notwithstanding the provisions of **Section 30**, the Developer may assign or pledge its right to receive reimbursement for Reimbursable Project Costs incurred by providing City with notice of any such assignment or pledge.

Such assignment or pledge shall remain subject to the terms, provisions and conditions of this Contract.

32. Collateral Assignment of Contract. Notwithstanding the provisions of **Section 30**, the Developer may assign or pledge its rights under this agreement as collateral by providing City with notice of any such assignment or pledge. Such assignment or pledge shall remain subject to the terms, provisions and conditions of this Contract.

33. Transfer of Interests in Developer – City Approval. Developer shall, prior to the sale, conveyance, merger or other transfer of greater than fifty percent (50%) of the voting interest in Developer membership interests if Developer is a limited liability company and any transfers by operation of law, deliver to City a request for approval of such transfer, and no such transfer shall be permitted except with the prior approval of City; provided, however, that the members, partners or shareholders of Developer as of the Effective Date, shall have the right to transfer, in one or more transactions, the ownership interest in Developer, without City's consent, to any entity or entities to which Developer is permitted, without City's consent, to transfer property and assign its obligations in the Redevelopment Area pursuant to **Section 30** hereof. Upon submission by Developer of any request for transfer to City, City shall have the right to request such documentation and information as City shall determine to be reasonably necessary or desirable to determine whether such transfer is acceptable to City. Any purported transfer by Developer or any party owning any interest in Developer of any interest without the consent of City shall be null and void. In addition, City may require Developer, as a condition precedent to the transfer of any interests in Developer, to require the transferee to enter into an agreement with City obligating the transferee to comply with the requirements of the Redevelopment Plan and the obligations in this Contract relating to the property. Notwithstanding the foregoing, Developer or Developer's members, or any one of them, may, without notice to or approval of City, transfer interests in Developer to any Affiliate of such member, if such transfer does not result in a material change in the controlling interests of Developer.

34. Indemnification.

A. Developer shall indemnify, protect, defend and hold City and its officers, directors, members, commissioners, employees and agents (collectively, the "**Indemnified Parties**" or, individually, an "**Indemnified Party**") harmless from and against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed, of whatsoever kind or character (including consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any acts or omissions of Developer, its constituent members or partners, their employees, agents, independent contractors, licensees, invitees or others acting by, through or under such indemnifying parties, in connection with its or their activities conducted pursuant to this Contract and/or in connection with the ownership, use or occupancy and development or redevelopment of the Redevelopment Area or a portion thereof and the Project Improvements.

B. In the event any suit, action, investigation, claim or proceeding (collectively, an "**Action**") is begun or made as a result of which Developer may become obligated to one or more of the Indemnified Parties hereunder, the Indemnified Party shall give prompt notice to Developer of the occurrence of such event, but the failure to notify Developer will not relieve Developer of any liability that it may have to an Indemnified Party. After receipt of such notice, Developer may elect to defend, contest or otherwise protect the Indemnified Party against any such Action, at the cost and expense of Developer, utilizing counsel of Developer's choice. The Indemnified Party shall have the right, but not the obligation, to participate, at the Indemnified Party's own cost and expense, in the defense thereof by counsel of the Indemnified Party's choice. In the event that Developer shall fail timely to defend, contest or otherwise protect an Indemnified Party against such Action, the Indemnified Party shall have the right to do so, and (if such defense is undertaken by the Indemnified Party after notice to Developer asserting Developer's failure to timely defend, contest or otherwise protect against such Action), the Indemnified Party may submit any bills for fees and costs received from its counsel to Developer for payment and, within thirty (30) business days after such submission, Developer shall transfer to the Indemnified Party sufficient funds to pay such bills. Developer acknowledges that such bills may be redacted to delete any information which would constitute attorney-client communication or attorney work product.

C. An Indemnified Party shall submit to Developer any settlement proposal that the Indemnified Party shall receive. Developer shall be liable for the payment of any amounts paid in settlement of any Action to the extent that Developer consents to such settlement. Neither Developer nor the Indemnified Party will unreasonably withhold its consent to a proposed settlement.

D. Developer expressly confirms and agrees that it has provided this indemnification and assumes the obligations under this Contract imposed upon Developer in order to induce City to enter into this Contract. To the fullest extent permitted by law, an Indemnified Party shall have the right to maintain an action in any court of competent jurisdiction to enforce and/or to recover damages for breach of the rights to indemnification created by, or provided pursuant to, this Contract. If such court action is successful, the Indemnified Party shall be reimbursed by Developer for all fees and expenses (including attorneys' fees) actually and reasonably incurred in connection with such action (including, without limitation, the investigation, defense, settlement or appeal of such action).

E. The right to indemnification set forth in this Contract shall survive the termination of this Contract and the Redevelopment Area as a development area.

35. Breach-Compliance.

A. If Developer or City does not comply with provisions of this Contract, including provisions of the Redevelopment Plan, within the time limits

and in the manner for the completion of Redevelopment Project I as therein stated, except for any extensions or waivers described herein and Excusable Delays (as defined in **Section 36** hereof), in that Developer or City shall do, permit to be done, or fail or omit to do, or shall be about so to do, permit to be done, or fail or omit to have done, anything contrary to or required of it by this Contract or the Act, and if, within ninety (90) days after notice of such default by the nondefaulting party to the defaulting party, the defaulting party shall not have cured such default or commenced such cure and be diligently pursuing the same if such cure would reasonably take longer than said ninety (90) day period (but in any event if the defaulting party shall not have cured such default within one hundred eighty (180) days), then the nondefaulting party may institute such proceedings as may be necessary in its opinion to cure the default including, but not limited to, proceedings to compel specific performance by the party in default of its obligations and, in the case of default by Developer, City is granted the right to terminate this Contract, the right to apply any deposit or other funds submitted by Developer to City in payment of the damages suffered by it, the right to withhold or apply funds from the Special Allocation Fund to such extent as is necessary to protect City from loss or to ensure that the Redevelopment Plan and Redevelopment Project I are fully and successfully implemented in a timely fashion, and the right to withhold issuance of a Certificate of Completion and Compliance.

B. If any action is instituted by either party hereunder, the nonprevailing party in such action shall pay any and all costs, fees and expenses, including attorneys' fees incurred by the prevailing party in enforcing this Contract.

C. The rights and remedies of the parties to this Contract, whether provided by law or by this Contract, shall be cumulative and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by either party shall apply to obligations beyond those expressly waived.

D. Developer (for itself and its successors and assigns, and for all other persons who are or who shall become liable, by express or implied assumption or otherwise, upon or subject to any obligation or burden under this Contract), waives to the fullest extent permitted by law and equity all claims or defenses otherwise available on the ground of being or having become a surety or guarantor, whether by agreement or operation of law. This waiver includes, but is not limited to, all claims and defenses based upon extensions of time, indulgence or modification of terms of contract.

E. Any delay by either party in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this paragraph shall not operate as a waiver of such rights or limit them in any way. No waiver in fact made by either party of any specific default by the other party shall be considered

or treated as a waiver of the rights with respect to any other defaults, or with respect, to the particular default except to the extent specifically waived.

F. In no event shall City be obligated to certify any Reimbursable Project Costs, approve any Reimbursement Request or reimburse Developer for any Reimbursable Project Costs incurred or paid by Developer at any time while any default by Developer has occurred and remained uncured beyond Developer's cure period as provided in **Section 35.A.** herein, and City has provided notice of such default as required under **Section 35**. Notwithstanding the above, if the City validly terminates this Contract, the City shall be required to, in due course according to the standards set forth herein, certify any Reimbursable Project Costs, approve any Reimbursement Request and reimburse Developer for any Reimbursable Project Costs incurred or paid by Developer prior to any such notice of default. If City shall at any time elect to rely upon the provisions of this **Section 35.F.** as the basis for an action by City, City shall, at the time of such election, notify Developer in writing of such decision and the specific facts or events relied upon by City as the basis for such action by City.

G. Notwithstanding anything to the contrary herein, Developer agrees that in the event of any default by City under this Contract, it will not bring any action or suit to recover damages against City or any officer, director, commissioner, member, employee, or agent of any of them, except that this **Section 35.G.** shall not be prevent the award of attorneys' fees under **Section 35.B.** hereof in the event of a default by City under this Contract. Actions brought in equity or which otherwise do not seek to recover damages are not precluded by this Section.

36. Excusable Delays. The parties understand and agree that Developer shall not be deemed to be in default of this Contract because of delays or temporary inability to commence, complete or proceed in accordance with the Redevelopment Schedule, due in whole or in part to causes beyond the reasonable control or without the material fault of Developer which are caused by the action or failure to act of any governmental body, department or agency, including but not limited to, failure to approve complete applications for permits that comply with all applicable laws and regulations within thirty (30) days of submission and failure to provide any consent required by this Contract where all applicable requirements for said consent have been complied with within twenty (20) days of submission, acts of war or civil insurrection, breach of this Contract by City or any natural occurrence, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, litigation, tornadoes, or unusually severe weather (collectively "**Excusable Delays**"). The time of performance hereunder shall be extended for the period of any delay or delays caused or resulting from any of the foregoing causes, which approval shall not be arbitrarily or unreasonably withheld. Nothing herein shall excuse Developer from any obligation to pay money hereunder, nor shall this Section excuse Developer from performance of its obligations because of a lack of funds or inability to obtain financing, except as provided in **Section 13** hereof and except if financing commitments

obtained by Developer and approved by City as provided in this Contract are not fulfilled by the party issuing such commitment through no fault of Developer, in which case Developer shall be entitled to additional time not to exceed one hundred eighty (180) days to obtain new financing commitments.

37. Notice. Any notice required by this Contract shall be deemed to be given if it is mailed by United States registered mail, postage prepaid, and addressed as hereinafter specified.

Any notice to City shall be addressed to:

Sam Anselm
City Manager
City Hall
602 South Main Street
Joplin, MO 64801

With a copy to:

Peter C. Edwards
City Attorney
City Hall
602 South Main Street
Joplin, MO 64801

Any notice to Developer shall be addressed to:

Hope Valley Development Group, Inc.
Attn: Kevin L. Steele
2702 Richard Joseph Blvd., Ste. 106
Joplin, MO 64801

With a copy to:

Gross & Associates
Attn: Darrell Gross
8270 West Farm Road 160
Republic, Missouri 65738

Each party shall have the right to specify that notice be addressed to any other address by giving to the other party ten (10) days' written notice thereof.

38. Modification. The terms, conditions, and provisions of this Contract and of the Redevelopment Plan can be neither modified nor eliminated except in writing and by mutual agreement between City and Developer. Any modification to this Contract as approved shall be attached hereto and incorporated herein by reference.

39. Effective Date. This Contract shall become effective on the Effective Date and shall remain in full force and effect until the completion of all Project Improvements, as described herein, and so long as any Reimbursable Project Costs remain outstanding and unpaid, subject, however, to the provisions of **Section 35** hereof.

40. Recording. Upon full execution by City and Developer, this Contract or a memorandum thereof shall be recorded by City, at Developer's expense, in the Office of the Recorder of Deeds for Newton County, Missouri.

41. Applicable Law. This Contract shall be governed by and construed in accordance with the laws of the State of Missouri.

42. Covenant Running With the Land. The provisions of this Contract shall remain in effect for the duration of the Redevelopment Plan and any renewal period or periods of the Redevelopment Plan at the end of which time they shall cease. They shall be covenants running with the land and shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and be enforceable by, City, its successors and assigns, against Developer, its successors and assigns, and every successor in interest to the subject real property, or any part of it or any interest in it and any party in possession or occupancy of the real property or any part thereof (provided, subject to the provisions of **Section 33** hereof, that any such covenants shall be binding on Developer itself, such successor in interest to the subject property, and every part of the subject real property, and each party in possession or occupancy of the subject real property or any part thereof, only during their period of ownership).

43. Relocation Costs. Except as otherwise provided in the Redevelopment Project Cost, City shall not be responsible for any relocation activity or the costs thereof that may be required by law to be paid with respect to any part of the Redevelopment Plan. Developer shall provide the relocation services and benefits as provided for under the Redevelopment Plan and shall hold City harmless from any claim, cost or expense for said services and benefits made by individuals and entities arising from implementation of this Redevelopment Plan, except that such costs may be deemed by City to be Redevelopment Project Costs. City acknowledges that the amounts paid by Developer to purchase real property from third parties within the Redevelopment Area are Reimbursable Project Costs up to the reimbursable amounts shown for the Land and Relocation line items on **Exhibit F**, as these amounts include relocation costs. Notwithstanding the foregoing, City may assist in administering relocation activity if requested by Developer and approved by City, or if directed by the City Council of City.

44. Administrative Costs and Expenses.

A. In order to reimburse City for its administrative costs and expenses (including staff time and contracted services) in connection with the preparation, development and implementation of the Redevelopment Plan and Redevelopment Projects, this Contract or any agreement or instrument entered into pursuant to this Contract or in connection with Redevelopment Project I or the Redevelopment Plan, City and Developer have entered into the Funding

Agreement (the "**Funding Agreement**"). Any of City's actual and reasonable administrative costs and expenses that are provided for in this **Section 44.A.** and which are not covered by the Funding Agreement shall be reimbursed by the City from the incremental TIF revenue deposited in the Special Allocation Fund.

B. Additional documented professional service costs and other expenses incurred by City (other than those described in **Section 44.A.** hereof) that are found by City to be reasonable and necessary for it in connection with the Redevelopment Plan, this Contract or otherwise relating to Redevelopment Project I shall be reimbursed from the Special Allocation Fund.

C. Upon the request of Developer, and at the sole cost of Developer, City shall furnish appropriate documentation of the administrative costs and expenses as referred to in this **Section 44** which are in its possession, and shall allow Developer or its representatives an opportunity to review the accounts and records of City with regard to such administrative costs and expenses, such review to be at the sole cost and expense of Developer and conducted at such time as is mutually agreeable to the parties, but in no event more frequently than monthly.

45. Validity and Severability. It is the intention of the parties hereto that the provisions of this Contract shall be enforced to the fullest extent permissible under the laws and public policies of State of Missouri, and that the unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Contract. Accordingly, if any provision of this Contract shall be deemed invalid or unenforceable in whole or in part, this Contract shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Contract in order to render the same valid and enforceable. All exhibits attached hereto are hereby incorporated into this Contract by reference.

46. Time and Performance are of the Essence. Time and exact performance are of the essence of this Contract.

47. City's Legislative Powers. Notwithstanding any other provisions in this Contract, nothing herein shall be deemed to usurp the governmental authority or police powers of City or to limit the legislative discretion of the City Council, and no action by the City Council in exercising its legislative authority shall be a default under this Contract.

48. Good Faith; Consent or Approval. In performance of this Contract or in considering any requested extension of time, the parties agree that each will act in good faith, cooperate in expeditious and timely approvals, and will not act unreasonably, arbitrarily, or capriciously or unreasonably withhold or delay any approval required by this Contract; provided, however, that the City need not act reasonably in considering a requested extension of time that would extend a time period set forth in this Contract for the performance of an obligation by the Developer by more than three (3) years from

the original end of such period as set forth in this Contract. Except as otherwise provided in this Contract, whenever consent or approval of either party is required, such consent or approval will not be unreasonably withheld, conditioned or delayed. The City agrees to reasonably cooperate with the Developer with respect to (i) applications for building permits from the City and the issuance thereof, and any permits or approvals required from any governmental agency, whenever reasonably requested to do so; provided, however, that all applications for such permits and approvals are in compliance with the applicable ordinances and regulations, approved plans and specifications, and all applicable codes, (ii) securing any construction and permanent financing that the Developer may reasonably require in connection with the performance of its obligations under this Contract, (iii) reviewing and approving Developer's plans, including but not limited to the Developer Public Project Plans, site plans and building elevations, construction plans and the Design Criteria and any amendments thereto. The Developer, in recognition of the significant public investment of the City; and the City, in recognition of the substantial financial commitment of the Developer, agrees to cooperate in good faith to accomplish the expeditious and optimal utilization of the retail space in Redevelopment Area. The Developer agrees and acknowledges that in each instance in this Contract or elsewhere where the City is required or has the right to review or give its approval or consent, no such review, approval or consent will imply or be deemed to constitute an opinion by the City, nor impose upon the City any responsibility for the design or construction of building elements, including but not limited to the structural integrity or life/safety requirements or adequacy of budgets or financing or compliance with any applicable federal or state law, or local ordinance or regulation, including the Environmental Laws. All reviews, approval and consents by the City under the terms of this Contract are for the sole and exclusive benefit of the Developer and no other person or party will have the right to rely thereon.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Contract the day and year first above written.

CITY:

THE CITY OF JOPLIN, MISSOURI, a municipal corporation

By: _____
Print Name: _____
Title: _____

DEVELOPER:

HOPE VALLEY DEVELOPMENT GROUP, INC., a Missouri corporation

By: _____
Print Name: _____
Title: _____

STATE OF _____)
)
COUNTY OF _____) ss.

On this ____ day of _____, 2015, before me personally appeared _____, to me known, who being by me duly sworn, did say that he/she is the _____ of The City of Joplin, Missouri, a Missouri municipal corporation, that said corporation has no corporate seal, that said instrument was signed on behalf of said corporation by authority of its City Council, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

_____

Print Name: _____

Notary Public in and for said County and State

My Commission Expires:

_____

STATE OF _____)
)
COUNTY OF _____) ss.

On this ____ day of _____, 2015, before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument, who being by me duly sworn, did say he is the _____ of Hope Valley Development Group, Inc., a Missouri corporation, and acknowledged said instrument to be his free act and deed and the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

_____

Print Name: _____

Notary Public in and for said County and State

My Commission Expires:

_____

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT AREA

ALL OF THE EAST ½ OF THE SOUTH ½ OF SECTION 24, TOWNSHIP 27 NORTH, RANGE 33 WEST; LYING SOUTH OF THE SOUTH RIGHT-OF-WAY OF INTERSTATE 44, WEST OF THE WEST RIGHT-OF-WAY OF RANGELINE ROAD, NORTH OF THE NORTH RIGHT-OF-WAY LINE OF 44 TH STREET, ALL PUBLIC RIGHT-OF-WAYS AND EASEMENTS WITHIN, ALL WITHIN NEWTON COUNTY AND THE CITY OF JOPLIN, MISSOURI.

EXHIBIT B

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT AREA I

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION 24, TOWNSHIP 27 NORTH, RANGE 33 WEST; THENCE ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER (SE 1/4) TO THE NORTH RIGHT-OF-WAY LINE OF 44 TH STREET, THENCE EAST ALONG NORTH RIGHT OF WAY LINE OF 44TH STREET 600 FEET FOR A POINT OF BEGINNING, THENCE NORTH 31 ° 46' 37" EAST 1571.21 FEET TO A POINT WHICH IS 200 FEET SOUTH 3° 46' 03" EAST OF THE SOUTH RIGHT-OF-WAY LINE OF RICHARD JOSEPH BOULEVARD, THENCE NORTH 86°13'57" EAST, 460.00 FEET TO A POINT ON THE NORTHWESTERN RIGHTOF-WAY LINE OF KANAN AVENUE, THENCE NORTH ALONG THE WEST RIGHT-OF-WAY LINE OF KANAN AVENUE NORTH 22° 26' O5" EAST TO THE SOUTH RIGHT-OF-WAY LINE OF INTERSTATE 44, THENCE EASTERLY ALONG THE SOUTH RIGHT-OF-WAY LINE OF INTERSTATE 44 TO THE WEST RIGHT-OF-WAY LINE OF RANGELINE ROAD, THENCE SOUTH ALONG THE WEST RIGHT-OF-WAY LINE OF RANGELINE ROAD TO THE NORTH RIGHT-OF-WAY OF 44TH STREET, THENCE WEST ALONG THE NORTH RIGHT-OF-WAY LINE OF 44 TH STREET TO THE POINT OF BEGINNING, ALL PUBLIC RIGHT-OF-WAYS AND EASEMENTS WITHIN , ALL WITHIN NEWTON COUNTY AND THE CITY OF JOPLIN, MISSOURI.

EXHIBIT C

PRIVATE PROJECT IMPROVEMENTS

The Private Project Improvements will generally consist of the following improvements as described in the Redevelopment Plan:

1. Construct the Hope Valley Research and Conservation Park for wetlands mitigation in conjunction with the development of Redevelopment Project I when required by the U.S. Army Corps of Engineers in accordance with its approved Management Plan and Permit.

2. Construct approximately 122,000 square feet of new retail and office space along with all necessary and required parking, access drives, utilities, landscaping and related improvements necessary to serve the development.

EXHIBIT D

PUBLIC PROJECT IMPROVEMENTS

The Public Project Improvements will generally consist of the following improvements:

1. Construction of public streets, sidewalks, water, sanitary sewer, and storm water improvements in accordance with adopted City standards within the Redevelopment Area as described in the Redevelopment Plan unless modified by the City as part of the Land Use Approvals process.

2. Construction of improvements to widen 44th Street adjacent to the Redevelopment Area from Rangeline Road west to the western boundary of Redevelopment Project I as described in the Redevelopment Plan and in accordance with the provisions of this Contract.

EXHIBIT E

REDEVELOPMENT SCHEDULE

	Commence		Complete	
Blight Removal	4th qtr.	2015	4th qtr.	2016
Construction of Public Project Improvements	4th qtr.	2015	4th qtr.	2016
Construction of Private Project Improvements	4th qtr.	2016	4th qtr.	2019

All scheduled activities may commence earlier than the dates set out above.

EXHIBIT F

REDEVELOPMENT PROJECT I COST BUDGET

TOTAL RPA-I PROJECT COST REIMBURSABLE ALLOCATION	UNIT QUANTITY	COST PER UNIT	TOTAL PROJECT COST	TOTAL DEVELOPER PORTION	TOTAL TIF/CID REIMBURSABLE	
Land Acquisition Cost	75.39 Acres	$171,100	$12,899,229	$7,665,280	$5,233,949	*
Building Construction Cost	162,000 Sq Ft	$150	$24,300,000	$24,300,000	$0	
Site Improvement Cost	1,233,619 Sq Ft	$2.00	$4,694,738	$2,467,238	$2,227,500	*
Marketing Cost-Commissions-Advertising Street &			$5,200,000	$5,200,000	$0	
Street & Utility Construction			$4,687,500		$4,687,500	*
Landscaping/Engineering/Planning/Permits/Testing			$853,250		$853,250	
Mitigation Cost-Construction			$2,155,000		$2,155,000	
Walking Trails/Mitigation Professional fees			$2,000,000		$2,000,000	
TOTAL			**$56,789,717**	**$39,632,518**	**$17,157,199**	
COST SHARE PERCENTAGE			**100%**	**70%**	**30%**	
POSSIBLE COST REDUCTIONS TO TIF REIMBURSABLE COST-Tax Credits or Grants					($3,535,480)	*
TOTAL POSSIBLE REDUCTION IN TIF REIMBURSABLE PROJECT COST					**6%**	
City of Joplin providing a portion of Transpiration Sales Tax to assist in paving of 44th Street					($500,000)	*
TOTAL POSSIBLE REDUCTION IN TIF REIMBURSABLE PROJECT COST					**1%**	
TOTAL POSSIBLE REDUCTION IN TIF REIMBURSABLE PROJECT COST					**($4,035,480)**	
PERCENTAGE OF OUTSIDE FUNDING POSSIBLE					**7%**	
POSSIBLE REVISED PROJECT COST			**$56,789,717**	**$39,632,518**	**$13,121,719**	
POSSIBLE REVISED COST SHARE PERCENTAGE			**100%**	**70%**	**23%**	

***LAND ACQUISITION COST:** A total of 30.50 acres, or 41% of the total land acquired will be used for public purposes; 6.82 acres for street right of way, and 23.77 for the Conservation Park/Mitigation Area. An estimated 16.48 acres is within RPA-II and will not be developed in RPA-I

***SITE IMPROVEMENT COST:** The TIF reimbursable portion is for imported fill cost to raise the site in areas that are low, including streets and right of way areas. Non-reimbursable portion is final grading cost of developed lots.

***STREET & UTILITY CONSTRUCTION:** Cost is for all interior streets, and for the widening of 44th Street along that portion fronting RPA-1

*** TAX CREDITS AND & GRANTS:** The Conservation Park will provide additional public benefits to the Area and the Community, and thus may qualify for assistance from various private, State or Federal Grants, and State and Federal tax credits. The Developer has identified various programs, which would reduce the total TIF Reimbursable Cost by an estimated $3,535.480, if approved, which would reduce the TIF Reimbursable Cost to 24%.

***CITY TRANSPORTATION SALES TAX:** The TIF Reimbursable Expenses includes all site work to widen 44th Street, including fill. Possible use of a portion of the City of Joplin Transportation Sales Tax not captured by the TIF is proposed to be used for funding the cost of paving only for 44th Street. The City will generate an estimated $2.2 million from the Transportation Sales Tax during the term of the TIF, above that portion captured by the TIF. Utilization of a portion of the new funds, above that part captured by the TIF, is proposed to be used since 44th Street will be impacted by other development in the Area besides the Project.

PERCENTAGE OF PROJECT COST FUNDED BY TIF: The total project cost, which is proposed to be funded by TIF revenues totals between 23% and 30%, as, reflected above. The City of Joplin policy for TIF projects is the total cost to be funded by TIF Revenue is no more than 15%. Two factors needs to be considered in this project in order to allow for and justify a variance from policy. The Developer is proposing to create a CID, which will impose an added 1% sales tax within the Redevelopment Area, and will commit 100% of the revenue to repay project cost. This added revenue accounts for 26% of the total projected revenue for the project. The added revenue actually reduces the project cost being funded from existing tax revenue to 17.5% to 22.5% from the 23% and 30% calculations as shown above. Additionally, a significant portion of the project cost is in the Mitigation cost, as required by the Corp of Engineers. A significant portion of the Mitigation Area is within RPA-II, thus the cost for RPA-II should be reduced, and the activation of RPA-II will provide additional revenue to repay the cost.

EXHIBIT F

HOPE VALLEY REDEVELOPMENT AREA (TIF)
TIF/CID REIMBURSABLE PROJECT COST
PRIVATE PROJECT COST
TOTAL PROJECT COST
REDEVELOPMENT AREA 1

DESCRIPTION OF COST	TOTAL ITEM COST	PRIVATE COST	TIF/CID REIMBURSABLE COST	CID ONLY REIMBURSABLE COST	TOTAL PROJECT COST
Professional Fees	$800,000		$800,000		$800,000
Trail Construction	$2,000,000		$2,000,000		$2,000,000
Mitigation Cost	$2,155,000		$2,155,000		$2,155,000
Land Acquisition Cost	$12,899,229	$7,665,280	$5,233,949		$12,899,229
Marketing	$5,200,000	$5,200,000			$5,200,000
Storm Water Site Grading and Construction	$2,227,500		$2,227,500		$2,227,500
Street & Road Construction	$3,000,000		$3,000,000		$3,000,000
Utility Construction	$1,687,500		$1,687,500		$1,687,500
Permits	$53,250		$53,250		$53,250
Finish Site Grading	$2,467,238	$2,467,238			$2,467,238
Building Construction	$24,300,000	$24,300,000			$24,300,000
TOTAL COSTS WITHOUT FINANCING	$56,789,717	$39,632,518	$17,157,199	$0	$56,789,717
Total Financing Costs	$25,614,432	$ 17,835,000	$ 5,678,972	$ 2,100,460	$ 25,614,432
GRAND TOTAL PROJECT COSTS	$82,404,149	$57,467,518	$22,836,171	$ 2,100,460	$82,404,149