

**CITY OF GRAIN VALLEY BOARD OF ALDERMEN  
REGULAR MEETING AGENDA**

**OCTOBER 26, 2020**

**7:00 P.M.**

**OPEN TO THE PUBLIC**

LOCATED IN THE COUNCIL CHAMBERS OF CITY HALL  
711 MAIN STREET – GRAIN VALLEY, MISSOURI

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**ITEM I: CALL TO ORDER**

- Mayor Chuck Johnston

**ITEM II: ROLL CALL**

- City Clerk Jamie Logan

**ITEM III: INVOCATION**

- Mike Cassidy of Faith Methodist Church

**ITEM IV: PLEDGE OF ALLEGIANCE**

- Alderman Bob Headley

**ITEM V: APPROVAL OF AGENDA**

- City Administrator Ken Murphy

**ITEM VI: PROCLAMATIONS**

- None

**ITEM VII: CITIZEN PARTICIPATION**

- Citizens are Asked to Please Limit Their Comments to Two (2) Minutes

**ITEM VIII: CONSENT AGENDA**

- October 06, 2020 – Board of Aldermen Budget Workshop Minutes
- October 12, 2020 – Board of Aldermen Regular Meeting Minutes
- October 20, 2020 – Board of Aldermen Budget Workshop Minutes
- October 26, 2020 – Accounts Payable

**ITEM IX: PREVIOUS BUSINESS**

- Liquor License Request – Iron Kettle Brewing

**ITEM X: NEW BUSINESS**

- None



**ITEM XI: PRESENTATIONS**

- None

**ITEM XII: PUBLIC HEARING**

- None

**ITEM XIII: RESOLUTIONS**

**ITEM XIII (A)**     **A Resolution by the Board of Aldermen of the City of Grain Valley Authorizing the City Administrator to Enter Into an Agreement with CFS Engineers for Construction Management Services for the Pedestrian Bridge Project at Blue Branch Creek**  
R20-50  
*Introduced by Alderman Jayci Stratton*

To provide construction management services for the fabrication and installation of the Blue Branch Creek Pedestrian Bridge

**ITEM XIV: ORDINANCES**

**ITEM XIV(A)**     **An Ordinance Approving the Issuance of Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 by the Industrial Development Authority of the City of Grain Valley, Missouri, and Authorizing Certain Other Actions in Connection With the Execution and Delivery of the Bonds**  
B20-33  
1<sup>ST</sup> & 2<sup>ND</sup> READ  
*Introduced by Alderman Shea Bass*

Approve the issue of not to exceed \$2,425,000 Tax Increment Refunding Revenue Bonds

**ITEM XV: CITY ATTORNEY REPORT**

- City Attorney

**ITEM XVI: CITY ADMINISTRATOR & STAFF REPORTS**

- City Administrator Ken Murphy
- Deputy City Administrator Theresa Osenbaugh
- Chief of Police James Beale
- Finance Director Steven Craig
- Parks & Recreation Director Shannon Davies
- Community Development Director Mark Trosen
- City Clerk Jamie Logan

**ITEM XVII: BOARD OF ALDERMEN REPORTS & COMMENTS**

- Alderman Shea Bass
- Alderman Tom Cleaver
- Alderman Bob Headley
- Alderman Rick Knox
- Alderman Jayci Stratton
- Alderman Nancy Totton



**ITEM XVIII: MAYOR REPORT**

- Mayor Chuck Johnston

**ITEM XIX: EXECUTIVE SESSION**

- Legal Actions, Causes of Action of Litigation Pursuant to Section 610.021(1), RSMo. 1998, as Amended
- Leasing, Purchase or Sale of Real Estate Pursuant to Section 610.021(2), RSMo. 1998, as Amended
- Hiring, Firing, Disciplining or Promoting of Employees (personnel issues), Pursuant to Section 610.021(3), RSMo. 1998, as Amended
- Sealed bids and related documents, until the bids are opened; and sealed proposals and related documents to a negotiated contract until a contract is executed, or all proposals are rejected, Pursuant to Section 610.021(12), RSMo. 1998, as Amended
- Individually Identifiable Personnel Records, Personnel Records, Performance Ratings or Records Pertaining to Employees or Applicants for Employment, Pursuant to Section 610.021(13), RSMo 1998, as Amended.

**ITEM XX: ADJOURNMENT**

**PLEASE NOTE**

THE NEXT SCHEDULED MEETING OF THE GRAIN VALLEY BOARD OF ALDERMEN IS A REGULAR MEETING ON NOVEMBER 9 AT 7:00 P.M. THE MEETING WILL BE HELD IN THE COUNCIL CHAMBERS OF THE GRAIN VALLEY CITY HALL

PERSONS REQUIRING AN ACCOMMODATION TO PARTICIPATE IN THE MEETING SHOULD CONTACT THE CITY CLERK AT 816.847.6211 AT LEAST 48 HOURS BEFORE THE MEETING

THE CITY OF GRAIN VALLEY IS INTERESTED IN EFFECTIVE COMMUNICATION FOR ALL PERSONS

UPON REQUEST, THE MINUTES FROM THIS MEETING CAN BE MADE AVAILABLE BY CALLING 816.847.6211



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*Consent*

*Agenda*

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/06/2020**  
**PAGE 1 OF 5**

**ITEM I: CALL TO ORDER**

- The Board of Aldermen of the City of Grain Valley, Missouri, met for a Budget Workshop on October 6, 2020 at 6:00 p.m. in the Council Chambers located at Grain Valley City Hall
- The meeting was called to order by Mayor Johnston

**ITEM II: ROLL CALL**

- City Clerk Jamie Logan called roll
- *Present: Bass, Cleaver, Headley, Stratton, Totton*
- *Absent: Knox*

**-QUORUM PRESENT-**

**ITEM III: DISCUSSION**

- 2021 Fiscal Year Budget
- Reserve Trends were discussed
  - Our City was in a decent position with reserves in 2020, estimating a 3% increase for next year; with uncertainty relating to COVID factors making this difficult to determine
  - Percentage increase (decrease) of balance over last 5 years has been positive and estimating the same as 2019 for 2020
  - Our 2020 year end unrestricted cash balance reserves are positive, and some of these funds need to build up in order to be able to do larger projects such as park projects, road repairs, etc. in hopes not all money would need to be borrowed when the time comes for those projects
- Revenue and Expenditures Trends
  - Areas of top revenue increase have been development fees (which cannot be counted on in new construction is not occurring in the future), sales tax and property tax
  - Forecasted very conservatively as the next year is unknown and difficult to set the levy not knowing what to expect
  - Expenditure trends show benefits cost has increased and personnel costs; hoping expenditure wise it might be decreased approximately by 1% not including any salary increases and keeping all things the same

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

Alderman Rick Knox

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
Deputy City Administrator Theresa Osenbaugh  
Chief James Beale  
Finance Director Steven Craig  
Parks and Recreation Director Shannon Davies  
Community Development Director Mark Trosen  
City Clerk Jamie Logan



**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
**Regular Session**

**10/06/2020**  
**PAGE 2 OF 5**

- Key Personnel Expenses
  - Looking to change a few personnel items:
    - Removed Assistant City Administrator position from budget
    - Front desk attendant at the community center looking to update and make a full time during the day
    - Looking to update the Police Clerk Position and add the prosecutor assistant duties
    - Public Works Assistant is being asked to do input to the maintenance infrastructure system & will keep more of those items up to date
    - Including a 12% increase to the benefit cost for the 2<sup>nd</sup> half of 2021
    - Workers compensation costs have had an unexpected increase
    - There is room for potentially a 2% increase in salaries and broke down the cost per fund; keep in mind during the salary study, they warned to keep up with salary trends
    - General fund is where it is looked to for salary increases
- Capital Items – Higher cost
  - General Fund
    - Keep in mind some of these are split across multiple funds
    - Fiber Line Installation would help for Internet consistency
    - Vehicle leases are continuing from prior years
  - Park Fund
    - Butterfly trail – another entrance/access
    - Benches on the new Blue Branch Trail
    - Pool equipment items are rotated in each year as needed for replacement
  - Public Works Fund
    - Loader trailer that can transport the loader around
    - Hydraulic breaker and planer as trying to do work in house
    - Pool equipment items are rotated in each year as needed for replacement
    - VERP replacement of a spreader during snow season
    - Camera equipment
    - 1million budgeted for road improvements and asking to take \$500,000 out of reserves to put towards street maintenance & \$300,000 out of Capital Improvement Fund; part of the funds have been set aside this year

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Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

Alderman Rick Knox

**STAFF OFFICIALS PRESENT**

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/06/2020**  
**PAGE 3 OF 5**

- storm drainage repairs including Ryan Meadows and Golfview; both have had citizen concerns
- Old 40 hwy water line improvements; it is past its useful life and looking to replace with PVC

Capital Improvement Fund

- Using this fund for one off projects & purchases including a budget for future facility needs, two new Explorers for PD, Radio replacement (a couple a year) and the street improvements previously discussed; this was a fund used to pay off the debt on the building in the past; won't use it in this way in the future
- Fee Schedules
  - Community Development adding the Site Plan Review fee
  - Also changing sewer connection fees and the way they are charged; upon looking at other cities and the way items are handled, these changes are proposed
  - Building permit fees they are adding what would determine construction value and many other communities use the international building code; They looked at the Midwest region's recommended fees and based our fees on that
  - Increasing the fee for inspection failures
  - Construction permits the city only collects 3% for plan review and inspection services
  - Traffic sign and street sign cost to increase
  - Streetlight pole upgrade; used Evergy's cost to determine actual cost which is the reason the \$2500 fee is going to \$3000 as the actual cost
  - Parks and Recreation reviewed facility rentals and compared to other communities; Mr. Davies shared that is the reason for the update to our fees; for example, the pool rentals are increasing due to the cost of the contracted lifeguards
  - The athletic fields can be reserved, and those fees are increasing
  - Looked at when the last increase was made to these fees and the last was in 2016
  - Alderman Totton asked what COVID has done to their revenues; Mr. Davies shared there have been restrictions on the number of people that could enter the facilities, the pool had a late opening, parks could not be rented for a period of time; he also shared the staffing costs were down during that time or utility expenses associated with people in a facility
- Alderman Headley asked who would be doing the Fiber work on the buildings; Mr. Trosen shared different types of lines would be used and rewired; City Hall had network connections redone as there were old Cat 5 lines and there are issues with plug ins that will be connected, the Fiber is for public works and that will be contracted out and Comcast

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
**Regular Session**

**10/06/2020**  
**PAGE 4 OF 5**

will service the fiber as it is currently bouncing off of Community Center to reach public works, hoping Comcast can get it switched over soon since it is causing outages; Alderman Headley clarified the types of lines used; Increasing Cat capability to current connections and bringing Fiber as well

- Alderman Headley asked what a breaker and a planer is; A breaker is an attachment to the bobcat which acts as a Hydraulic Sledgehammer and a planer is an attachment to a bobcat which is like a roller that would plane or smooth out asphalt after it has been laid
- Tonight's goal was to introduce the budget and larger items in the budget; they have time to think about it for the next budget meeting; Mr. Murphy asked for direction on if the salary increase could be added into the budget and staff would work to tighten the budget around that
- Alderman Headley asked what the cost of living was; Mr. Murphy shared 1.4% depending on where you are; there was an article on what the City of Blue Springs recently approved which was 2-2 ½%
- Alderman Cleaver asked what 1% increase was and it is \$40,000 per each 1%
- Mayor Johnston asked how confident they were on the budget and if the employee raises were to occur, he wanted to clarify it would be supported by the budget
- Alderman Bass asked about 50% of the \$80,000 increase would hit the general fund; Mr. Murphy shared the brunt of the increase would be from the general fund; position changes would effect the general fund; there are a couple of individuals they would like to discuss in an executive session at a future meeting
- Alderman Headley clarified the \$80,000 would come off of the 1.1 million; Also, the wage negotiations with represented employees would still need to be done, but this is a placeholder
- Mayor Johnston asked if the board was okay with the 2% salary increases; All board members present were okay with a 2% increase; Stratton Abstained
- The fee schedule proposed updates were also agreed upon by all board members
- Alderman Headley asked how old the current SRO vehicles are; the VERP has been updated via Andrew with fleet maintenance and the replacement timeframe has been updated and extended; 2015 and 2016- both are Crown Vics; The Crown Vics will be rotated out of the fleet and the two old SUVs will be pushed down to replace them
- Purple Wave has been used to auction off old vehicles and it has been doing well compared to old methods

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Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

Alderman Rick Knox

**STAFF OFFICIALS PRESENT**

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/06/2020**  
**PAGE 5 OF 5**

**ITEM IV: ADJOURNMENT**

- The meeting adjourned at 7:05 P.M.

Minutes submitted by:

\_\_\_\_\_  
Jamie Logan  
City Clerk

\_\_\_\_\_  
Date

Minutes approved by:

\_\_\_\_\_  
Chuck Johnston  
*Mayor*

\_\_\_\_\_  
Date

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**ELECTED OFFICIALS ABSENT**

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 1 OF 10**

**ITEM I: CALL TO ORDER**

- The Board of Aldermen of the City of Grain Valley, Missouri, met in Regular Session on October 12, 2020 at 6:58 p.m. in the Council Chambers located at Grain Valley City Hall
- The meeting was called to order by Mayor Johnston

**ITEM II: ROLL CALL**

- City Clerk Jamie Logan called roll
- *Present: Bass, Cleaver, Headley, Knox, Stratton, Totton*
- *Absent:*

**-QUORUM PRESENT-**

**ITEM III: INVOCATION**

- Invocation was given by Pastor Mike Cassidy of Faith Methodist

**ITEM IV: PLEDGE OF ALLEGIANCE**

- The Pledge of Allegiance was led by Alderman Cleaver

**ITEM V: APPROVAL OF AGENDA**

- No Changes

**ITEM VI: PROCLAMATIONS**

- None

**ITEM VII: CITIZEN PARTICIPATION**

- None

**ITEM VIII: CONSENT AGENDA**

- September 28, 2020 – Board of Aldermen Regular Meeting Minutes
- October 12, 2020 – Accounts Payable
- *Alderman Headley made a Motion to Accept the Consent Agenda*
- *The Motion was Seconded by Alderman Knox*
  - No Discussion
- *Motion to Approve the Consent Agenda was voted on with the following voice vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton*
  - *Nay: None*

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 2 OF 10**

- *Abstain: None*

**-MOTION APPROVED: 6-0-**

**ITEM IX: PREVIOUS BUSINESS**

- None

**ITEM X: NEW BUSINESS**

- Liquor License request for Iron Kettle Brewing was presented
- City Clerk Logan stated Iron Kettle Brewing has applied for a liquor license; This is the first presentation of this application; Chief Beale has approved the application; they are anticipating a December 1 opening; they have applied for their State (hopefully to be approved this week) and County licenses; The managing partner, Jason Fenstermaker, is here to answer any questions that you may have

**ITEM XI: PRESENTATIONS**

- Dick Tuttle, City Engineer presented the results of the IMS Pavement program; This program began in March of 2020; provided assessment of current roads type; collector streets are heavily traveled and are in the worst shape with PCI at 54; program focuses on collector and arterial streets (main streets)
- Provided list of streets proposed for 2020 repairs budgeted at \$340,000 currently; proposing to add \$500,000 this year to be able to add 5 more streets (heavy on the collector roads)
- Results of this program would raise the PCI from 54 to 59 and move more towards the 60-70 PCI range after the 5 years time
- \$1,082,000 budget proposed for 2021, all roads selected were had a PCI lower than 50, 1 arterial road, multiple collector roads and a list of local streets to include asphalt overlay where needed, deep patching if needed as well as ADA ramps and curbs
- Duncan and Ryan Road are the last two major roads in the collector streets in need of repairs and would propose to add these in the next few years
- Alderman Totton asked if alleys were to be included; Mr. Tuttle said they would look at other less expensive methods to repair those alleyways as they are less than 1% of all of the roads; looking at ways to repair the more rural roads as well and the roads were annexed in, but the properties were not
- Alderman Headley asked what the shape of the roads were in the original part of town; Mr. Tuttle shared they were in fair plus condition as they have been overlaid; some are planned to be completely reconstructed in the future; Mr. Murphy stated all older part of town received the overlay to buy some time before a total replacement

**ELECTED OFFICIALS PRESENT**

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Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 3 OF 10**

- Alderman Knox asked if the vehicle's laser shows if there is a falling away of roads; Mr. Tuttle shared it measures roughness & cracks to determine the structural stability; Alderman Knox shared East Broadway was pretty rough, but that road didn't make this cut
- Alderman Bass asked how the roads were determined; it was based on type of road and condition of the road
- Alderman Stratton asked if the amount proposed was the amount needed every year for 5 years; Mr. Tuttle said yes and the idea is to get more streets from the lower PCI levels to more acceptable conditions with more affordable way to repair; looking to put in better quality roads up front
- Alderman Stratton confirmed new neighborhoods are paid for by the developers; Mr. Tuttle will inspect these roads at that point so it doesn't become the City's expense later to correct issues; several of these roads were built years ago at the same time which is why so many are needing updates now
- Alderman Knox asked what the bond is for this; 2-year bond and before the bond expires, Mr. Tuttle will do walk-thru inspections with the developers
- Mayor Johnston asked if the IMS truck should come back in before the bond is up; Mr. Tuttle shared they will likely walk these and IMS suggests every 3-5 years this be done going forward
- Alderman Totton asked if Front street is on there; Mr. Tuttle shared that is a reconstruction project and not just repairs and would cost more than this whole project costs for the reconstruction of the one road
- Alderman Cleaver asked when these repairs on the initial list would begin; Mr. Tuttle said this month and as early as tomorrow if the budget amendment passes

**ITEM XII: PUBLIC HEARING**

- None

**ITEM III: RESOLUTIONS**

**Resolution No. R20-47:** A Resolution by the Board of Aldermen of the City of Grain Valley Authorizing the Installation of Five New Street Lights in the Eagle Ridge Multi-Family 2<sup>nd</sup> Plat Subdivision

- *Alderman Headley moved to approve Resolution No. R20-47*
- *The Motion was Seconded by Alderman Knox*
  - Authorizes street lights as part of a construction permit fee; now they are ready to be installed; Alderman Knox asked if LED; Mr. Murphy said yes, that is all Evergy is installing

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
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**CITY OF GRAIN VALLEY**  
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**Regular Session**

**10/12/2020**  
**PAGE 4 OF 10**

- *Resolution No. R20-47 was voted upon with the following voice vote:*
  - *Aye: Bass, Cleaver, Headley, Stratton, Totton, West*
  - *Nay: None*
  - *Abstain: None*

**-Resolution No. R20-47 Approved: 6-0-**

**Resolution No. R20-48:** A Resolution by the Board of Aldermen of the City of Grain Valley Authorizing the Installation of Three New Street Lights in the Eagle Ridge Estates 3<sup>rd</sup> Plat Subdivision

- *Alderman Headley moved to approve Resolution No. R20-48*
- *The Motion was Seconded by Alderman Bass*
  - *Similar to the last resolution; single family portion of that plat*
- *Resolution No. R20-47 was voted upon with the following voice vote:*
  - *Aye: Bass, Cleaver, Headley, Stratton, Totton, West*
  - *Nay: None*
  - *Abstain: None*

**-Resolution No. R20-48 Approved: 6-0-**

**Resolution No. R20-49:** A Resolution by the Board of Aldermen of the City of Grain Valley Establishing the Need to Amend the 2020 Budget and Authorizing the use of Jackson County's 2020 Pavement Maintenance (Phase 1, Asphaltic Concrete Overlay) Contract and Jackson County's 2020 Pavement Maintenance (Phase 3, Pavement Marking) Contract for the City's 2020 Street Maintenance Program Contingent Upon the Allocation of Funding for Said Services

- *Alderman Totton moved to approve Resolution No. R20-49*
- *The Motion was Seconded by Alderman Headley*
  - *Relating to the pavement presentation from earlier on the agenda*
- *Resolution No. R20-49 was voted upon with the following voice vote:*
  - *Aye: Bass, Cleaver, Headley, Stratton, Totton, West*
  - *Nay: None*
  - *Abstain: None*

**-Resolution No. R20-49 Approved: 6-0-**

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**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 5 OF 10**

**ITEM XIV: ORDINANCES**

**Bill No. B20-27:** An Ordinance Vacating A 20 Foot Alleyway Between the Properties of 309 And 311 Front Street

*Bill No. B20-27 was read by City Attorney Jeff Deane for the second reading*

- *Alderman Headley moved to accept the second reading of **Bill No. B20-27**; and approve it as Ordinance #2520*
- *The Motion was Seconded by Alderman Cleaver*
- *Alderman Totton stated that she will abstain from this vote*
  - *No discussion*
- *Motion to approve **Bill No. B20-27** making it ordinance #2520 was voted upon with the following roll call vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton*
  - *Nay: None*
  - *Abstain: Totton*

**-Bill No. B20-27 BECAME ORDINANCE #2520: 5-0-1-**

**Bill No. B20-28:** An Ordinance Approving the Final Plat of the Valley Subdivision

*Bill No. B20-28 was read by City Attorney Jeff Deane for the second reading*

- *Alderman Headley moved to accept the second reading of **Bill No. B20-28**; and approve it as Ordinance #2521*
- *The Motion was Seconded by Alderman Knox*
  - *No discussion*
- *Motion to approve **Bill No. B20-28** making it ordinance #2521 was voted upon with the following roll call vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton*
  - *Nay: None*
  - *Abstain: None*

**-Bill No. B20-28 BECAME ORDINANCE #2521: 6-0**

**Bill No. B20-29:** An Ordinance Amending Title V of the Code of Ordinances to Include a New Chapter Addressing Construction Contractors

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 6 OF 10**

*Bill No. B20-29 was read by City Attorney Jeff Deane for the second reading*

- *Alderman Bass moved to accept the second reading of **Bill No. B20-29**; and approve it as Ordinance #2522*
- *The Motion was Seconded by Alderman Cleaver*
  - *No discussion*
- *Motion to approve **Bill No. B20-29** making it ordinance #2522 was voted upon with the following roll call vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton*
  - *Nay: None*
  - *Abstain: None*

**-Bill No. B20-29 BECAME ORDINANCE #2522: 6-0**

**Bill No. B20-30:** An Ordinance Amending Title V of the Code of Ordinances to Include a New Chapter Addressing Landlords and Rental Properties

*Bill No. B20-30 was read by City Attorney Jeff Deane for the second reading*

- *Alderman Cleaver moved to accept the second reading of **Bill No. B20-30**; and approve it as Ordinance #2523*
- *The Motion was Seconded by Alderman Headley*
  - *No discussion*
- *Motion to approve **Bill No. B20-30** making it ordinance #2523 was voted upon with the following roll call vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton*
  - *Nay: None*
  - *Abstain: None*

**-Bill No. B20-30 BECAME ORDINANCE #2523: 6-0**

**Bill No. B20-31:** An Ordinance Amending Chapter 605 of the Code of Ordinances of the City of Grain Valley, Missouri, Pertaining to Occupational Licenses

*Bill No. B20-31 was read by City Attorney Jeff Deane for the second reading*

- *Alderman Knox moved to accept the second reading of **Bill No. B20-31**; and approve it*

---

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
Deputy City Administrator Theresa Osenbaugh  
Chief James Beale  
Finance Director Steven Craig  
Parks and Recreation Director Shannon Davies  
Community Development Director Mark Trosen  
City Clerk Jamie Logan  
City Attorney Jeff Deane



**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 7 OF 10**

*as Ordinance #2524*

- *The Motion was Seconded by Alderman Cleaver*
  - *Alderman Totton asked if this was relating to food trucks; Mr. Murphy said no, this was a legal update to the occupational license code*
- *Motion to approve **Bill No. B20-31** making it ordinance #2524 was voted upon with the following roll call vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton*
  - *Nay: None*
  - *Abstain: None*

**-Bill No. B20-31 BECAME ORDINANCE #2524: 6-0**

**Bill No. B20-32:** An Ordinance by the Board of Aldermen of the City of Grain Valley, Missouri Authorizing the City Administrator to Amend the 2020 Budget to Allocate Funding from Transportation Reserves for Additional Road Improvements

- *Alderman Stratton moved to make the first reading by title only of **Bill No. B20-32***
- *The Motion was Seconded by Alderman Knox*
  - *This is what was referred to in the presentation and would move \$500,000 from the transportation reserves and to the proposed street program*
- *Motion to make the first reading of **Bill No. B20-32** by title only was voted on by voice vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton*
  - *Nay: None*
  - *Abstain: None*

**-Motion Approved 6-0-**

**Bill No. B20-32** was read by City Attorney Jeff Deane for the first reading

- *Alderman Stratton moved to accept the first reading of Bill Number B20-32; and make a second reading by title only*
- *The Motion was Seconded by Alderman Totton*
  - *No discussion*
- *Motion to make the second reading of **Bill No. B20-32** by title only was voted on my voice vote:*
  - *Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton*
  - *Nay: None*

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
Deputy City Administrator Theresa Osenbaugh  
Chief James Beale  
Finance Director Steven Craig  
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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 8 OF 10**

- *Abstain: None*

**-Motion Approved 6-0-**

**Bill No. B20-32** was read by City Attorney Jeff Deane for the second reading

- Alderman Stratton moved to accept the second reading of **Bill No. B20-32**; and approve it as Ordinance #2525
- The Motion was Seconded by Alderman Bass
  - No discussion
- Motion to approve **Bill No. B20-32** making it ordinance #2525 was voted upon with the following roll call vote:
  - Aye: Bass, Cleaver, Headley, Knox, Stratton, Totton
  - Nay: None
  - Abstain: None

**-Bill No. B20-32 BECAME ORDINANCE #2525: 6-0**

**ITEM XV: CITY ATTORNEY REPORT**

- No report

**ITEM XVI: CITY ADMINISTRATOR & STAFF REPORTS**

- City Administrator Ken Murphy
  - Budget workshop next Tuesday
- Deputy City Administrator Theresa Osenbaugh
  - None
- Chief James Beale
  - None
- Finance Director Steven Craig
  - None
- Parks & Recreation Director Shannon Davies
  - None
- Community Development Director Mark Trosen
  - Last Saturday cosponsored HHW Jackson county and planned for 200 households and had 198 vehicles attended
- City Clerk Jamie Logan
  - None

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
Deputy City Administrator Theresa Osenbaugh  
Chief James Beale  
Finance Director Steven Craig  
Parks and Recreation Director Shannon Davies  
Community Development Director Mark Trosen  
City Clerk Jamie Logan  
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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 9 OF 10**

**ITEM XVII: BOARD OF ALDERMEN REPORTS & COMMENTS**

- Alderman Shea Bass
  - None
- Alderman Tom Cleaver
  - None
- Alderman Bob Headley
  - None
- Alderman Rick Knox
  - None
- Alderman Jayci Stratton
  - None
- Alderman Nancy Totton
  - Would like to see more promotion of the Trick or Treat on Main Street; not a city function and not our event to promote

**ITEM XVIII: MAYOR REPORT**

- Mayor Chuck Johnston
  - Thanked Mr. Murphy for assistance with issue that occurred last Friday night with a water shut off; it was handled quickly after hours and thank you to Public Works and Mr. Craig and water billing team

**ITEM XIX: EXECUTIVE SESSION**

- Mayor stated an executive session was needed for Legal Actions, Causes of Action of Litigation Pursuant to Section 610.021(1), Leasing, Purchase or Sale of Real Estate Pursuant to Section 610.021(2), RSMo. 1998, as Amended, Hiring, Firing, Disciplining or Promoting of Employees (personnel issues), Pursuant to Section 610.021(3), RSMo. 1998, as Amended, and Individually Identifiable Personnel Records, Personnel Records, Performance Ratings or Records Pertaining to Employees or Applicants for Employment, Pursuant to Section 610.021(13), RSMo 1998, as Amended

**-THE REGULAR MEETING CLOSED AT 7:45 PM-**

- *Alderman Headley moved to open the Regular Meeting*
- *The motion was seconded by Alderman Knox*
  - No Discussion
- *The motion was voted on with the following voice vote:*
  - *Aye: Bass, Cleaver, Headley, Stratton, Totton, West*

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Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/12/2020**  
**PAGE 10 OF**  
**10**

- *Nay: None*
- *Abstain: None*

**-MOTION CARRIED: 6-0-**

**-THE REGULAR MEETING OPENED AT 8:28 PM**

**ITEM XX: ADJOURNMENT**

- The meeting adjourned at 8:28 P.M.

Minutes submitted by:

\_\_\_\_\_  
Jamie Logan  
City Clerk

\_\_\_\_\_  
Date

Minutes approved by:

\_\_\_\_\_  
Chuck Johnston  
Mayor

\_\_\_\_\_  
Date

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Rick Knox  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/20/2020**  
**PAGE 1 OF 3**

**ITEM I: CALL TO ORDER**

- The Board of Aldermen of the City of Grain Valley, Missouri, met for a Budget Workshop on October 20, 2020 at 5:59 p.m. in the Council Chambers located at Grain Valley City Hall
- The meeting was called to order by Mayor Johnston

**ITEM II: ROLL CALL**

- City Clerk Jamie Logan called roll
- *Present: Bass, Cleaver, Headley, Stratton, Totton*
- *Absent: Knox*

**-QUORUM PRESENT-**

**ITEM III: DISCUSSION**

- 2021 Fiscal Year Budget
  - Mr. Murphy shared the slide updates from the last meeting taking into account the salary increases for 2021 approved at the last meeting
  - Mr. Murphy confirmed the Board members understood the conversations surrounding the SRO vehicles from the last budget workshop
  - Mr. Murphy clarified the light replacement agreement relating to lights at Armstrong park ballfields from the last meeting
  - Mayor Johnston asked if any other updates since the last meeting; all else stayed the same as there were no further requests for clarification from the board
  - Alderman Cleaver asked what amount the roads budget was; \$342,000 for 2020 plus adding \$500,000 from a recent budget amendment at the last Board of Aldermen meeting for approximately \$800,000 total; for 2021 there is already funds budgeted as part of the CIP plus more funds out of reserves and the capital improvement fund (since debt was paid) totaling just over 1 million in funding planned as a result of Citizen feedback; there are other items that need attention, but citizens have expressed the need for more road maintenance
  - Mayor Johnston said a citizen commented on sewer issues; there are a couple of stormwater projects in the budget including inspection and maintenance side of things and two major projects are budgeted for 2021; sanitary sewer is in good shape and needs are being met by new construction coming in; Mr. Trosen noted the department looks for issues using a camera system every 3 years
  - Alderman Bass asked what the storm water projects are for 2021; Ryan Meadows (far south subdivision) as it is open ditch and a lot of water washes things out; The

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Alderman Bob Headley  
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Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

Alderman Rick Knox

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
Deputy City Administrator Theresa Osenbaugh  
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Parks and Recreation Director Shannon Davies  
Community Development Director Mark Trosen  
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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
**Regular Session**

**10/20/2020**  
**PAGE 2 OF 3**

2<sup>nd</sup> project is in the Golfview area as there have been many citizen complaints; Subdivisions get platted out with drainage easements and it is on the City to maintain

- Alderman Totton mentioned an issue on Front Street with open ditches
- Alderman Bass requested clarification on page 88; offsite data storage and recovery; this is part of an agreement with NetStandard and this is our offsite backup, having this would help mitigate issues in case of tornado or like disaster
- Alderman Bass asked if we hire out for street sweeping; we do contract out for two times a year as there is a lot of maintenance on those vehicles & manpower to run them if we were to take it in house
- Alderman Bass asked for clarification on page 89, in house concrete project and asked what location this would be at; Mr. Murphy said anytime there is an overlay, we have to go out and make ADA repairs necessary where the overlays are done; Alderman Bass asked how much longer this project will continue; The City Engineer will be doing a sidewalk inventory and check for ADA compliance & will be ongoing and won't have an exact until all sidewalks are assessed; Mayor Johnston asked if the raised curbs by the ramps are required as when mowing it is difficult to mow over, and tripping hazards with the raised concrete; MODOT designed these as well as where the buttons go, but some of that is not a requirement
- Alderman Bass asked for clarification on page 92 relating to Capital Equipment; pointed out on the budget is \$500 different than the Large item Capital Improvement cheat sheet and need to update one or the other; this has been noted
- Alderman Bass said on page 123 Sni-A-Bar property needs for \$100,000; this is in there as a placeholder as city facilities updates are currently unknown as they are not sure yet what will be done to address facility needs whatever is decided on that down the road; it was just the line item used for the placeholder
- Alderman Headley asked if the difference on the revenue/expenditures and debt service; 2011 Capital Appreciation Bonds will be refunded in November, expenditures are a placeholder and will fluctuate and the debt service levy decreased a little bit, but we should have that much more revenue and final numbers will be from the financial advisor in November sometime; paying off some debt early one of the reasons for the refinancing- quite a bit of the GO bonds will be paid off early
- Alderman Cleaver asked if we are on or under on 2020 budget; Mr. Murphy shared we are looking to be pretty level at this point and the final budget amendment will be later this year to reflect the budget; Alderman Cleaver asked if

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Alderman Nancy Totton

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Alderman Rick Knox

**STAFF OFFICIALS PRESENT**

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Deputy City Administrator Theresa Osenbaugh  
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**CITY OF GRAIN VALLEY**  
**BOARD OF ALDERMEN MEETING MINUTES**  
Regular Session

**10/20/2020**  
**PAGE 3 OF 3**

that was in response to CARES Act; the CARES Act did help with the general fund and first responder salaries

- Alderman Bass asked how much came from the CARES Act; \$865,000
- Mayor Johnston asked if they have more questions if they can send over and schedule another meeting; If questions can be answered they will be handled without a meeting, if necessary, a meeting can be scheduled
- Alderman Cleaver asked if there are new plans for facilities; this will not be received until the citizen survey has been completed

**ITEM IV: ADJOURNMENT**

- The meeting adjourned at 6:29 P.M.

Minutes submitted by:

\_\_\_\_\_  
Jamie Logan  
City Clerk

\_\_\_\_\_  
Date

Minutes approved by:

\_\_\_\_\_  
Chuck Johnston  
Mayor

\_\_\_\_\_  
Date

**ELECTED OFFICIALS PRESENT**

Mayor Chuck Johnston  
Alderman Shea Bass  
Alderman Tom Cleaver  
Alderman Bob Headley  
Alderman Jayci Stratton  
Alderman Nancy Totton

**ELECTED OFFICIALS ABSENT**

Alderman Rick Knox

**STAFF OFFICIALS PRESENT**

City Administrator Ken Murphy  
Deputy City Administrator Theresa Osenbaugh  
Chief James Beale  
Finance Director Steven Craig  
Parks and Recreation Director Shannon Davies  
Community Development Director Mark Trosen  
City Clerk Jamie Logan

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DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
NON-DEPARTMENTAL	GENERAL FUND	KCMO CITY TREASURER	KC EARNINGS TAX WH	41.43
		MO DEPT OF REVENUE	MISSOURI WITHHOLDING	2,248.63
		FRATERNAL ORDER OF POLICE	EMPLOYEE DEDUCTIONS	336.00
		HAMPEL OIL INC	CJC FUEL	287.04
		AFLAC	AFLAC AFTER TAX	126.59
			AFLAC CRITICAL CARE	24.96
			AFLAC PRETAX	301.46
			AFLAC-W2 DD PRETAX	200.14
		MISCELLANEOUS	JAMES A WITTEMAN JR:	125.00
		MIDWEST PUBLIC RISK	DENTAL	171.70
			OPEN ACCESS	476.00
			OPEN ACCESS	212.52
			HSA	470.73
			HSA	1,514.96
			HSA	167.12
			VISION	16.00
			VISION	43.33
			VISION	115.59
			VISION	22.47
		HSA BANK	HSA - GRAIN VALLEY, MO	320.66
			HSA - GRAIN VALLEY, MO	435.66
		CITY OF GRAIN VALLEY -FLEX	FLEX - DEPENDENT CARE	216.67
		TYLER TECHNOLOGIES INC	MAINTENANCE 11/2020-10/202	208.33
		ICMA RC	ICMA 457 %	283.46
			ICMA 457	392.57
			ICMA ROTH IRA	30.08
		INTERNAL REVENUE SERVICE	FEDERAL WH	6,357.39
			SOCIAL SECURITY	4,340.36
			MEDICARE	<u>1,015.10</u>
			TOTAL:	20,501.95
HR/CITY CLERK	GENERAL FUND	MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	157.06
		GENERAL CODE LLC	RECODIFICATION PROJECT	2,889.60
			RECODIFICATION PROJECT	10.00
		MIDWEST PUBLIC RISK	DENTAL	35.02
			HSA	239.84
			HSA	334.67
		HSA BANK	HSA - GRAIN VALLEY, MO	100.33
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	4.11
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	110.96
			MEDICARE	<u>25.95</u>
			TOTAL:	3,907.54
INFORMATION TECH	GENERAL FUND	NETSTANDARD INC	09/12-10/11 OFFICE 365	748.00
			SEPT DATASAFE BACKUPS	1,000.00
			NETSTANDARD CLARITY	3,708.00
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	4.59
		MIDWEST PUBLIC RISK	DENTAL	0.58
			HSA	9.57
		HSA BANK	HSA - GRAIN VALLEY, MO	2.40
		CDW GOVERNMENT	CD Director Laptop	1,000.00
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	120.03
			CELLULAR SERVICE 09/19-10/	68.39
		TYLER TECHNOLOGIES INC	MAINTENANCE 11/2020-10/202	41.67
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	3.45
			MEDICARE	0.81

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			TOTAL:	6,707.49
BLDG & GRDS	GENERAL FUND	AAA DISPOSAL SERVICE INC	SEPTEMBER SERVICE	125.50
		SAMS CLUB/GEGRB	KITCHEN SUPPLIES	20.98
			TOILET PAPER	20.98
			KITCHEN SUPPLIES	20.98
		COMCAST - HIERARCY ACCT	CITY HALL	112.61
			CITY HALL	259.41
		ORKIN	12/18/2017 SERVICE	69.48
		GENERAL ELEVATOR	OCTOBER SERVICE	144.00
		KORNIS ELECTRIC SUPPLY INC	CITY HALL NORTH EXT DOORL	24.99
		HOME DEPOT CREDIT SERVICES	CITY HALL EXT LIGHTS	24.97
		SC REALTY SERVICES	Janitorial Services	1,579.05
		SPIRE	517 GREGG ST	159.71
			624 JAMES ROLLO CT	7.43
			711 S MAIN ST	28.66
		COMCAST	OCT 2020 FIBER	456.05
			TOTAL:	3,054.80
ADMINISTRATION	GENERAL FUND	RICOH USA INC	MAILROOM C85162118	157.91
			ADMIN C85162117	91.52
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	338.33
		SAMS CLUB/GEGRB	KITCHEN SUPPLIES	70.48
			KITCHEN SUPPLIES	87.70
		OFFICE DEPOT	BATTERY/CLIP/PAPER	51.94
			PENS	6.99
		VISA-CARD SERVICES 1184	MURPHY/OSENBUAGH CANCELED	400.00-
		COSENTINOS PRICE CHOPPER	WEBSITE MEETING FOOD	46.94
		RICOH USA INC	ADMIN C85162117	228.22
			MAILROOM C85162118	228.22
		CVS #08950	LYSOL SPRAY	15.32
		MIDWEST PUBLIC RISK	DENTAL	24.36
			DENTAL	0.92
			HSA	13.02
			HSA	404.74
		HSA BANK	HSA - GRAIN VALLEY, MO	62.89
			HSA - GRAIN VALLEY, MO	2.64
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	5.14
		CDW GOVERNMENT	Dell 7740	2,642.77
			Finance Laptops	489.95
			Dell 3550	1,668.56
		ZOOM VIDEO COMMUNICATIONS	STANDARD PRO MONTHLY	14.99
		FLOWERSHOPNETWORK.COM	FLOWERS FOR JOE LAUBER	107.40
		RESPONDERS GRILL & BAR	MURPHY/OSENBAUGH LUNCH	29.00
		LAUBER MUNICIPAL LAW LLC	COVID LEGAL FEES	612.50
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	268.97
			MEDICARE	62.90
			TOTAL:	7,334.32
ELECTED	GENERAL FUND	AMAZON.COM	TABLECLOTH	49.96
		EASycANVASPTINS.COM	TRUMAN HEARTLAND CITIZEN O	44.18
			TOTAL:	94.14
LEGAL	GENERAL FUND	LAUBER MUNICIPAL LAW LLC	CITY ATTORNEY	4,375.00
			TOTAL:	4,375.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
FINANCE	GENERAL FUND	MO DEPT OF REVENUE	MISSOURI WITHHOLDING	0.50
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	229.64
		MIDWEST PUBLIC RISK	DENTAL	34.68
			HSA	145.32
			HSA	329.16
		HSA BANK	HSA - GRAIN VALLEY, MO	36.45
			HSA - GRAIN VALLEY, MO	50.79
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	4.11
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	169.55
			MEDICARE	<u>39.65</u>
			TOTAL:	1,039.85
COURT	GENERAL FUND	MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	148.79
		MIDWEST PUBLIC RISK	DENTAL	18.00
			DENTAL	1.26
			HSA	299.00
			HSA	23.43
		HSA BANK	HSA - GRAIN VALLEY, MO	75.00
			HSA - GRAIN VALLEY, MO	3.62
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	4.11
		MERCHANT SERVICES	MONTHLY FEES	22.54
		LAUBER MUNICIPAL LAW LLC	CITY PROSECUTOR	3,570.00
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	173.31
			MEDICARE	<u>40.53</u>
			TOTAL:	4,379.59
VICTIM SERVICES	GENERAL FUND	MISSOURI STATE TREASURER	UNCLAIMED/UNCASHED PROPERT	23.00
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	127.32
		MIDWEST PUBLIC RISK	DENTAL	34.90
			HSA	648.05
		HSA BANK	HSA - GRAIN VALLEY, MO	100.00
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	4.11
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	40.60
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	136.00
			MEDICARE	<u>31.81</u>
			TOTAL:	1,145.79
FLEET	GENERAL FUND	CLARKS TOOL & EQUIPMENT	FUEL LINE DISCONNECT TOOL	9.90
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	73.33
		OREILLY AUTOMOTIVE INC	GAL PURPLE POWER	7.99
			CLEANER	54.99
			MOLY GREASE/PB BLASTER	54.88
		HAMPEL OIL INC	BREAKAWAY VALVE/HOSE	324.98-
		FASTENAL COMPANY	14.5" UVBLACK CBL TIE	65.10
		WEX BANK	PENALTIES	150.00
		MIDWEST PUBLIC RISK	DENTAL	18.02
			HSA	154.32
		HSA BANK	HSA - GRAIN VALLEY, MO	38.71
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	2.06
		CINTAS CORPORATION # 430	PW/WOLTZ UNIFORMS	9.92
			PW/WOLTZ UNIFORMS	9.92
			PW/WOLTZ UNIFORMS	9.92
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	57.00
			MEDICARE	<u>13.33</u>
			TOTAL:	404.41

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
POLICE	GENERAL FUND	RICOH USA INC	PD C85162116	91.52
			PD C85162119	153.00
			PD 85162124	5.51
		GALLS LLC	MOAB 2 8 IN TACTICAL WATER	158.55
		MISSOURI LAGERS	EMPLOYER CONTRIBUTIONS	3,967.58
			MONTHLY CONTRIBUTIONS	262.06
		SAMS CLUB/GEGRB	TOTES FOR COVID RESPONSE G	17.39
			KITCHEN SUPPLIES	66.91
		ADVANCE AUTO PARTS	HEADLIGHT SILVERSTAR	32.89
		STATE BANK OF MISSOURI	PD LEASE VEHICLES AND EQU	226.33
			PD LEASE VEHICLES AND EQU	3,512.98
		WALMART COMMUNITY	COFFEE	38.71
		OFFICE DEPOT	LABELS	3.99
			INK CARTRIDGE/STAPLER/PAD	278.23
			PD C85162116	228.22
		RICOH USA INC	PD C85162119	228.22
			PD DESK C85162124	32.71
			HAMPEL OIL INC	1,186.91
		COMCAST	BULK GASOHOL/DIESEL	128.00
			HIGH SPEED INTERNET	149.85
			SEPTEMBER 2020 MINIMUM COM	150.00
		LEXISNEXIS RISK DATA MGMT INC	3) GY 245/55R18 EAG RSA VS	406.50
		GOODYEAR COMMERCIAL TIRE	DENTAL	162.00
		MIDWEST PUBLIC RISK	DENTAL	523.50
			OPEN ACCESS	756.00
			OPEN ACCESS	1,640.00
			OPEN ACCESS	721.20
			HSA	1,970.80
			HSA	2,392.00
		HSA BANK	HSA	3,888.30
			HSA	570.70
			HSA - GRAIN VALLEY, MO	600.00
		NEW DIRECTIONS BEHAVIORAL	HSA - GRAIN VALLEY, MO	1,100.00
			4TH QTR 2020	106.84
		RON'S AUTO & TRUCK TOWING	2013 FORD EXPLORER	65.00
		METRO FORD	MOULDIN	198.56
		CHEWY.COM	PURINA PRO PLAN	64.60
		ALL K 9 INC	STEEL PRONG COLLAR	43.99
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	121.80
			CELLULAR SERVICE 09/19-10/	1,147.48
			SEPTEMBER VEHICLE WASHES	48.00
		GO CAR WASH MANAGEMENT CORP	10-POCKET DESK REFERENCE O	365.04
		ULTIMATE OFFICE	ORGANIZER	75.95
		DAREREMOTE.COM	DIGITAL DARE BOOKS	71.55
		FIRST TACTICAL LLC	SIDE ZIP BOOT	129.99
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	2,949.59
			MEDICARE	689.83
		JACKSON COUNTY MGR OF FINANCE	DISPATCH SERVICES	8,157.20
			DISPATCH SERVICES	8,157.20
		GEARZONE PRODUCTS	MAGPUL MAG PATROL GLOVE	47.45
			TOTAL:	48,090.63
ANIMAL CONTROL	GENERAL FUND	MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	98.50
		HAMPEL OIL INC	BULK GASOHOL/DIESEL	42.86
		MIDWEST PUBLIC RISK	OPEN ACCESS	378.00
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	4.11

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		ASPEN PET CREMATIONS	SERVICE 09/26/20	43.70
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	40.60
		OAK GROVE ANIMAL CLINIC	OAK GROVE ANIMAL CLINIC	225.00
			OAK GROVE ANIMAL CLINIC	130.00
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	77.30
			MEDICARE	18.08
			TOTAL:	1,058.15
PLANNING & ENGINEERING GENERAL FUND		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	513.13
		SAMS CLUB/GEGRB	KITCHEN SUPPLIES	28.98
		EAGLE VALLEY AUTOMOTIVE LLC	2019 CHEV: WHEEL ALIGNMENT	69.95
		HAMPEL OIL INC	BULK GASOHOL/DIESEL	82.55
		EARL MADISON COMPANY LLC	1313 NW BRENTWOOD	200.00
			1809 NW MAYA CT	50.00
			1310 NW LINDENWOOD DR	100.00
			1308 NW LINDENWOOD DR	100.00
			320 SW RYAN RD	150.00
			COMMON AREA BETWEEN KIM/KA	175.00
			1296 NW LINDENWOOD DR	50.00
			NW LINDENWOOD DR	150.00
			1312 NW CRESTWOOD DR	50.00
			1304 NW HICKORYWOOD CT	175.00
			1303 NW HICKORYWOOD CT	125.00
			1303 NW BRENTWOOD	200.00
			1316 NW CRESTWOOD DR	150.00
			801 SW APPLE GROVE CT	200.00
			NW SNI-A-BAR BLVD	300.00
			203-217 NW SNI-A-BAR BLVD	300.00
			114 SW EAGLES PKWY	100.00
			404 NW ORION RD	175.00
			1298 NW LINDENWOOD	50.00
			1308 NW HICKORYWOOD CT	100.00
			1309 NW HICKORY CT	100.00
		MIDWEST PUBLIC RISK	DENTAL	49.28
			DENTAL	10.21
			OPEN ACCESS	108.18
			HSA	818.46
			HSA	81.24
		HSA BANK	HSA - GRAIN VALLEY, MO	205.29
			HSA - GRAIN VALLEY, MO	14.24
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	13.77
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	6.09
		JACKSON COUNTY RECORDER	LIEN RELEASE	360.65
		AMERICAN SOCIETY OF	TUTTLE: MEMBERSHIP	70.00
		ALARIS LITIGATION SERVICES	BZA Transcript	418.05
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	394.27
			MEDICARE	92.21
		MOLLE CHEVROLET INC	ROD KIT	87.16
			TOTAL:	6,423.71
NON-DEPARTMENTAL	PARK FUND	KCMO CITY TREASURER	KC EARNINGS TAX WH	21.36
		MO DEPT OF REVENUE	MISSOURI WITHHOLDING	441.20
		FAMILY SUPPORT PAYMENT CENTER	SMITH CASE 91316387	92.31
		AFLAC	AFLAC CRITICAL CARE	6.78
			AFLAC PRETAX	54.44
			AFLAC-W2 DD PRETAX	71.29

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		MISCELLANEOUS	DONNA WINEMILLER:	50.00
		MIDWEST PUBLIC RISK	DENTAL	21.75
			HSA	218.75
			HSA	36.68
			VISION	8.00
			VISION	16.39
			VISION	1.08
		HSA BANK	HSA - GRAIN VALLEY, MO	100.00
			HSA - GRAIN VALLEY, MO	69.63
		CITY OF GRAIN VALLEY -FLEX	FLEX - DEPENDENT CARE	210.00
		ICMA RC	ICMA 457 %	168.68
			ICMA 457	593.56
			ICMA ROTH IRA	46.88
			ICMA ROTH IRA	3.89
		INTERNAL REVENUE SERVICE	FEDERAL WH	1,134.38
			SOCIAL SECURITY	905.23
			MEDICARE	<u>211.73</u>
			TOTAL:	4,484.01
PARK ADMIN	PARK FUND	NETSTANDARD INC	NETSTANDARD CLARITY	618.00
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	526.56
		OFFICE DEPOT	USB	59.98
		COMCAST - HIERARCY ACCT	CITY HALL	20.80
			CITY HALL	52.58
			TYER	124.85
		HAMPEL OIL INC	BULK GASOHOL/DIESEL	194.68
		WEX BANK	FUEL PURCHASE	57.30
		MIDWEST PUBLIC RISK	DENTAL	3.43
			DENTAL	83.40
			HSA	1,033.37
			HSA	86.04
			HSA	126.46
		HSA BANK	HSA - GRAIN VALLEY, MO	14.31
			HSA - GRAIN VALLEY, MO	229.25
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	10.69
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	80.61
		JACKSON COUNTY RECORDER	RECORDING TRAIL EASEMENT	70.90
		CANVA.COM	CANVA SUBSCRIPTION	12.95
		COMCAST	OCT 2020 FIBER	76.01
		THE EXAMINER	PEDESTRIAN BRIDGE RFP	352.80
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	376.69
			MEDICARE	<u>88.09</u>
			TOTAL:	4,299.75
PARKS STAFF	PARK FUND	AAA DISPOSAL SERVICE INC	SEPTEMBER SERVICE	77.00
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	384.86
		KORNIS ELECTRIC SUPPLY INC	OUTLET COVERS	11.32
			LIGHTS	69.00
			OUTLET COVERS	56.59
		FASTENAL COMPANY	ZIP TIES FOR FENCING	80.93
		911 CUSTOM	ACARI 22" LOW PROFILE MOUN	208.09
		MIDWEST PUBLIC RISK	DENTAL	54.00
			HSA	897.00
		HSA BANK	HSA - GRAIN VALLEY, MO	225.00
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	12.33
		SPIRE	600 BUCKNER TARSNEY RD	24.38



DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			624 JAMES ROLLO CT	3.71
		PLAYGROUND GUARDIAN LLC	Playground Guardian Subsc	1,500.00
		LAWN & LEISURE	SEAL/SPACER/BEARING	203.07
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	293.41
			MEDICARE	<u>68.63</u>
			TOTAL:	4,169.32
RECREATION	PARK FUND	SAMS CLUB/GEGRB	CONC PRODUCT & SUPPLIES	26.94
			CONC PRODUCT & SUPPLIES	24.94
		OAK GROVE GIRLS SOFTBALL (OGGS)	Softball Umpire Fees	610.00
		ROBERT HAMMOND	UMPIRE FEES 09/21-10/04	210.00
		ERIC KREISLER	UMPIRE FEES 09/21-10/04	285.00
		SETH MICHAEL HALEY	UMPIRE FEES 09/21-10/04	155.00
		MAXWELL HOOVER	UMPIRE FEES 09/21-10/04	200.00
		MARCUS WRIGHT	UMPIRE FEES 09/21-10/04	140.00
		TREVOR STARR	UMPIRE FEES 09/21-10/04	70.00
		LAWRENCE SCHELLENBERGER	UMPIRE FEES 09/21-10/04	70.00
		WILLIAM MOORE	UMPIRE FEES 09/21-10/04	400.00
		MICHAEL J KING	UMPIRE FEES 09/21-10/04	395.00
		DRAKE HUTSON	UMPIRE FEES 09/21-10/04	395.00
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	42.58
			MEDICARE	<u>9.97</u>
			TOTAL:	3,034.43
COMMUNITY CENTER	PARK FUND	AAA DISPOSAL SERVICE INC	SEPTEMBER SERVICE	65.00
		MELODY TAYLOR	09/21-10/02 SILVERSNEAKERS	150.00
		RICOH USA INC	COMM CTR C85162114	44.84
			COMM CTR C85162123	9.80
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	138.38
		SAMS CLUB/GEGRB	COMM CENTER SUPPLIES	105.01
			COMM CENTER SUPPLIES	26.94
		COMCAST - HIERARCY ACCT	COMM CENTER	222.67
		AMAZON.COM	HEADSET	25.98
		AUTHORIZE.NET	SEPT 20 SIGNUPS	67.20
		RICOH USA INC	PR C85162114	228.22
			CC DESK C85162123	32.68
		KORNIS ELECTRIC SUPPLY INC	COMM CENTER BLDG SUPPLIES	67.50
		MIDWEST PUBLIC RISK	DENTAL	18.00
			HSA	299.00
		HSA BANK	HSA - GRAIN VALLEY, MO	75.00
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	4.11
		SPIRE	713 S MAIN ST	77.02
			713 S MAIN ST A	36.58
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	40.60
		FREDAH JOHNSTON	09/22-10/01 LINE DANCING	160.20
		MERCHANT SERVICES	MONTHLY FEES	295.18
			MONTHLY FEES	4.08
		WHOLESALETOWELL.COM	JANITORIAL SUPPLIES	243.01
		RUBBERSTAMPS.COM	REFUND STAMP	29.58
		QUILL CORPORATION	JANITORIAL SUPPLIES	13.98
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	192.55
			MEDICARE	<u>45.04</u>
			TOTAL:	2,718.15
NON-DEPARTMENTAL	TRANSPORTATION	MO DEPT OF REVENUE	MISSOURI WITHHOLDING	156.89
		FAMILY SUPPORT PAYMENT CENTER	DZEKUNSKAS CASE 41452523	30.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		AFLAC	AFLAC PRETAX	4.64
			AFLAC-W2 DD PRETAX	8.05
		MIDWEST PUBLIC RISK	DENTAL	17.23
			OPEN ACCESS	26.39
			OPEN ACCESS	27.72
			HSA	62.58
			HSA	75.18
			HSA	79.35
			VISION	3.20
			VISION	0.80
			VISION	4.40
			VISION	5.54
		HSA BANK	HSA - GRAIN VALLEY, MO	4.94
			HSA - GRAIN VALLEY, MO	75.81
		ICMA RC	ICMA 457 %	26.47
			ICMA 457	16.50
			ICMA ROTH IRA	30.00
		INTERNAL REVENUE SERVICE	FEDERAL WH	426.69
			SOCIAL SECURITY	292.02
			MEDICARE	68.30
			TOTAL:	1,442.70
TRANSPORTATION	TRANSPORTATION	NETSTANDARD INC	09/12-10/11 OFFICE 365	149.60
			SEPT DATASAFE BACKUPS	200.00
			NETSTANDARD CLARITY	370.80
		CARTER WATERS	K SATUROCK PREMIUM W/ KEVL	268.50
		RICOH USA INC	PW C85162113	8.26
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	402.86
		SAMS CLUB/GEGRB	KITCHEN SUPPLIES	10.40
		ADVANCE AUTO PARTS	ACRY EN 2X GLS ORG	1.37
			AIR FILTER	3.25
			LUBE/AIR FILTER/FUEL/POWER	77.34
			TRICO ICE WINTER	15.26
		OFFICE DEPOT	BATTERY/CLIP/PAPER	8.32
			CUSHION SEAT	7.00
		CUES	SEWER CAMERA HEAD REPR	637.81
		COMCAST - HIERARCY ACCT	CITY HALL	14.27
			CITY HALL	36.27
			PW	22.67
			PW	35.95
			PW	63.31
		AMAZON.COM	CASE	4.59-
			GALAXY TABLET CASE	18.02
			GALAXY TABLET CASE	6.03
		OREILLY AUTOMOTIVE INC	PLIERS	5.25
			OIL FILTER	49.85
			1 GAL MOTOR OIL	71.94
		ORKIN	12/18/2017 SERVICE	5.95
			10/16/20 SERVICE	11.63
		VANCE BROTHERS INC	VIRGIN SURFACE MIX	307.50
		RICOH USA INC	PW C85162113	45.64
		HAMPEL OIL INC	BULK GASOHOL/DIESEL	157.69
		KORNIS ELECTRIC SUPPLY INC	ELBOW/COUPLING	0.67
		HOME DEPOT CREDIT SERVICES	CURB REPLACEMENT	35.64
			HAND TOOLS	69.12
			3/8 X 10 #3 REBAR	29.70

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			FIXED BASE SYSTEM	4.99
			PIPE WRENCH/RIGHT ANGLE AD	11.99
			PIPE WRENCH/RIGHT ANGLE AD	14.98
			2 SCHEDULE 80X 10FT	17.33
		GOODYEAR COMMERCIAL TIRE	2) GY 265/70R18 WRL TRAILR	53.22
		WEX BANK	FUEL PURCHASE	3.43
		BARBOUR CONCRETE CO	STORM BOX	768.20
			STORM BOX	94.00
		DUDE SOLUTIONS INC	Asset Essentials Training	1,000.00
		KC WHOLESALE	AIR CLEANER ASSY	82.00
		MIDWEST PUBLIC RISK	DENTAL	10.61
			DENTAL	66.04
			OPEN ACCESS	124.61
			OPEN ACCESS	75.60
			OPEN ACCESS	108.18
			HSA	295.61
			HSA	116.71
			HSA	259.21
			HSA	309.52
		HSA BANK	HSA - GRAIN VALLEY, MO	29.27
			HSA - GRAIN VALLEY, MO	154.24
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	10.28
		SPIRE	405 JAMES ROLLO DR	7.32
			624 JAMES ROLLO CT	7.43
			711 S MAIN ST	2.46
			618 JAMES ROLLO CT	8.40
		ANDERSON RENTALS & SALES	CONCRETE MIXING TRAILER	140.00
			CONCRETE MIXING TRAILER	35.00
			CONCRETE MIXING TRAILER	210.00
			CONCRETE MIXING TRAILER	50.00
		CDW GOVERNMENT	CD Director Laptop	32.83
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	137.96
			CELLULAR SERVICE 09/19-10/	6.09
			CELLULAR SERVICE 09/19-10/	303.99
		CINTAS CORPORATION # 430	PW/WOLTZ UNIFORMS	34.68
			PW/WOLTZ UNIFORMS	32.04
			PW/WOLTZ UNIFORMS	32.88
		CEDAR BUILT USA	SIGN SHOP SHED	1,720.00
		COMCAST	OCT 2020 FIBER	45.60
		VIKING-CIVES MIDWEST INC	REAR HINGE PIVOT PIN/FLAT	27.20
		FACTORY MOTOR PARTS CO	SPLASH ULTIMATE - 35F GAL	6.70
		SUMMIT TRUCK GROUP	GASKET OIL PAN	51.35
			SYNTHETIC ATF AL	95.88
		GRAIN VALLEY RENTAL INC	3 HOUR RENTAL POWER RAKE	10.00
			1 DAY RENTAL BILJAX 45" AE	92.66
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	292.06
			MEDICARE	68.31
			TOTAL:	10,204.14
PUBLIC HEALTH	PUBLIC HEALTH	AAA DISPOSAL SERVICE INC	DUMPSTER RENTAL	2,975.00
			DUMPSTER RENTAL	1,275.00
		AMAZON.COM	TABLECLOTH	49.96
		COSENTINOS PRICE CHOPPER	CITY WIDE CLEANUP SNACKS	61.98
			MEALS FOR HHW EVENT	128.00
			MEALS FOR HHW EVENT	16.00
			TOTAL:	4,505.94

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
NON-DEPARTMENTAL	MKTPL TIF-PR#2 SPE UMB BANK		2ND QTR COUNTY	34,064.43
			2ND QTR CJC	22,709.62
			CITY SALES	<u>2,038.45</u>
			TOTAL:	58,812.50
NON-DEPARTMENTAL	MKT PL CID-PR2 SAL UMB BANK		CID/USE	13,609.54
			CID/USE UNCAPTURED	<u>13,201.25</u>
			TOTAL:	26,810.79
NON-DEPARTMENTAL	MKT PL CID-PROJECT LAUBER MUNICIPAL LAW LLC		MERCADO PROJECT	<u>920.00</u>
			TOTAL:	920.00
NON-DEPARTMENTAL	WATER/SEWER FUND	MISSOURI STATE TREASURER	UNCLAIMED/UNCASHED PROPERT	731.12
		KCMO CITY TREASURER	KC EARNINGS TAX WH	8.42
		MO DEPT OF REVENUE	MISSOURI WITHHOLDING	1,060.07
		FAMILY SUPPORT PAYMENT CENTER	DZEKUNSKAS CASE 41452523	120.00
		AFLAC	AFLAC PRETAX	36.15
			AFLAC-W2 DD PRETAX	88.56
		MISCELLANEOUS KANUCKEL, GREG	20-568041-04	100.00
		MIDWEST PUBLIC RISK	DENTAL	107.82
			OPEN ACCESS	105.56
			OPEN ACCESS	129.36
			HSA	290.94
			HSA	628.58
			HSA	485.03
			VISION	12.80
			VISION	7.48
			VISION	21.93
			VISION	27.99
		HSA BANK	HSA - GRAIN VALLEY, MO	69.73
			HSA - GRAIN VALLEY, MO	466.40
		CITY OF GRAIN VALLEY -FLEX	FLEX - DEPENDENT CARE	159.99
		TYLER TECHNOLOGIES INC	MAINTENANCE 11/2020-10/202	208.34
		ICMA RC	ICMA 457 %	185.50
			ICMA 457	214.87
			ICMA ROTH IRA	146.03
		INTERNAL REVENUE SERVICE	FEDERAL WH	3,078.94
			SOCIAL SECURITY	1,972.52
			MEDICARE	<u>461.33</u>
			TOTAL:	10,925.46
WATER	WATER/SEWER FUND	AAA DISPOSAL SERVICE INC	SEPTEMBER SERVICE	62.75
		NETSTANDARD INC	09/12-10/11 OFFICE 365	299.20
			SEPT DATASAFE BACKUPS	400.00
			NETSTANDARD CLARITY	741.60
		PEREGRINE CORPORATION	20 BILL PRINT & MAIL	436.30
			20 BILL PRINT & MAIL	83.89
		RICOH USA INC	PW C85162113	16.52
			CD C85162115	44.70
		CITY OF INDEPENDENCE UTILITIES	24298CCF 08/19-09/17	37,731.90
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	1,342.49
		SAMS CLUB/GEGRB	KITCHEN SUPPLIES	20.76
		ADVANCE AUTO PARTS	ACRY EN 2X GLS ORG	2.76
			AIR FILTER	6.51
			LUBE/AIR FILTER/FUEL/POWER	154.67
			TRICO ICE WINTER	30.53

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		VANCO SERVICES LLC	SEPTEMBER 2020 GATEWAY ES2	72.75
		OFFICE DEPOT	BATTERY/CLIP/PAPER	16.64
			CUSHION SEAT	13.99
			CLIPBOARDS/CALCULATOR	51.91
		COMCAST - HIERARCY ACCT	CITY HALL	24.05
			CITY HALL	60.74
			PW	45.34
			PW	50.67
			PW	100.66
		AMAZON.COM	CASE	9.20-
			GALAXY TABLET CASE	36.03
			GALAXY TABLET CASE	12.09
		OREILLY AUTOMOTIVE INC	PLIERS	10.51
			OIL FILTER	99.71
			1 GAL MOTOR OIL	143.88
		TRI-COUNTY WATER AUTHORITY	CONSUMPTION	26,481.55
			DEBT	63,231.27
		ORKIN	12/18/2017 SERVICE	11.91
			10/16/20 SERVICE	23.26
		MISSOURI ONE CALL SYSTEM INC	SEPTEMBER 321 LOCATES	401.25
		BLUE SPRINGS WINWATER CO	REPAIR PARTS	750.00
			12" MACRO TWO BOLT COUP	410.00
			VALVE EXT FOR HURCO SPIN D	375.00
			BLUE FLAG/GREEN MARKING FL	120.00
			SADDLE X GJ TEE	35.00
		RICOH USA INC	PW C85162113	91.29
			CD C85162115	114.11
		HAMPEL OIL INC	BULK GASOHOL/DIESEL	315.35
		KORNIS ELECTRIC SUPPLY INC	ELBOW/COUPLING	1.35
			CONDUIT/KELEM GRIP	51.80
		HOME DEPOT CREDIT SERVICES	HAND TOOLS	138.26
			FIXED BASE SYSTEM	9.99
			FIXED BASE SYSTEM	46.03
			PIPE WRENCH/RIGHT ANGLE AD	23.98
			PIPE WRENCH/RIGHT ANGLE AD	29.98
			PIPE WENCH/PLASTIC COUPLIN	12.97
			2 SCHEDULE 80X 10FT	34.64
		GOODYEAR COMMERCIAL TIRE	2) GY 265/70R18 WRL TRAILR	106.43
		WEX BANK	FUEL PURCHASE	6.86
		DUDE SOLUTIONS INC	Asset Essentials Training	2,000.00
		KC WHOLESALE	AIR CLEANER ASSY	164.00
		MIDWEST PUBLIC RISK	DENTAL	36.87
			DENTAL	206.77
			OPEN ACCESS	249.23
			OPEN ACCESS	151.21
			OPEN ACCESS	252.43
			HSA	687.18
			HSA	627.42
			HSA	1,083.66
			HSA	946.02
		HSA BANK	HSA - GRAIN VALLEY, MO	142.83
			HSA - GRAIN VALLEY, MO	472.47
		NORLAB INC	200 TOILET DYE PACKAGES	81.00
		SC REALTY SERVICES	Janitorial Services	95.70
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	32.47
		SPIRE	405 JAMES ROLLO DR	14.63

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			624 JAMES ROLLO CT	9.28
			711 S MAIN ST	4.91
			618 JAMES ROLLO CT	16.82
		CDW GOVERNMENT	CD Director Laptop	400.00
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	275.92
			CELLULAR SERVICE 09/19-10/	14.21
			CELLULAR SERVICE 09/19-10/	607.98
		CINTAS CORPORATION # 430	PW/WOLTZ UNIFORMS	69.34
			PW/WOLTZ UNIFORMS	64.10
			PW/WOLTZ UNIFORMS	65.74
		MERCHANT SERVICES	MONTHLY FEES	869.86
			MONTHLY FEES	1,170.23
		CEDAR BUILT USA	SIGN SHOP SHED	3,440.00
		COMCAST	OCT 2020 FIBER	91.21
		VIKING-CIVES MIDWEST INC	REAR HINGE PIVOT PIN/FLAT	54.40
		FACTORY MOTOR PARTS CO	SPLASH ULTIMATE - 35F GAL	13.39
		TYLER TECHNOLOGIES INC	INSITE TRANSACTION FEE	2,569.12
			UTILITY BILLING NOTIFICATI	54.00
			MAINTENANCE 11/2020-10/202	20.83
			OCT 20 MONTHLY FEES	97.00
		SUMMIT TRUCK GROUP	GASKET OIL PAN	102.69
			SYNTHETIC ATF AL	191.76
		NEPTUNE TECHNOLOGY GROUP INC	NEPTUNE SOFTWARE PKG	5,127.54
			WATER METERS	9,589.46
			FIXED BASE SYSTEM	15,514.83
		GRAIN VALLEY RENTAL INC	3 HOUR RENTAL POWER RAKE	20.00
			1 DAY RENTAL BILJAX 45" AE	185.32
		SCHULTE SUPPLY INC	WATER LINE CLAMP	725.00
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	986.27
			MEDICARE	230.66
			TOTAL:	184,752.39
SEWER	WATER/SEWER FUND	AAA DISPOSAL SERVICE INC	SEPTEMBER SERVICE	62.75
		NETSTANDARD INC	09/12-10/11 OFFICE 365	299.20
			SEPT DATASAFE BACKUPS	400.00
			NETSTANDARD CLARITY	741.60
		CITY OF BLUE SPRINGS	AGENT/ADMIN FEES	19,079.17
		PEREGRINE CORPORATION	20 BILL PRINT & MAIL	436.31
			20 BILL PRINT & MAIL	83.89
		RICOH USA INC	PW C85162113	16.53
			CD C85162115	44.71
		MISSOURI LAGERS	MONTHLY CONTRIBUTIONS	1,342.45
		SAMS CLUB/GEGRB	KITCHEN SUPPLIES	20.76
		ADVANCE AUTO PARTS	ACRY EN 2X GLS ORG	2.76
			AIR FILTER	6.51
			LUBE/AIR FILTER/FUEL/POWER	154.67
			TRICO ICE WINTER	30.53
		VANCO SERVICES LLC	SEPTEMBER 2020 GATEWAY ES2	72.75
		OFFICE DEPOT	BATTERY/CLIP/PAPER	16.64
			CUSHION SEAT	14.00
			CLIPBOARDS/CALCULATOR	51.90
		CUES	SEWER CAMERA HEAD REPR	1,830.16
		COMCAST - HIERARCY ACCT	CITY HALL	24.05
			CITY HALL	60.74
			PW	45.34
			PW	50.67

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			PW	100.66
		AMAZON.COM	CASE	9.20-
			GALAXY TABLET CASE	36.03
			GALAXY TABLET CASE	12.09
		OREILLY AUTOMOTIVE INC	PLIERS	10.51
			OIL FILTER	99.71
			1 GAL MOTOR OIL	143.88
		ORKIN	12/18/2017 SERVICE	11.91
			10/16/20 SERVICE	23.27
		BLUE SPRINGS WINWATER CO	BLUE FLAG/GREEN MARKING FL	171.00
			GASKET PIPE	60.90
		RICOH USA INC	PW C85162113	91.29
			CD C85162115	114.11
		HAMPEL OIL INC	BULK GASOHOL/DIESEL	315.35
		KORNIS ELECTRIC SUPPLY INC	ELBOW/COUPLING	1.35
		USABLUBOOK	MSA ADVANTAGE P100 CARTRID	25.77
		HOME DEPOT CREDIT SERVICES	643 GATEWAY CT REPAIR	8.13
			643 GATEWAY CT REPAIR	6.79
			HAND TOOLS	138.26
			GATEWAY CT REPAIR	30.78
			FIXED BASE SYSTEM	9.99
			PIPE WRENCH/RIGHT ANGLE AD	23.98
			PIPE WRENCH/RIGHT ANGLE AD	29.98
			PIPE WENCH/PLASTIC COUPLIN	28.94
			2 SCHEDULE 80X 10FT	34.64
		GOODYEAR COMMERCIAL TIRE	2) GY 265/70R18 WRL TRAILR	106.43
		WEX BANK	FUEL PURCHASE	6.86
		DUDE SOLUTIONS INC	Asset Essentials Training	2,000.00
		KC WHOLESALE	AIR CLEANER ASSY	164.00
		MIDWEST PUBLIC RISK	DENTAL	36.87
			DENTAL	206.78
			OPEN ACCESS	249.21
			OPEN ACCESS	151.19
			OPEN ACCESS	252.41
			HSA	687.18
			HSA	627.42
			HSA	1,083.66
			HSA	946.02
		HSA BANK	HSA - GRAIN VALLEY, MO	142.85
			HSA - GRAIN VALLEY, MO	472.42
		SC REALTY SERVICES	Janitorial Services	95.70
		NEW DIRECTIONS BEHAVIORAL	4TH QTR 2020	32.47
		SPIRE	405 JAMES ROLLO DR	14.63
			624 JAMES ROLLO CT	9.27
			711 S MAIN ST	4.92
			618 JAMES ROLLO CT	16.82
		JOHN DEERE FINANCIAL	BOOT ST SIERRA	144.99
		CDW GOVERNMENT	CD Director Laptop	400.00
		UNITED LABORATORIES INC	SOLV-ALL SOLAR SOLVENT DEG	365.78
		VERIZON WIRELESS	CELLULAR SERVICE 09/19-10/	275.92
			CELLULAR SERVICE 09/19-10/	14.21
			CELLULAR SERVICE 09/19-10/	607.98
		CINTAS CORPORATION # 430	PW/WOLTZ UNIFORMS	69.34
			PW/WOLTZ UNIFORMS	64.10
			PW/WOLTZ UNIFORMS	65.74
		MERCHANT SERVICES	MONTHLY FEES	869.86

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
			MONTHLY FEES	1,170.24
		CEDAR BUILT USA	SIGN SHOP SHED	3,440.00
		COMCAST	OCT 2020 FIBER	91.21
		VIKING-CIVES MIDWEST INC	REAR HINGE PIVOT PIN/FLAT	54.40
		FACTORY MOTOR PARTS CO	SPLASH ULTIMATE - 35F GAL	13.39
		TYLER TECHNOLOGIES INC	INSITE TRANSACTION FEE	2,569.13
			UTILITY BILLING NOTIFICATI	54.00
			MAINTENANCE 11/2020-10/202	20.83
			OCT 20 MONTHLY FEES	97.00
		SUMMIT TRUCK GROUP	GASKET OIL PAN	102.69
			SYNTHETIC ATF AL	191.76
		NEPTUNE TECHNOLOGY GROUP INC	NEPTUNE SOFTWARE PKG	5,127.54
		GRAIN VALLEY RENTAL INC	3 HOUR RENTAL POWER RAKE	20.00
			1 DAY RENTAL BILJAX 45" AE	185.32
		INTERNAL REVENUE SERVICE	SOCIAL SECURITY	986.17
			MEDICARE	<u>230.66</u>
			TOTAL:	50,947.58
NON-DEPARTMENTAL	POOLED CASH FUND	VISA-CARD SERVICES 1184	VISA-CARD SERVICES 1184	504.56
		VISA-CARD SERVICES 1325	VISA-CARD SERVICES 1325	789.83
		VISA-CARD SERVICES 9016	VISA-CARD SERVICES 9016	112.62
		VISA-CARD SERVICES 1663	VISA-CARD SERVICES 1663	17.39
		VISA-CARD SERVICES 1788	VISA-CARD SERVICES 1788	151.58
		VISA-CARD SERVICES 9313	VISA-CARD SERVICES 9313	449.62



## \* REFUND CHECKS \*

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
NON-DEPARTMENTAL	WATER/SEWER FUND	PREMIUM CUSTOM HOMES	US REFUNDS	11.44
		ROBERTS, KIERSTEN	US REFUNDS	54.57
		WELLS, KAREN	US REFUNDS	95.79
		LTJ MANAGEMENT LLC	US REFUNDS	64.22
		VONEY, NICHOLAS	US REFUNDS	49.84
		MCKINNEY, EMILY	US REFUNDS	15.54
		JESSEE, MICHAEL	US REFUNDS	31.08
		MURPHY, JASON	US REFUNDS	65.54
		MCALLISTER, GAVIN	US REFUNDS	4.82
		HAWKINS, JUDITH	US REFUNDS	0.63
		KLOEPPPEL, MITCHELL	US REFUNDS	59.67
		DEGRAFFENRIED, DAKOTA	US REFUNDS	65.54
		FUHRMAN, TYLER	US REFUNDS	65.15
		GIEBER, RICHARD	US REFUNDS	15.95
		VAN DYNE, FRANK	US REFUNDS	1,238.70
		BIXLER, MICHAEL	US REFUNDS	7.02
		VINCENT, JACK	US REFUNDS	63.50
		HARGUS, WILL	US REFUNDS	65.54
		MARTIN, CAROL	US REFUNDS	13.32
		PERUSICH, MICHAEL	US REFUNDS	20.50
		GLINES, MARY C	US REFUNDS	83.67
		MYERS, JENNIFER	US REFUNDS	65.54
		LASSITER, BRIAN	US REFUNDS	31.08
		MCGUIRE, MICHAEL JR	US REFUNDS	10.67
		RAY, GERALD	US REFUNDS	83.67
TOTAL:				4,308.59

## ===== FUND TOTALS =====

100	GENERAL FUND	108,517.37
200	PARK FUND	18,705.66
210	TRANSPORTATION	11,646.84
230	PUBLIC HEALTH	4,505.94
302	MKTPL TIF-PR#2 SPEC ALLOC	58,812.50
321	MKT PL CID-PR2 SALES/USE	26,810.79
323	MKT PL CID-PROJECT #3	920.00
600	WATER/SEWER FUND	248,908.42
999	POOLED CASH FUND	2,025.60

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GRAND TOTAL:	480,853.12
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## SELECTION CRITERIA

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SELECTION OPTIONS

VENDOR SET: 01-CITY OF GRAIN VALLEY  
VENDOR: All  
CLASSIFICATION: All  
BANK CODE: All  
ITEM DATE: 10/03/2020 THRU 10/16/2020  
ITEM AMOUNT: 99,999,999.00CR THRU 99,999,999.00  
GL POST DATE: 0/00/0000 THRU 99/99/9999  
CHECK DATE: 0/00/0000 THRU 99/99/9999

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## PAYROLL SELECTION

PAYROLL EXPENSES: NO  
EXPENSE TYPE: N/A  
CHECK DATE: 0/00/0000 THRU 99/99/9999

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## PRINT OPTIONS

PRINT DATE: None  
SEQUENCE: By Department  
DESCRIPTION: Distribution  
GL ACCTS: NO  
REPORT TITLE: C O U N C I L   R E P O R T  
SIGNATURE LINES: 0

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## PACKET OPTIONS

INCLUDE REFUNDS: YES  
INCLUDE OPEN ITEM: YES

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# *Resolutions*

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**CITY OF GRAIN VALLEY  
BOARD OF ALDERMEN AGENDA ITEM**

<b>MEETING DATE</b>	10/26/2020	
<b>BILL NUMBER</b>	R20-50	
<b>AGENDA TITLE</b>	<b>A RESOLUTION BY THE BOARD OF ALDERMEN OF THE CITY OF GRAIN VALLEY AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH CFS ENGINEERS FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE PEDESTRIAN BRIDGE PROJECT AT BLUE BRANCH CREEK</b>	
<b>REQUESTING DEPARTMENT</b>	PARKS AND RECREATION	
<b>PRESENTER</b>	Shannon Davies, Director of Parks and Recreation	
<b>FISCAL INFORMATION</b>	Cost as recommended:	\$16,709.50 (Not To Exceed)
	Budget Line Item:	200-22-78780
	Balance Available:	\$281,872.00
	New Appropriation Required:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>PURPOSE</b>	To provide construction management services for the fabrication and installation of the Blue Branch Creek Pedestrian Bridge.	
<b>BACKGROUND</b>	To provide a safe, pedestrian crossing over Blue Branch Creek is outlined in the City's Trails Master Plan. This bridge will provide pedestrian connectivity between the High School/Sni-A-Bar Elementary campus and the Sni-A-Bar Farms residential subdivisions.	
<b>SPECIAL NOTES</b>	The City was awarded \$119,210.00 in Transportation Alternative Program (TAP) funds for the construction and installation of the pedestrian bridge, which is programmed for 2020.	

<b>ANALYSIS</b>	N/A
<b>PUBLIC INFORMATION PROCESS</b>	A Request for Qualifications (RFQ) was advertised for the initial design and engineering services for the pedestrian bridge and CFS Engineers was selected from those firms that responded. Having been involved with and familiar with this project since its onset, retaining CFS for construction management services will save time and money.
<b>BOARD OR COMMISSION RECOMMENDATION</b>	Park Board Recommends Approval
<b>DEPARTMENT RECOMMENDATION</b>	Staff Recommends Approval
<b>REFERENCE DOCUMENTS ATTACHED</b>	Resolution, C.M. Work Order, Contract with CFS Engineers, Project Aerial Illustration

**CITY OF  
GRAIN VALLEY**

**STATE OF  
MISSOURI**

*October 26, 2020*

RESOLUTION NUMBER  
**R20-50**

**A RESOLUTION BY THE BOARD OF ALDERMEN OF THE CITY OF GRAIN VALLEY, MISSOURI ESTABLISHING THE NEED TO AMEND THE 2019 BUDGET AND AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH CFS ENGINEERS FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE PEDESTRIAN BRIDGE PROJECT AT BLUE BRANCH CREEK**

**WHEREAS**, the Board of Aldermen of the City of Grain Valley is committed to providing safe, pedestrian connectivity for the residents of our community; and

**WHEREAS**, the Board of Aldermen of the City of Grain Valley utilizes professional firms for design, engineering and construction management services to ensure that standards are met, and regulations are followed for projects such as this; and

**WHEREAS**, the Board of Aldermen of the City of Grain Valley through a Request for Qualifications (RFQ) chose CFS Engineers to provide design and engineering services for the pedestrian bridge project at Blue Branch Creek, and retaining them for construction management services will save time and money because of their familiarity and current involvement in the project.

**NOW THEREFORE, BE IT RESOLVED** by the Board of Aldermen of the City of Grain Valley, Missouri as follows:

**SECTION 1:** The City Administrator is hereby authorized to enter into an agreement with CFS Engineers for construction management services for the pedestrian bridge project at Blue Branch Creek.

*PASSED and APPROVED, via voice vote, (-) this \_\_ Day of \_\_\_\_\_, 2020.*

---

Chuck Johnston  
Mayor

ATTEST:

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Jamie Logan  
City Clerk





October 19, 2020

1421 E. 104th Street  
Suite 100  
Kansas City, Missouri 64131  
(816) 333-4477 Office

cfse.com

Mr. Shannon Davies  
Director of Parks & Recreation  
713 Main Street  
Grain Valley, MO 64029

Re: Work Order 1 for Blue Branch Pedestrian Bridge TAP 3356(406) Construction Management Phase

Other Offices:  
Kansas City, Kansas  
Lawrence, Kansas  
Holton, Kansas  
Topeka, Kansas  
Springfield, Missouri  
Jefferson City, Missouri

Dear Mr. Davies,

Attached you will find the Fee Proposal for the Construction Phase of the Blue Branch Pedestrian Bridge Project for approval as Work Order #1 under the current contract agreement. The proposed fee and assumptions reflect conversations with the City and MoDOT to provide CM services in conformance with federal funding requirements as applicable for this bridge project.

Please let me know if you have any comments or questions about this information. We at CFS are proud to have been a part of making this project and trail system a realization.

Board of Directors:  
Kenneth M. Blair, P.E.  
Kevin K. Holland, P.E.  
Daniel W. Holloway, P.E.  
Lance W. Scott, P.E.  
Sabin A. Yañez, P.E.

Sincerely,

Associates:  
Aaron J. Gaspers, P.E.  
Michelle L. Mahoney, P.E.  
Michael J. Morrissey, P.E.  
Gene E. Petersen, P.E.  
Todd R. Polk, P.E.  
Lucas W. Williams, P.E.

Cole Shippy, P.E.  
Project Manager

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2020

\_\_\_\_\_  
Signature of Officer or Authorized Agent

Name/Title of Officer or Authorized Agent: \_\_\_\_\_



# Blue Branch Pedestrian Bridge

19-Oct-20

Project No. 19-1123  
Construction Management Services  
Fee Proposal

						Construction	Construction			
				PM	Engineer	Supervisor	Technician	Total Hours	Mileage	Testing
				\$183.00	\$149.00	\$127.20	\$104.00		\$0.575/mile	\$15/Cylinder
5.1	Review Plans									
	5.1.1	Review Plans and Verify Quantities					8	8		
	5.1.2	Project Documentation Setup					12	12		
5.2	Project Management									
	5.2.1	Attend Remote Project Meetings (19 weeks @ 1 hr each)					19	19		
	5.2.2	On-Site Erosion Control Inspection								
		2 site visits to inspect installation/document					8	8	120	
	5.2.3	Pay Estimate (Prepare, Comments and Submit)								
		3 Pay Estimates @ 8 hrs each					24	24		
5.3	Bridge Items									
	5.3.1	Survey Staking, Clearing and Grubbing								
		On-Site Inspection					8	8		
	5.3.2	Pile Driving (Occuring over a 2 day period)								
		On-Site Inspection					16	16	120	
	5.3.3	Concrete Abutment Construction (2 visits per abutment)								
		On-Site Rebar Inspection					12	12	120	
		On-Site Concrete Placement Inspection and Sampling					16	16	120	
		Cylinder Breaks (2 sets of 4 cylinders)								8
	5.3.4	Truss Erection								
		On-Site Inspection					8	8	60	
		Shop Drawing Review			2		4	6		
	5.3.5	Demobilization/Cleanup								
		Walkthru w/ City to discuss Cleanup					4	4	60	
		Punchlist Development					8	8		
		Final Walkthru					6	6	60	
Totals				0	2	0	153	155	660	8
Total Fee				\$0.00	\$298.00	\$0.00	\$15,912.00		\$379.50	\$120.00

Total Labor \$16,210.00  
Total Mileage \$379.50  
Total Testing \$120.00

**TOTAL \$16,709.50**



## Blue Branch Pedestrian Bridge

Project No. 19-1123  
Construction Management Services  
Assumptions

19-Oct-20

- 1) Project will be billed on a Per-Hour Basis, Fee proposal is based on an estimate utilizing the assumptions noted
- 2) Scope and Fee developed on a 130 calendar day project over a 19 week period.
- 3) 3 Pay Estimate Periods will be required
- 4) 30 miles from CFS KCK Office to Project Site, 30 min drive time
- 5) Weekly meetings will be done remotely as it is not anticipated the Contractor will have field office.
- 6) Weekly erosion control reporting not required by MoDOT (disturbance area under 1 acre).
- 7) Minimum of 1 set of 4-2"x8" concrete cylinders req'd per bent

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**AGREEMENT FOR ENGINEERING SERVICES FOR PEDESTRIAN BRIDGE  
PROJECT (CROSS CREEK PARK/BLUE BRANCH CREEK)  
(RFQ NO. 18-04)**

**THIS AGREEMENT** made and entered into by and between the City of Grain Valley, Missouri (hereinafter "City"), and CFS Engineers (a Missouri Corporation with offices at 1421 E 104 Street, Suite 100, Kansas City, MO 64131) (hereinafter "Engineer").

**WITNESSETH:**

**WHEREAS**, City intends to have engineering services for the construction/installation of a pedestrian bridge at Blue Branch Creek (hereinafter "Project"); and

**WHEREAS**, Engineer has submitted a proposal for the Project and an estimate of engineering costs to perform the Project; and

**WHEREAS**, the City Administrator is authorized and empowered by City to execute contracts providing for professional engineering services; and

**WHEREAS**, City desires to enter into an agreement with Engineer to perform the Project; and

**WHEREAS**, Engineer represents that the firm is equipped, competent, and able to undertake such an assignment.

**NOW THEREFORE**, in consideration of the mutual covenants and considerations herein contained, **IT IS HEREBY AGREED** by the parties hereto as follows:

**ARTICLE I: SCOPE OF BASIC SERVICES TO BE PROVIDED BY ENGINEER**

Engineer shall provide the following professional engineering services to City ("Basic Services"):

***See Exhibit A***

**ARTICLE II: SCOPE OF SERVICES TO BE PROVIDED BY CITY**

City shall provide the following services to Engineer:

A. Make available to Engineer on request with reasonable notice, all existing records,

maps, plans and other data possessed by the City when such are necessary, advisable or helpful to the Engineer in the prosecution of its work under this AGREEMENT.

B. Designate in writing a person to act as the City's representative with respect to the services to be performed or furnished by the Engineer under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define the City's policies and decisions with respect to the Engineer's services for the Project. In the absence of any such designation, or until such designation is made by City, its City Administrator shall serve as the designated representative.

### **ARTICLE III: PAYMENTS TO THE ENGINEER**

For the services performed by Engineer pursuant to this Agreement, and as full compensation therefore, and for all expenditures made and all expenses incurred by Engineer in connection with this Agreement, except as otherwise expressly provided herein, subject to and in conformance with all provisions of this Agreement, City will pay Engineer for Basic Services according to the following provisions:

A. The cost of all Basic Services covered under Article I shall be billed hourly at the rates set forth in Exhibit B attached hereto and incorporated herein by reference. Expenses incurred to provide the Basic Services shall be billed as set forth in Exhibit B.

B. City will make payment monthly for Basic Services that have been satisfactorily completed. The City shall make payment to Engineer within a period not to exceed thirty (30) days from the date an invoice is received by City. All invoices shall contain the following information:

1. Project Name/Task Name/Description of Agreement.
2. Invoice Number and Date.
3. Itemized statement for the previous month of Labor (including Personnel Description, Title or classification for each person on the Project, Hours Worked, Hourly Rate, and Amount), Itemized Reimbursable Expenses, and Invoice Total.
4. Description of monthly progress detailing the amount of the services completed to date and projected completion time.
5. Project Billing Summary containing the Contract or Agreed Maximum Fee Amount, Cumulative Amount Previously Billed, Billing Amount this Invoice, Contract or Agreed Amount Remaining, and Percent of Maximum Fee Billed to Date.
6. Cost Invoices must be categorized by Phase.

## ARTICLE IV: COMPLETION TIME

The Basic Services shall be completed in accordance with the following schedule:

***All services shall be completed within the times established in authorized task order schedules.***

The City Administrator may, with the mutual consent of the parties, amend the deadlines contained in this Article by written authorization upon a showing of cause for amendment by Engineer.

## ARTICLE V: INSURANCE

A. CERTIFICATE OF INSURANCE: The Engineer shall secure and maintain, throughout the duration of this contract, insurance of such types and in at least the amounts that are required herein. Engineer shall provide certificate(s) of insurance confirming the required protection on an ACORD 25 (or equivalent form). The City shall be notified by receipt of written notice from the insurer at least thirty (30) days prior to material modification or cancellation of any policy listed on the certificate(s). The City reserves the right to require formal copies of any Additional Insured endorsement, as well as the right to require completed copies of all insuring policies applicable to the project. The cost of such insurance shall be included in the Engineer's contract price.

B. NOTICE OF CLAIM: The Engineer shall upon receipt of notice of any claim in connection with this contract promptly notify the City, providing full details thereof, including an estimate of the amount of loss or liability. The Engineer shall also promptly notify the City of any reduction in limits of protection afforded under any policy listed in the certificate(s) of insurance in excess of \$10,000.00, whether or not such impairment came about as a result of this contract. If the City shall subsequently determine that the Engineer's aggregate limits of protection shall have been impaired or reduced to such extent that they are inadequate for the balance of the project, the Engineer shall, upon notice from the City, promptly reinstate the original limits of liability required hereunder and shall furnish evidence thereof to the City.

C. INDUSTRY RATING: The City will only accept coverage from an insurance carrier who offers proof that it is licensed to do business in the State of Missouri; carries a Best's policyholder rating of "A" or better; carries at least a Class VII financial rating or is a company mutually agreed upon by the City and the Engineer.

D. SUB-CONSULTANT'S INSURANCE: If any part of the contract is to be sublet, the Engineer shall either:

1. Cover all sub-consultants in the Engineer's liability insurance policy or,

2. Require each sub-consultant not so covered to secure insurance in the minimum amounts required of the Engineer and submit such certificates to the City as outlined herein.

E. SELF-INSURED RETENTIONS / DEDUCTIBLES: Any Engineer that maintains a Self-Insured Retention or Deductible (in excess of \$50,000) must be declared on the Certificates provided to the City. Such amounts shall be the sole responsibility of the Engineer. The City reserves the right to approve such self-insured retentions/deductibles and may require guarantees from the Engineer for such assumed limits.

F. PROFESSIONAL LIABILITY: Professional Liability, or Errors and Omissions Insurance protection must be carried by Engineer in the minimum amount of \$1,000,000.

G. COMMERCIAL GENERAL LIABILITY POLICY

Limits:

Each occurrence:	\$1,000,000
Personal & Advertising Injury:	\$1,000,000
Products/Completed Operations Aggregate:	\$1,000,000
General Aggregate:	\$1,000,000

Policy must include the following conditions:

Bodily Injury and Property Damage  
Insured Contract's Contractual Liability  
Explosion, Collapse & Underground (if risk is present)  
Additional Insured: City of Grain Valley, Missouri

H. AUTOMOBILE LIABILITY: Policy shall protect the Engineer against claims for bodily injury and/or property damage arising out of the ownership or use of any owned, hired and/or non-owned vehicle and must include protection for either:

1. Any Auto
2. or all Owned Autos; Hired Autos; and Non-Owned Autos

Limits:

Each Accident, Combined Single Limits,  
Bodily Injury and Property Damage: \$500,000  
City of Grain Valley, Missouri does NOT need to be named as additional insured on Automobile Liability.

I. WORKERS' COMPENSATION: This insurance shall protect the Engineer against all claims under applicable state Workers' Compensation laws. The Engineer shall also be protected against claims for injury, disease or death of employees which, for any reason, may not fall within the provisions of a Workers' Compensation law and contain a waiver of subrogation against the City. The policy limits shall not be less than the following:



Workers' Compensation:	Statutory
Employer's Liability:	
Bodily Injury by Accident:	\$100,000 Each Accident
Bodily Injury by Disease	\$500,000 Policy Limit
Bodily Injury by Disease	\$100,000 Each Employee

#### J. GENERAL INSURANCE PROVISIONS

1. The insurance limits outlined above represent the minimum coverage limit and do not infer or place a limit of liability on the Engineer nor has the City assessed the risk that may be applicable to the Engineer.
2. The Engineer's liability program will be primary, and any insurance maintained by the City (including self-insurance) will not contribute with the coverage maintained by the Engineer.
3. Coverage limits outlined above may be met by a combination of primary and excess liability insurance programs.
4. Any coverage provided on a Claims Made policy form must contain a 3-year tail option (extended reporting period) or the program must be maintained for 3-years subsequent to completion of the Contract.
5. Any failure on the part of the Engineer with any policy reporting provision shall not affect the coverage provided to the City.
6. When "City" is utilized, this includes its officers, employees and volunteers in respect to their duties for the City.

### ARTICLE VI: MISCELLANEOUS PROVISIONS

The following miscellaneous provisions are agreed to by both parties to this Agreement:

A. COVENANT AGAINST CONTINGENT FEES: Engineer warrants that Engineer has not employed or retained any company or person, other than a bona fide employee working for the Engineer, to solicit or secure this Agreement, and that Engineer has not paid or agreed to pay any company or person, other than bona fide employee, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, at its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

B. OWNERSHIP OF ENGINEERING DOCUMENTS: Payment by City to Engineer as aforesaid in Article III shall vest in City title to all of the Engineer's instruments of professional service, including all drawings, sketches, studies, analyses, reports, models, and other paper, documents, computer files, and material produced by Engineer exclusively for the services performed pursuant to this Agreement up to the

time of such payments, and the right to use the same without other or further compensation, provided that any use for another purpose shall be without liability to the Engineer. Any reuse without written verification or adaptation by Engineer for the specific purpose intended will be at City's risk and without liability or exposure to Engineer, and City shall indemnify and hold harmless, to the extent allowed by the Constitution and Laws of the State of Missouri, Engineer from all claims, damages, losses, expenses, including attorneys' fees arising out of or resulting therefrom.

C. MODIFICATIONS TO AGREEMENT: In the event of any changes in the scope of services contained in this Agreement, prior to commencing the services City and Engineer shall enter into a modification of this Agreement describing the changes in the services to be provided by Engineer and City, providing for compensation for any additional services to be performed by Engineer, and providing completion times for said services.

D. EMERGENCY CHANGES IN SERVICES: The City Administrator is authorized to execute on behalf of the City modification agreements as provided for in subsection C. above where there is an emergency and the overall compensation authorized in Article IV above, and any supplements or modifications thereto, is not increased. For purposes of this subsection, an "emergency" shall mean those unforeseen circumstances that present an immediate threat to public health, welfare, or safety; or when immediate response is necessary to prevent further damage to public property, machinery, or equipment; or when delay would result in significant financial impacts to the City as determined by the City Administrator.

In the event an emergency change in services is authorized by the City Administrator pursuant to this provision, the modification agreement shall be submitted to the City Council for ratification at its next available meeting.

E. TERMINATION: In the event of termination by City, if there are any services hereunder in progress but not completed as of the date of termination, then said Agreement may be extended upon written approval of the City until said services are completed and accepted.

1. Termination for Convenience: The services called for by this Agreement or any supplements thereto may be terminated upon request and for the convenience of City upon thirty (30) days advance written notice. City shall pay Engineer for all services rendered up to the date of termination.
2. Termination for Cause: This Agreement may also be terminated for cause by City or Engineer. Termination for cause shall be preceded by a fourteen-(14) day correction period effective upon delivery of written notice. City shall pay Engineer for all services rendered up to the date of termination. In the event of termination for cause by City, compensation for services rendered by Engineer

up to the date of termination shall be offset by City's reasonable cost to mitigate or correct the effects of such termination.

3. Termination Due to Unavailability of Funds in Succeeding Fiscal Years: When funds are not appropriated or otherwise made available to support continuation of the Project in a subsequent fiscal year, this Agreement shall be terminated and Engineer shall be reimbursed for the services rendered up to the date of termination plus the reasonable value of any nonrecurring costs incurred by Engineer but not amortized in the price of the services delivered under this Agreement.

F. COMPLIANCE WITH LAWS: Engineer shall comply with all Federal, State, and local laws, ordinances, and regulations applicable to the services. Engineer shall secure all licenses, permits, etc. from public and private sources necessary for the fulfillment of its obligations under this Agreement.

G. SUBLETTING ASSIGNMENT OR TRANSFER: Engineer shall not sublet, assign, or transfer any interest in the services covered by this Agreement, except as provided for herein and except with the prior written consent of City. The use of subcontractors shall in no way relieve Engineer of his/her primary responsibility for the services. No approval will be necessary for non-professional services such as reproductions, printing, materials, and other services normally performed or provided by others.

H. CONFERENCES, VISITS TO SITE, INSPECTION OF SERVICES: Upon reasonable advance notice and during normal business hours at Engineer's place of business, representatives of City shall have the privilege of inspecting and reviewing the services being performed by Engineer and consulting with him/her at such time. Conferences are to be held at the request of City or Engineer.

I. ENGINEER'S ENDORSEMENT: Engineer shall seal all plans, specifications, estimates, documents, and engineering data as required by the licensing laws of the State of Missouri.

J. INSPECTION OF DOCUMENTS: Engineer shall maintain all records pertaining to its services hereunder for inspection, upon reasonable advance notice and during normal business hours at Engineer's place of business, by a City representative during the contract period and for three (3) years from the date of final payment for each individual project performed pursuant to this Agreement.

K. INDEMNIFICATION AND HOLD HARMLESS: Engineer shall indemnify and hold harmless City and its officers, employees, elected officials, and attorneys, each in their official and individual capacities, from and against judgments, damages, losses, expenses, including reasonable attorneys' fees, to the extent caused by the negligent acts, errors, omissions, or willful misconduct of Engineer, or its employees, or

subcontractors, in the performance of Engineer's duties under this Agreement, or any supplements or amendments thereto.

L. LIMITATION OF LIABILITY: In no event will City be liable to Engineer for indirect or consequential damages, and in no event will City's liability under this Agreement exceed the amount to be paid to Engineer pursuant to Article IV of this Agreement.

M. PROFESSIONAL RESPONSIBILITY: Engineer will exercise reasonable skill, care, and diligence in the performance of its services in accordance with customarily accepted professional engineering practices. If Engineer fails to meet the foregoing standard, Engineer will perform at its own cost, and without reimbursement from City, the professional engineering services necessary to correct errors and omissions that are caused by Engineer's failure to comply with above standard, and that are reported to Engineer within one year from the completion of Engineer's services for each individual project performed pursuant to this Agreement.

N. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the parties with respect to its subject matter, and any prior agreements, understandings, or other matters, whether oral or written, are of no further force or effect. This Agreement may be amended, changed, or supplemented only by written agreement executed by both of the parties hereto.

O. CONFLICT: In the event of any conflict, ambiguity, or inconsistency between this Agreement and any other document that may be annexed hereto, the terms of this Agreement shall govern.

P. GOVERNING LAW: This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

Q. OPINION OF PROBABLE CONSTRUCTION COST AND SCHEDULE: Since Engineer has no control over the cost of labor, materials, or equipment, or over contractor's(s') methods of determining prices, or over competitive bidding or market conditions, the estimate of construction cost and schedule provided for herein is to be made on the basis of Engineer's experience and qualifications and represents Engineer's best judgment as a professional engineer familiar with the construction industry, but Engineer cannot and does not guarantee that the bids or the Project construction cost or schedule will not vary from the opinion of probable construction cost and schedule prepared by Engineer.

R. TAX EXEMPT: City and its agencies are exempt from State and local sales taxes. Sites of all transactions derived from this Agreement shall be deemed to have been accomplished within the State of Missouri.

S. SAFETY: In the performance of its services, Engineer shall comply with the applicable

provisions of the Federal Occupational Safety and Health Act, as well as any pertinent Federal, State and/or local safety or environmental codes.

T. ANTI-DISCRIMINATION CLAUSE: Engineer and its agents, employees, or subcontractors shall not in any way, directly or indirectly, discriminate against any person because of age, race, color, handicap, sex, national origin, or religious creed.

U. DELAY IN PERFORMANCE: Neither City nor Engineer shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the nonperforming party. For purposes of this Agreement, such circumstances include, but are not limited to, abnormal weather conditions, floods, earthquakes, fire, epidemics, war, riots, and other civil disturbances, strikes, lockouts, work slowdowns, and other labor disturbances, sabotage, judicial restraint, and delay in or inability to procure permits, licenses, or authorizations from any local, State, or Federal agency for any of the supplies, materials, accesses, or services required to be provided by either City or Engineer under this Agreement. Engineer and City shall be granted a reasonable extension of time for any delay in its performance caused by any such circumstances. Should such circumstances occur, the nonperforming party shall within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of the Agreement.

V. NO THIRD-PARTY RIGHTS: The services provided for in this Agreement are for the sole use and benefit of City and Engineer. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than City and Engineer.

W. NOTICE: Whenever any notice is required by this Agreement to be made, given or transmitted to any party, it shall be enclosed in an envelope with sufficient postage attached to ensure delivery and deposited in the United States Mail, first class, with notices to City addressed to:

City Administrator  
City of Grain Valley  
711 Main Street  
Grain Valley, MO 64029

and notices to Engineer shall be addressed to:

Rick Walker, P.E.  
Project Manager  
CFS Engineers  
1421 E 104<sup>th</sup> Street, Suite 100  
Kansas City, MO 64131

or such place as either party shall designate by written notice to the other. Said notices may also be personally hand delivered by each party to the other, at the respective addresses listed above. If hand delivered, the date of actual completion of delivery shall be considered the date of receipt. If mailed, the notice shall be considered received the third day after the date of postage.

X. TERM: The term of this agreement shall be for one hundred and eighty (180) days from which the Notice to Proceed has been issued.

#### **ARTICLE VII: ALL OTHER TERMS REMAIN IN EFFECT**

Should any provision of this Agreement be determined to be void, invalid, unenforceable or illegal for whatever reason, such provision(s) shall be null and void; provided, however, that the remaining provisions of this Agreement shall be unaffected thereby and shall continue to be valid and enforceable.

THIS AGREEMENT shall be binding on the parties thereto only after it has been duly executed and approved by City and Engineer.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed on the \_\_\_\_\_ day of August 2019.

**CITY OF GRAIN VALLEY, MISSOURI**

\_\_\_\_\_  
Ryan Hunt, City Administrator

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**CFS Engineers**

\_\_\_\_\_  
BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

ATTEST: \_\_\_\_\_

## **EXHIBIT A – SERVICES TO BE PROVIDED BY THE ENGINEER**

After the City issues a notice to proceed, the Engineer shall proceed with the following services:

The engineering services covered by this proposal shall include preliminary design (Field Check Plans), final design and preparation of Plans and Estimate (Office Check Plans) and submittal of Final Plans, Specifications and Estimates (P.S. & E.).

Engineering plans shall be prepared in accordance with City of Grain Valley (CITY) requirements and current standard MoDOT LPA procedures in the format and detail required by the MoDOT Local Public Agency (LPA) Policy. The dimensions shown on the plans shall be shown in English units of measure. Basic specifications shall be Standard Specifications for State Road and Bridge Construction, 2015 Edition.

Geotechnical services including exploration, recommendations and reports will be provided by ENGINEER

Services to be provided by ENGINEER shall include the following:

### **PRELIMINARY DESIGN AND PLANS PHASE**

When authorized by the CITY, the ENGINEER will initiate the Preliminary Design Phase. The following services will be provided during this phase of the project:

#### **A. FIELD AND OFFICE SURVEY DETERMINATIONS.**

- a. Research Benchmark and Control Point Data
- b. Topographic Survey of project for channel cross sections and profile
- c. Set Project Control based on MO State Plane Coordinate System
- d. Obtain deeds, plats, title reports and existing surveys

#### **B. PRELIMINARY DESIGN AND PLANS**

##### **a. Structural**

1. Finalize the Bridge Design Criteria report for the project. Submit report to the CITY for review and approval. All bridge design elements shall be according to the latest AASHTO LRFD Bridge Design Specifications including seismic requirements.

2. Establish preliminary bridge horizontal and vertical geometry

including abutment locations assuming portions or the entirety of existing abutments will be removed, control elevations along profile grade or crown grade, and horizontal and vertical clearance for stream crossings.

3. Finalize field-check stage structural calculations to determine the most efficient structure span, and superstructure types and depths for the proposed bridge.

4. Finalize type, size and location drawings for the proposed bridge to be submitted for review and comment.

5. Complete a field-check stage opinion of probable construction cost for the structure.

#### b. Hydraulic Design

1. Set Up and Review Proposed Conditions Model.
2. Coordinate with Local Agency and Address Comments.
3. Specify Riprap and Scour Countermeasures.
4. Prepare Hydraulic Report
5. Prepare No-rise certification.

#### c. Environmental

1. Submit an application for a Clean Water Act Section 404 Permit from the U.S. Army Corps of Engineers (USACE).
2. Obtain Clean Water Act Section 401 Water Quality Certification from the Department of Natural Resources (DNR).
3. Section 7 of the Endangered Species Act requires coordination with the U.S. Fish and Wildlife Service (USFWS) and the Missouri Department of Conservation (MDC) on all activities involving federal funds or requiring a federal permit. A request for project review and clearance will be submitted to USFWS and MDC.
4. Section 106 of the Historic Preservation Act requires coordination with the MoDNR State Historic Preservation Office (SHPO) on all activities involving federal funds or requiring a federal permit. A coordination letter relaying details of the project and requesting cultural resources clearance for the project will be provided.



5. Provide a complete report documenting the environmental findings and permitting actions, including data sheets and a site photo log.

## **FINAL PLAN DEVELOPMENT**

The ENGINEER will prepare Final plans for the proposed improvements as approved at Field Check. The following services will be completed during this phase of the contract:

### **A. Structural**

- a. Finalize the Bridge Design and Prepare Plans for a 1 Span, Prefabricated Bridge with Pile Bent Abutments.
- b. Finalize Bridge Approach Pavement Standards. Use Concrete Approach Slab (10').
- c. Finalize Standard Details Sheets.
- d. Prepare Supplementary Specifications.
- e. Conduct QA/QC Review of design, quantities and plans.
- f. Prepare opinion of probable construction cost for the structure.
- g. Submit Office Check Plans.
- h. Incorporate office check comments into the plans.
- i. Submit Final Office Check Plans.
- j. Project management and administration.

### **B. Final Plans, Specifications and Estimates**

- a. Prepare final plans, specifications and estimates for the proposed improvements. Plans shall conform to customary MoDOT requirements to allow office check of the project.
- b. In consultation with the City's attorney, ENGINEER will prepare a complete set of front-end documents and technical specifications for the construction package.
- c. Submit PDF sets of plans, supplemental specifications, and cost estimates to the CITY for use in the Office Check.
- d. Incorporate the comments received from the CITY in the office check regarding the plan sheets developed by the ENGINEER.

e. Submit PDF sets of Final Plans, supplemental specifications, and cost estimates to the CITY.

f. ENGINEER will prepare the notice to contractors for bidding purposes, notify Dodge Reports of the progress of the project, send written notice to a number of contractors qualified to bid on the work, and send written notices to various minority organizations and minority contractors, and upload the bidding documents to an online plan room such as Drexel or BidClerk to assure maximum competition from qualified sources.

## **MISCELLANEOUS**

### **A. Attend Pre-Bid Meeting**

- a. Attend pre-bid meeting at a future agreed upon date.
- b. Provide answers to any design questions.

### **B. Provide estimate for Construction Inspection Services**

- a. Provide an estimate for Construction Inspection Services for project.
- b. Construction Inspection Services will be negotiated prior to bidding.

In the event additional services are required through changes in the scope of the project, or unusual or unforeseen circumstances are encountered, or the City desires other design services for significant projects, the Engineer shall, upon written authorization by the City, perform the additional services as mutually agreed upon by both parties by Supplemental Agreement.

## ESTIMATE OF COST

FIRM: CFS Engineers

ROUTE: N/A

PROJECT: Pedestrian Bridge over Blue Branch Cr.

COUNTY: City of Grain Valley

JOB NO.: Pending

### DESIGN FEE

Total Direct Salary Costs

\$32,199.00

Direct Non-Payroll Costs

Materials & Supplies

80 sheets 11" X 17" @ \$0.25/sf

\$26.00

Reproduction

40 sheets 22" X 34" @ \$0.25/sf

\$52.00

Travel Expenses

6 trips @ 30 miles

\$105.00

Other (Specify)

\$0.00

Subtotal

\$183.00

Direct Non-Payroll Substructure Costs

\$3,770.00

Total Proposed Design Fee

\$36,152.00

Fee Proposal

City of Grain Valley Pedestrian Bridge  
City of Grain Valley, MO

Task	Principal	Project Manager	Structural Engineer	Senior Engineer	Engineer	Senior Technician	Survey Chief/RLS	Survey Tech	Total
1.0 Preliminary Design									
A. Survey									
1 Field and Office Survey Tasks									
1.1 Research							2	1	3
1.2 Field Surveys-Topographical							16	16	32
1.3 Property Surveys/Land Corners							3	3	6
1.4 Survey Base Map							4	4	8
B. Plans									
1 Horizontal Alignment				2					2
2 Vertical Alignment				2					2
3 Utility Coordination				4					4
4 Preliminary Cost Estimate		1		2					3
C. Preliminary Bridge Design									
1.1 Bridge Memorandum									
1.1.1 Evaluate Structure Options/Layouts			6						6
1.1.2 Soil Boring & Review Data			2						2
1.1.3 Preliminary Bridge Quantities			2						2
1.1.4 Preliminary Bridge Cost			1						1
1.1.5 Coordination with City			2						2
1.1.6 Site Visit			4	4					8
1.2 TS & L Plan Development									
1.2.1 General Plan and Elevation			3			8			11
1.2.2 General Details (Cross Section, End Bent type, etc.)			3			8			11
1.3 QC Review of Preliminary Bridge Design Submittal									
1.4 Hydraulic Design									0
1.5.1 Data Collection				6					6
1.5.2 Hydraulic Analysis of Bridge				24					24
1.5.3 Prepare Hydraulic Report				8					8
1.5.4 Review of Hydraulic Design & Report				2					2
1.5 Environmental/Permitting									
1.6.1 Wetland Delineation		1							1
1.6.2 404 Permit Application		2							2
1.6.3 Clearance Screening Letters (Fish&Wildlife, Historical		1							1
1.6.4 T&E Species, Missouri Wildlife		1							1
1.6.5 Permitting Documentation		2							2
Field Check Plans									
		1		4	4	8			17

Sub-Total Preliminary Bridge Design Man-Hours		0	9	23	58	4	24	25	24	167
Hourly Rates		\$233.00	\$181.00	\$147.00	\$147.00	\$131.00	\$97.00	\$112.00	\$71.00	
Sub-Total Preliminary Bridge Design Fee		\$0.00	\$1,629.00	\$3,381.00	\$8,526.00	\$524.00	\$2,328.00	\$2,800.00	\$1,704.00	\$20,892.00
2.0 Final Design										
2.1 Utility Coordination					2					2
2.2 Bridge Design										
2.2.1 End Bent Analysis				8						8
2.2.2 Foundation Analysis				8						8
2.2.3 Special Provisions				4						4
2.2.4 Quantities/Bar Bill				2						2
2.2.5 Bridge General Plan and Elevation Sheet				2			8			10
2.2.6 Bridge General Notes, Total Quantities, Pile Data				2			8			10
2.2.7 End Bent 1 Details (1 sheet)				2			4			6
2.2.9 Bill of Reinforcing Steel				2			2			4
2.2.10 Foundation As-Built Pile Sheet				1			2			3
2.2.11 Boring Log Sheets				1						1
2.2.12 QC Review of Design & Plan Sheets			2							2
2.2.13 Address QA/QC Comments				2			3			5
2.2.14 Address City Comments				3			4			7
Sub-Total Final Design Man-Hours		0	2	37	2	0	31	0	0	72
Hourly Rates		\$233.00	\$181.00	\$147.00	\$147.00	\$131.00	\$97.00	\$112.00	\$71.00	
Sub-Total Final Design Fee		\$0.00	\$362.00	\$5,439.00	\$294.00	\$0.00	\$3,007.00	\$0.00	\$0.00	\$9,102.00
3.0 Preparation of Final Bridge Documentation										
3.1 Identify and Edit Special Provisions				1						1
3.2 Prepare Final Bridge Estimate & Workday Study				2						2
3.3 QC Review of JSPs										0
3.4 Address QA/QC Comments				2						2
3.5 Address City Comments				2						2
Sub-Total Final Bridge Documentation Fee		0	0	7	0	0	0	0	0	7
Hourly Rates		\$233.00	\$181.00	\$147.00	\$147.00	\$131.00	\$97.00	\$112.00	\$71.00	
Sub-Total Final Bridge Documentation Man-Hours		\$0.00	\$0.00	\$1,029.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,029.00
4.0 Construction Support										
4.1 Pre-Bid Meeting				4						4
4.2 Coordination during Construction				4						4
Sub-Total Construction Support Man-Hours		0	0	8	0	0	0	0	0	8
Hourly Rates		\$233.00	\$181.00	\$147.00	\$147.00	\$131.00	\$97.00	\$112.00	\$71.00	
Sub-Total Final Bridge Documentation Man-Hours		\$0.00	\$0.00	\$1,176.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,176.00
Total Man-Hours										
Hourly Rates		0	11	75	60	4	55	25	24	264
Total Fee		\$0.00	\$1,991.00	\$11,025.00	\$8,820.00	\$524.00	\$5,335.00	\$2,800.00	\$1,704.00	\$32,199.00

**Subsurface Investigation Fee**

<i>Geotech Direct Costs</i>		Rate	Cost
Mobilization	1 LS @	\$500.00	\$500.00
Drilling/Sampling, 0'-20'	20 feet @	\$13.00	\$260.00
Drilling/Sampling, 20'-50'	20 feet @	\$15.00	\$300.00
Rock Coring, per foot	5 feet @	\$50.00	\$250.00
Rock Core Setup, per hole	1 hole @	\$150.00	\$150.00
Moisture Content	10 Units @	\$10.00	\$100.00
Visual Classification	10 Units @	\$6.00	\$60.00
Atterburg Limits	1 LS @	\$90.00	\$90.00
Secretarial	1 LS @	\$60.00	\$60.00
Report, Lump Sum	1 LS @	\$2,000.00	\$2,000.00
<b>SUBTOTAL DIRECT COSTS</b>			<b>\$3,770.00</b>

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**Fee Proposal**

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City of Grain Valley Pedestrian Bridge

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City of Grain Valley, MO

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**Assumptions**

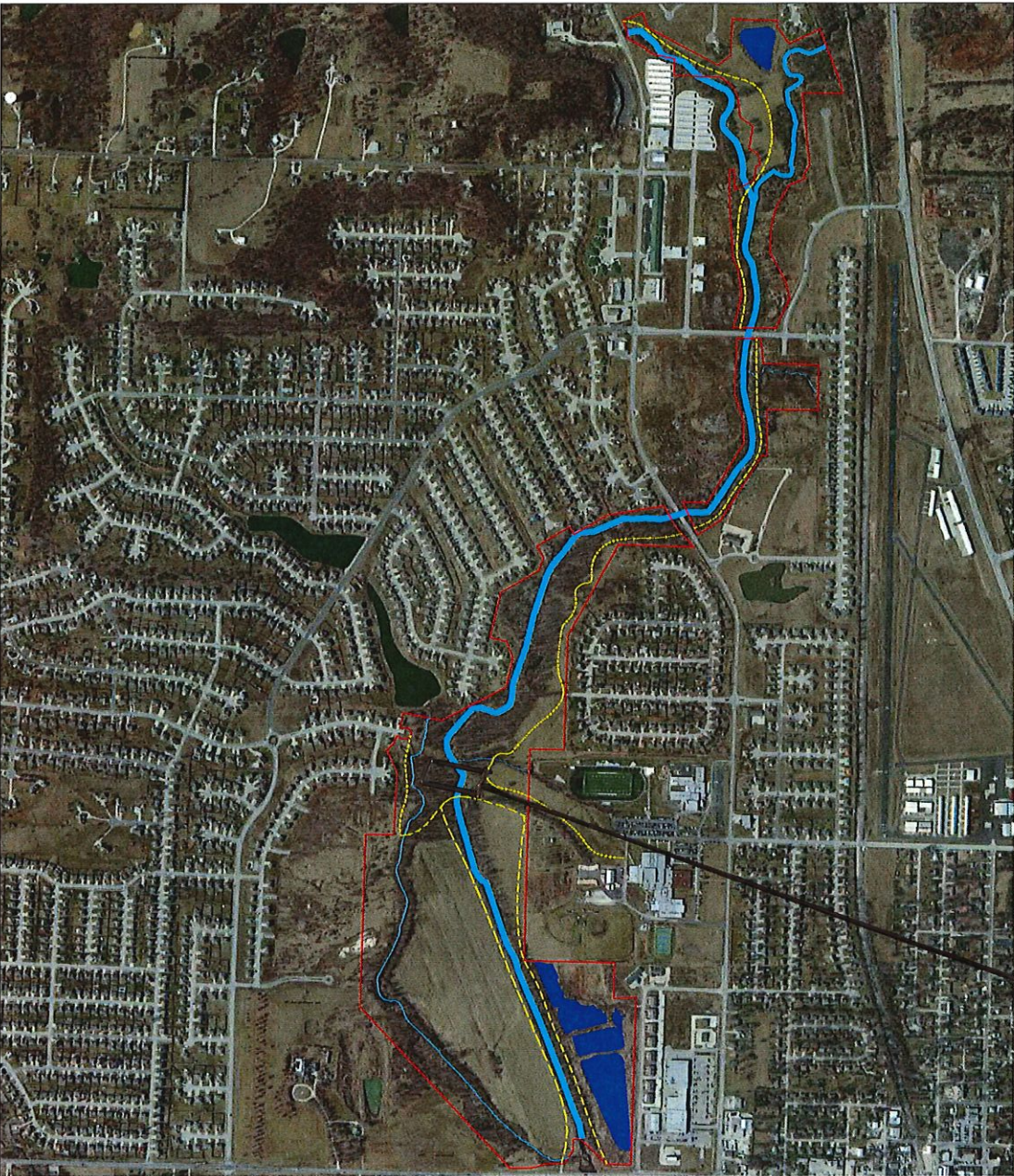
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- 1) Scour Analysis is not needed
  - 2) Prefabricated Bridge Superstructure will be used
  - 3) Remove old Abutments and design/detail new
  - 4) No approach pavement or trail design to the bridge
  - 5) One geotech boring required
  - 6) No Post Construction Meetings or onsite visits
-

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# PEDESTRIAN BRIDGE SITE LOCATION



## LEGEND

- Ponds
- Proposed Trail Alignment
- Property Boundary
- Streams



**Site Location**  
T49N-R30W-S32, 34 & 35  
T48N-R30W-S2 & 3  
Grain Valley, Jackson County, Missouri  
178.00 Acres  
Lat. N35.004491  
Long. W94.204693



DATE	09/22/13
DESIGNED BY	SWAN, JF
CHECKED BY	CAC
SCALE	1" = 400'
SHEET NO.	JA
TOTAL SHEETS	XXX
PROJECT	PROPOSED TRAIL ALIGNMENT
CLIENT	BLUE BRANCH MITIGATION PARCEL & TRAIL SYSTEM
OWNER	HABITAT MISSOURI, LLC

**Terra Technologies**

1920 W. 143rd St., Ste. 140  
Leawood, Kansas 66224  
Tel 913.385.9560 Fax 913.385.5295

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*Ordinances*

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**CITY OF GRAIN VALLEY  
BOARD OF ALDERMEN AGENDA ITEM**

<b>MEETING DATE</b>	10/26/2020
<b>BILL NUMBER</b>	B20-33
<b>AGENDA TITLE</b>	<b>AN ORDINANCE APPROVING THE ISSUANCE OF TAX INCREMENT REFUNDING REVENUE BONDS (GRAIN VALLEY MARKETPLACE REDEVELOPMENT PROJECT #2) SERIES 2020 BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GRAIN VALLEY, MISSOURI, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE BONDS</b>
<b>REQUESTING DEPARTMENT</b>	Administration and Finance
<b>PRESENTER</b>	Ken Murphy and Steven Craig
<b>PURPOSE</b>	Approve the issue of not to exceed \$2,425,000 Tax Increment Refunding Revenue Bonds
<b>BACKGROUND</b>	<p>The bonds will refund the previously issued Industrial Development Authority of Grain Valley, Missouri Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012.</p> <p>The primary goal of the refunding is to remove the City's annual appropriation backing of the Series 2012 Bonds. The refunding may also provide for some interest rate savings.</p> <p>The Bonds will be privately placed with a purchaser recommended by Stifel, Nicolaus &amp; Company, Incorporated, the placement agent for the Bonds and by Baker Tilley Municipal Advisors, LLC.</p>

<b>SPECIAL NOTES</b>	<p>The Ordinance approves the execution by the City of four documents:</p> <ol style="list-style-type: none"> <li>1. Bond Purchase Agreement, which provides for the terms and conditions for which the Bonds will be sold to a purchaser</li> <li>2. Financing Agreement, which provides for the payments of revenues by the City from the Redevelopment Project Area #2 for the Grain Valley Marketplace TIF and by the Grain Valley Marketplace Community Improvement District from its sales tax revenues</li> <li>3. Tax Compliance Agreement, which provides for the limitations and the expectations for the expenditure of the Bond proceeds in order for the Bonds to be tax-exempt</li> <li>4. Continuing Disclosure Agreement, which provides for the requirements for annual reporting after the Bonds are issued</li> </ol>
<b>DEPARTMENT RECOMMENDATION</b>	Staff Recommends Approval
<b>REFERENCE DOCUMENTS ATTACHED</b>	Bond Ordinance, Trust Indenture and Financing Agreement prepared by Gilmore & Bell, and Bond Purchase Agreement and Continuing Disclosure Agreement prepared by Lewis Rice, counsel to the placement agent



**CITY OF  
GRAIN VALLEY**

**STATE OF  
MISSOURI**

BILL NO. B20-33

ORDINANCE NO. \_\_\_\_\_  
SECOND READING \_\_\_\_\_  
FIRST READING \_\_\_\_\_

**AN ORDINANCE APPROVING THE ISSUANCE OF TAX INCREMENT REFUNDING  
REVENUE BONDS (GRAIN VALLEY MARKETPLACE REDEVELOPMENT  
PROJECT #2) SERIES 2020 BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE CITY OF GRAIN VALLEY, MISSOURI, AND AUTHORIZING CERTAIN  
OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF  
THE BONDS**

**WHEREAS**, the Board of Aldermen previously approved the Industrial Development Authority of the City of Grain Valley, Missouri (the “Authority”) Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 (the “Refunded Bonds”); and

**WHEREAS**, the City has determined that it is in the best interests of the City to approve the issuance by the Authority of its Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 (the “Bonds”), for the purposes of (i) current refunding the Refunded Bonds, (ii) funding a reserve fund for the bonds, and (iii) paying costs related to the issuance of the bonds and the incidental costs of refunding the Refunded Bonds; and

**WHEREAS**, the City further finds and determines that it is necessary and desirable in connection with the issuance of the Bonds that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Aldermen of the City of Grain Valley, Missouri:

**SECTION 1. Approval of Execution and Delivery of the Bonds.** The City hereby approves the execution, delivery and sale by the Authority of the Bonds for the purposes of (i) current refunding the Refunded Bonds, (ii) funding a reserve fund for the bonds, and (iii) paying costs related to the issuance of the bonds and the incidental costs of refunding the Refunded Bonds. The Bonds shall be secured and issued as provided in the Trust Indenture (the “Indenture”) between the Authority and UMB Bank, N.A., as trustee, in substantially the form on file in the office of the City Clerk. The City hereby approves the issuance of the Bonds pursuant to the terms of the Indenture. The final terms of the Bonds shall be specified in the Indenture and the Bond Purchase Agreement described herein upon the execution thereof, and the signature of the Mayor when executing such Bond Purchase Agreement shall constitute conclusive evidence of the Mayor's approval and the City's approval thereof; provide, however, the Bonds shall be issued in a principal amount not to exceed \$2,425,000, shall have a final maturity not later than 2033,

shall bear interest at various interest rates not to exceed a true interest cost of 4.00% per annum, and shall be subject to optional redemption not later than 2031 at a price of not more than 100% of the principal amount of Bonds to be redeemed.

**SECTION 2. Authorization of Documents.** The City is hereby authorized to enter into the following documents (the "City Documents"), in substantially the forms on file in the office of the City Clerk, with such changes therein as shall be approved by the officers of the City executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

- (a) Bond Purchase Agreement (the "Purchase Agreement") by and among the City, the Authority, the Grain Valley Marketplace Community Improvement District (the "District") and the purchaser named therein pursuant to which the Authority will sell the Bonds upon the terms and conditions as set forth in the Purchase Agreement;
- (b) Financing Agreement (the "Financing Agreement") by and among the Authority, the City and the District providing for the payment of funds for the debt service of the Bonds.
- (c) Tax Compliance Agreement among the City, the Authority, the District and the Trustee entered into in order to set forth certain representations, facts, expectations, terms and conditions relating to the use and investment of the proceeds of the Bonds, to establish and maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes, and to provide guidance for complying with the arbitrage rebate provisions of Code § 148(f) as set forth in the Tax Compliance Agreement.
- (d) Continuing Disclosure Agreement among the City, the District, Star Acquisition, Inc. (the "Developer") and UMB Bank, N.A., as dissemination agent.

**SECTION 3. Preliminary and Final Private Placement Memorandum.** The Preliminary Private Placement Memorandum, in the form filed in the records of the City, is hereby ratified and approved, and the final Private Placement Memorandum is hereby authorized and approved by supplementing, amending and completing the Preliminary Private Placement Memorandum, with such changes and additions thereto as are necessary to conform to and describe the transactions related to the information provided by the City about the City and the Redevelopment Plan. The use and public distribution of the Private Placement Memorandum by Stifel, Nicolaus & Company, Incorporated, as the placement agent, in connection with the offering of the Bonds is hereby authorized.

**SECTION 4. Execution of Documents.** The City is hereby authorized to enter into and the Mayor, the City Administrator, the City Clerk and other officials and officers of the City are hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance. The City shall, and the officials, officers, agents and employees of the City are hereby authorized and



directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents.

**SECTION 5. Severability.** The sections, paragraphs, sentences, clauses and phrases of this Ordinance shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining portions of this Ordinance are valid, unless the court finds the valid portions of the Ordinance are so essential to and inseparably connected with and dependent upon the void portion that it cannot be presumed that the Board of Aldermen has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

**SECTION 6. Effective Date.** This Ordinance shall take effect and be in full force from and after the date of its passage by the Board of Aldermen and approval by the Mayor.

Read two times and PASSED by the Board of Aldermen this \_\_\_\_\_ day of \_\_\_\_\_, 2020, the aye and nay votes being recorded as follows:

ALDERMAN BASS	_____	ALDERMAN CLEAVER	_____
ALDERMAN HEADLEY	_____	ALDERMAN KNOX	_____
ALDERMAN STATTON	_____	ALDERMAN TOTTON	_____

Mayor \_\_\_\_\_ (in the event of a tie only)

Approved as to form:

\_\_\_\_\_  
Lauber Municipal Law  
City Attorney

\_\_\_\_\_  
Chuck Johnston  
Mayor

ATTEST:

\_\_\_\_\_  
Jamie Logan  
City Clerk

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**PRELIMINARY PRIVATE PLACEMENT MEMORANDUM DATED OCTOBER 9, 2020**

**NEW ISSUE  
Book-Entry Only**

**Not Rated**

*In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2020 Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) is exempt from income taxation by the State of Missouri. The Series 2020 Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. See “TAX MATTERS” herein.*

**\$2,385,000\***  
**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GRAIN VALLEY, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS  
(GRAIN VALLEY MARKETPLACE REDEVELOPMENT PROJECT #2)  
SERIES 2020**

**Dated Date: Date of Delivery**

**Due: April 15, as shown on inside front cover**

The Bonds are being issued by The Industrial Development Authority of the City of Grain Valley, Missouri (the “Issuer”) to provide funds to refund The Industrial Development Authority of the City of Grain Valley, Missouri Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 (the “Refunded Bonds”), and for payment of certain costs of issuance. The Issuer, the City of Grain Valley, Missouri (the “City”) and the Grain Valley Marketplace Community Improvement District (the “District”) entered into a Financing Agreement dated as of October 1, 2020 (the “Financing Agreement”) wherein the City has agreed to pay certain Payments in Lieu of Taxes and Economic Activity Tax Revenues (subject to annual appropriation) to UMB Bank, N.A. (the “Trustee”) for the payment of the Bonds as described therein and in the Trust Indenture between the Issuer and Trustee dated as of October 1, 2020 (the “Indenture”). In addition, pursuant to the Financing Agreement, the District has agreed to contribute all revenues collected from its one percent sales tax, less certain expenses, and subject to annual appropriation, to repayment of the City’s tax increment financing obligations related to the Redevelopment Area (as hereinafter defined).

The Bonds are issuable as fully registered bonds and will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), which will act as securities depository for the Bonds. Purchases of Bonds will be made in book-entry form in denominations of \$100,000 or any multiple of \$1,000 in excess thereof or, if the Bonds are Outstanding in a principal amount less than \$100,000, then the amount equal to the principal amount of the Bonds then Outstanding. Interest on the Bonds will be payable semiannually on each April 15 and October 15, beginning on April 15, 2021 at the interest rates set forth on the inside cover hereof. See “THE BONDS—Book-Entry-Only System” herein. The Bonds will be subject to optional redemption prior to maturity as described herein.

The Bonds are limited obligations of the Issuer and do not constitute a debt or liability of the City, the District or of the State of Missouri, its legislature or any of its political subdivisions or agencies other than the Issuer to the extent herein described. Except for the receipt of the incremental tax revenue derived pursuant to Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri, as amended (the “TIF Act”), the Issuer is not authorized to levy or collect any taxes or assessments. The Issuer has no direct taxing power.

**PURCHASE OF THE BONDS INVOLVES SIGNIFICANT RISKS AND THE BONDS ARE NOT SUITABLE INVESTMENTS FOR ALL INVESTORS. SEE “BONDHOLDERS’ RISKS” HEREIN. THE PLACEMENT AGENT IS LIMITING THIS INITIAL OFFERING OF THE BONDS TO QUALIFIED INSTITUTIONAL BUYERS OR CERTAIN ACCREDITED INVESTORS AS DEFINED HEREIN (TOGETHER, “APPROVED INVESTORS”). ANY SUBSEQUENT TRANSFER OR SALE OF THE BONDS WILL BE MADE SOLELY TO APPROVED INVESTORS.**

This cover page contains general information for quick reference only. It is not intended as a summary of this transaction. Investors are advised to read the entire Private Placement Memorandum, paying particular attention to those matters appearing under “BONDHOLDERS’ RISKS,” to obtain information essential to making an informed investment decision.

The Bonds are offered, when, as and if issued by the Issuer, subject to an approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Issuer, and certain other conditions. Certain legal matters will be passed on for the Issuer by Gilmore & Bell, P.C.; for the City by Lauber Municipal Law, LLC; and for the Placement Agent (as defined herein) by Lewis Rice LLC. Baker Tilly Municipal Advisors, LLC has acted as municipal advisor to the Issuer in connection with the issuance of the Bonds. It is expected that the Bonds in book-entry form will be available for delivery to DTC or its agent on or about \_\_\_\_\_, 2020.

This Private Placement Memorandum is dated \_\_\_\_\_, 2020, and the information contained herein speaks only as of that date.

**STIFEL**

**\$2,385,000\***

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GRAIN VALLEY, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS  
(GRAIN VALLEY MARKETPLACE REDEVELOPMENT PROJECT #2)  
SERIES 2020**

MATURITIES, AMOUNTS, INTEREST RATES/YIELDS

\$2,385,000\* \_\_\_\_\_% Term Bond due April 15, 2033\*  
Price \_\_\_\_\_%, Yield \_\_\_\_\_%, CUSIP Number: \_\_\_\_\_<sup>†</sup>

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\* Preliminary; subject to change.

<sup>†</sup> The above-referenced CUSIP number(s) have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Bonds. None of the Issuer, the Trustee or the Placement Agent is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to its correctness on the particular Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bond as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

This Private Placement Memorandum does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of, the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by the Issuer, the City, or any other entity. All information contained herein has been obtained from the Issuer, the City, and from other sources which are believed to be reliable. The information set forth herein with respect to the book-entry system has been furnished by DTC. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Private Placement Memorandum nor the issuance, sale, delivery or exchange of the Bonds, shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Projects, the District or the City since the date hereof.

All inquiries relating to this Private Placement Memorandum and the offering contemplated herein should be directed to the Placement Agent. Prospective investors may obtain additional information from the Placement Agent or the Issuer which they may reasonably require in connection with the decision to purchase any of the Bonds from the Placement Agent.

The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. Any registration or qualification of the Bonds in accordance with applicable provisions of the securities laws of the states in which the Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof.

The Placement Agent has provided the following sentence for inclusion in this Private Placement Memorandum:

The Placement Agent has reviewed the information in this Private Placement Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Placement Agent does not guarantee the accuracy or completeness of such information.

EACH INVESTOR IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT IN THE BONDS. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER, THE CITY, THE PROJECTS, THE DISTRICT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

#### **CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS PRIVATE PLACEMENT MEMORANDUM**

Certain statements included or incorporated by reference in this Private Placement Memorandum constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “project,” “forecast,” “expect,” “estimate,” “budget” or other similar words. The forward-looking statements in this Private Placement Memorandum are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR

ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE ISSUER DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

THE PLACEMENT AGENT IS LIMITING THIS OFFERING TO QUALIFIED INSTITUTIONAL BUYERS, AS DEFINED IN RULE 144A PROMULGATED PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND “ACCREDITED INVESTORS” AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF THE SECURITIES ACT OF 1933, AS AMENDED (COLLECTIVELY, “APPROVED INVESTORS”). ANY SUBSEQUENT TRANSFER OR SALE OF THE BONDS WILL BE TO APPROVED INVESTORS.

THIS PRIVATE PLACEMENT MEMORANDUM, IS NOT, AND SHALL NOT BE DEEMED TO CONSTITUTE, AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO BUY REAL ESTATE, WHICH MAY ONLY BE MADE PURSUANT TO OFFERING DOCUMENTS SATISFYING APPLICABLE FEDERAL AND STATE LAWS RELATING TO THE OFFER AND SALE OF REAL ESTATE.

## Table of Contents

	Page
INTRODUCTION.....	1
Purpose of the Private Placement Memorandum...	1
Bondholders' Risks.....	1
The City .....	2
The Issuer .....	2
The District.....	2
The Projects .....	2
The Bonds.....	2
Security for the Bonds .....	3
Tax Status .....	4
Investment Considerations.....	4
Limited Offering.....	4
Continuing Disclosure .....	4
ESTIMATED SOURCES AND USES OF FUNDS ..	5
THE BONDS.....	5
Principal Amount, Date, Interest Rate and	
Maturity .....	5
Form, Denomination and Registration.....	5
Book-Entry Only System.....	5
Trustee, Paying Agent and Registrar .....	6
Redemption Provisions .....	6
No Additional Bonds .....	8
Transfer and Exchange .....	8
SECURITY FOR THE BONDS .....	9
Limited Obligations; Sources of Payment .....	9
Revenues.....	10
Revenue Fund .....	11
Debt Service Fund .....	12
Bond Reserve Fund.....	12
THE REFUNDED BONDS .....	13
THE CITY .....	14
General.....	14
THE ISSUER .....	14
Organization and Powers .....	14
Membership .....	15
Indebtedness of the Issuer.....	15
THE PROJECTS .....	15
Overview .....	15
Ownership of the Marketplace.....	17
Competition .....	17
Occupants and Lease Information .....	18
Impacts of the Coronavirus.....	18
THE DISTRICT .....	19
General.....	19
CID Revenues .....	20
Cooperative Agreement.....	20
HISTORIC REVENUES.....	21
DEBT SERVICE COVERAGE .....	22
BONDHOLDERS' RISKS.....	23
General.....	23
Nature of the Obligations.....	24
Tax Increment Financing Litigation .....	24
Forward-Looking Statements .....	24
Financial Feasibility of the Projects.....	25
Environmental Conditions .....	25
No Mortgage.....	25
Risk of Failure to Maintain Levels of Assessed	
Valuations or to Pay Property Taxes .....	26
Reliance on Owners and Tenants.....	26
Changes in State and Local Tax Laws .....	26
Limitations on Remedies .....	26
Risk of Non-Appropriation.....	27
Changes in Economic Conditions .....	27
Bond Reserve Fund.....	27
Determination of Taxability.....	28
Risk of Audit .....	28
Loss of Premium Upon Early Redemption .....	28
Defeasance Risks .....	28
Bonds Not Rated.....	29
Limited Secondary Market .....	29
Impact of the Coronavirus .....	29
Factors Affecting Sales Tax Revenues .....	30
TAX INCREMENT FINANCING IN MISSOURI ..	30
Overview .....	30
The TIF Act .....	31
Assessments and Collections of Ad Valorem	
Taxes.....	31
Tax Delinquencies .....	34
Economic Activity Taxes.....	34
NO RATING .....	35
ABSENCE OF LITIGATION.....	35
The Issuer .....	35
The City .....	35
The District.....	35
LEGAL MATTERS .....	35
TAX MATTERS .....	35
Opinion of Bond Counsel .....	36
Other Tax Consequences .....	36
PLACEMENT OF THE BONDS.....	37
MUNICIPAL ADVISOR.....	38
CONTINUING DISCLOSURE .....	38
MISCELLANEOUS.....	39
APPENDIX A FORM OF THE INDENTURE ...	A-1
APPENDIX B FORM OF FINANCING	
AGREEMENT .....	B-1
APPENDIX C FORM OF OPINION OF BOND	
COUNSEL.....	C-1
APPENDIX D FORM OF CONTINUING	
DISCLOSURE AGREEMENT.....	D-1
APPENDIX E FORM OF INVESTOR LETTER ..	E-1
APPENDIX F PROVISIONS REGARDING	
BOOK-ENTRY SYSTEM .....	F-1







**PRIVATE PLACEMENT MEMORANDUM**  
**RELATING TO**  
**THE INDUSTRIAL DEVELOPMENT AUTHORITY**  
**OF THE CITY OF GRAIN VALLEY, MISSOURI**  
**TAX INCREMENT REFUNDING REVENUE BONDS**  
**(GRAIN VALLEY MARKETPLACE REDEVELOPMENT PROJECT #2)**  
**SERIES 2020**

**INTRODUCTION**

**Purpose of the Private Placement Memorandum**

This Private Placement Memorandum, including the cover page and appendices, is to furnish information relating to (1) the City of Grain Valley, Missouri (the “City”), (2) the Industrial Development Authority of the City of Grain Valley, Missouri (the “Issuer”), (3) the Grain Valley Marketplace Community Improvement District (the “District”), (4) the Issuer’s Tax Increment Revenue Refunding Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “Bonds”), (5) the Issuer’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 (the “Refunded Bonds”), and (6) the projects funded by the Refunded Bonds, and all additions, modifications and improvements made thereto (collectively, the “Projects”). The Projects are located within the 32-acre area at the northeast portion of the intersection of Interstate 70 and Missouri Route BB as the location of the retail and commercial development known as the Grain Valley Marketplace (the “Marketplace”) (collectively, the “Projects”). For the definition of certain capitalized terms used herein and not otherwise defined, see “**APPENDIX A –FORM OF THE INDENTURE**” and “**APPENDIX B—FORM OF FINANCING AGREEMENT**” hereto.

The Bonds are being issued to, together with other available funds, (1) refund the Refunded Bonds, (2) fund a reserve fund, and (3) pay costs of issuing the Bonds.

Brief descriptions and summaries follow of the Bonds, the Indenture, the Financing Agreement, the Issuer, the City, the District, and the Projects. Those descriptions and summaries do not purport to be comprehensive or definitive. All references in this Private Placement Memorandum to the Indenture and Financing Agreement are qualified by reference to such documents in their entirety. All references to the Bonds are qualified by reference to the definitive form of the Bonds included in the Indenture and are further qualified by reference to bankruptcy laws and other laws affecting creditors’ rights and to the exercise of judicial discretion.

**Bondholders’ Risks**

Certain events could affect the timely repayment of the principal of and interest on the Bonds when due. See the section of this Private Placement Memorandum entitled “**BONDHOLDERS’ RISKS**” for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Bonds. The Bonds are not rated by any nationally recognized rating agency. The purchase of the Bonds involves significant risks and the Bonds are not suitable investments for all investors.

## **The City**

The City is a fourth-class city under Missouri law and is a political subdivision of the State. The Bonds and interest thereon do not constitute a debt or liability of the City and do not constitute a pledge of the full faith and credit of the City. See “**THE CITY**” herein.

## **The Issuer**

The Issuer is a public corporation duly organized under Chapter 349 of the Revised Statutes of Missouri, as amended (the “Act”) established for the purpose of developing, advancing, encouraging and promoting commercial, industrial, agricultural and manufacturing facilities in and about the City. The Bonds and the interest thereon are special, limited obligations of the Issuer and do not constitute a debt of the Issuer. See “**THE ISSUER**” and “**SECURITY FOR THE BONDS**” herein.

## **The District**

The District is a community improvement district and a political subdivision of the State of Missouri, formed pursuant to the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri (the “CID Act”). The boundaries of the District include the entire Project. See “**THE DISTRICT**” herein.

## **The Projects**

The Marketplace is a development located in a tax increment redevelopment area at the northeast portion of the intersection of Interstate 70 and Missouri Route BB (Buckner-Tarsney Road). Revenues from the businesses comprising the Marketplace will be used to repay the Bonds. The Marketplace currently consists of the following businesses:

- A 24,000 square foot, eight screen movie theater operated by B&B Theaters Operating Company that opened in December 2012;
- A 4,790 square foot Casey’s General Store convenience store that opened in April 2014;
- A 60,729 square foot Price Chopper grocery store that opened in December 2017;
- A 1,200 square foot Great Clips hair salon that opened in August 2018;
- A 1,200 square foot nail salon that opened in April 2019;
- A 1,115 square foot dog grooming business that opened in January 2019; and
- A 2,053 square foot Taco Bell restaurant that opened in December 2019.

## **The Bonds**

The Bonds are being issued pursuant to the Bond Resolution, the Indenture, the Financing Agreement, the CID Act and the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (the “TIF Act”).

The Bonds mature in the amounts and on the dates and bear interest at the rates shown on the inside front cover page of this Private Placement Memorandum. The Bonds will be issued only as fully registered bonds under a book-entry only system maintained by The Depository Trust Company, New York, New

York (“DTC”). The Bonds will be registered initially in the name of Cede & Co., as bondowner and nominee for DTC. Individual purchases of the Bonds will be made, in denominations of \$100,000 or any multiple of \$1,000 in excess thereof or, if the Bonds are Outstanding in a principal amount less than \$100,000, then the amount equal to the principal amount of the Bonds then Outstanding. Individual purchases will be made in the principal amount of \$100,000 and in multiples thereof. Beneficial Owners (as hereinafter defined) of the Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds.

The Bonds will be dated the date of their initial delivery, and will bear interest from such date to maturity. Interest on the Bonds will be paid on April 15 and October 15 of each year commencing April 15, 2021, by UMB Bank, N.A., Kansas City, Missouri, as Trustee and Paying Agent. So long as DTC or its nominee is the registered owner of the Bonds, payments of principal of and interest on the Bonds will be made directly to DTC, which, in turn, is obligated to remit such payments to its participants for subsequent disbursement to Beneficial Owners of the Bonds, as described herein under “**APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY SYSTEM**”.

The Bonds are subject to redemption prior to maturity. See “**THE BONDS—Redemption Provisions**” herein.

### **Security for the Bonds**

The Bonds and the interest thereon are special, limited obligations of the Issuer, payable solely from Bond proceeds and the Revenues, as provided in the Indenture. Subject to the limitations contained in the Indenture, the Issuer will pledge and assign moneys in the Revenue Fund, the Debt Service Fund and the Bond Reserve Fund to the Purchaser as security for the payment of the Bonds and the interest thereon. Pursuant to a Financing Agreement entered into among the City, the District and the Issuer dated as of October 1, 2020 (the “Financing Agreement”), the City has agreed to transfer to the Trustee for application to the payment of the Bonds the Payments in Lieu of Taxes and, subject to annual appropriation, the Economic Activity Tax Revenues, and the District has pledged to transfer, subject to annual appropriation, or to cause the transfer, to the Trustee for application to the payment of the Bonds, the District Sales Taxes. See “**APPENDIX B—FORM OF FINANCING AGREEMENT**”.

**Because the TIF Act provides that 23 years is the maximum amount of time for the retirement of obligations incurred to finance redevelopment project costs, the obligation of the City to transfer Economic Activity Tax Revenues and Payments in Lieu of Taxes to the Trustee for the repayment of the Bonds terminates on September 26, 2033, whether or not the principal amount thereof or interest thereon has been paid in full.**

The District Sales Taxes allocable to pay the Debt Service Requirements for the Bonds shall not exceed 41% of the Debt Service Requirements for the Bonds, or such other percentage as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Revenue Fund and eligible for payment from the District Sales Taxes. **The Bonds are not secured by a mortgage on any property.** However, the TIF Act provides that the Payments in Lieu of Taxes that are due and owing shall constitute a lien against the real estate in the Redevelopment Area from which they are derived. Upon a default in the payment of any Payments in Lieu of Taxes, the lien for such unpaid Payments in Lieu of Taxes may be enforced as provided by law.

THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY, THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER DEBT LIMITATION. THE ISSUANCE OF THE BONDS SHALL NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY,

OBLIGATE THE CITY, THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY ANY FORM OF TAXATION THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE ISSUER HAS NO TAXING POWERS.

See “**SECURITY FOR THE BONDS**” herein.

### **Tax Status**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. See “**TAX MATTERS**” in this Private Placement Memorandum. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Bonds.

### **Investment Considerations**

AN INVESTMENT IN THE BONDS INVOLVES SIGNIFICANT RISK. Prospective investors should read this Private Placement Memorandum in its entirety to obtain information essential to the making of an informed investment decision, giving particular attention to the matters discussed in “**SECURITY FOR THE BONDS**” and “**BONDHOLDERS’ RISKS**”.

### **Limited Offering**

Beneficial Ownership Interests in the Bonds are offered only to, and may be acquired only by, Qualified Institutional Buyers, as defined in Rule 144A promulgated pursuant to the Securities Act of 1933, as amended (the “Securities Act”), and “accredited investors” as defined in Rule 501(a)(1), (2), (3) or (7) of the Securities Act of 1933, as amended (collectively, “Approved Investors”). Initial purchasers of the Bonds will be required to execute an investor letter in the form attached hereto as **APPENDIX E**.

There is no requirement that subsequent purchasers of the Bonds execute an investor letter; however, each subsequent purchaser of the Bonds will be deemed to have represented and warranted that they are an Approved Investor.

### **Continuing Disclosure**

The City and the District will execute a Continuing Disclosure Agreement at the time of the issuance of the Bonds for the benefit of the Owners of the Bonds to provide (i) certain annual financial information and operating data to the Municipal Securities Rulemaking Board (the “MSRB”) and (ii) notice of certain material events to the MSRB. See **APPENDIX D** attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Agreement that will be executed and delivered by the City and the District. See “**CONTINUING DISCLOSURE**” herein.

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## ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds of the Bonds.

### Sources of Funds

Bond Proceeds	\$
Transfer from Series 2012 Debt Service Reserve Fund	
<b>Total</b>	<u>\$</u>

### Uses of Funds

Redemption Escrow	\$
Bond Reserve Fund	
Costs of Issuance <sup>(1)</sup>	
<b>Total</b>	<u>\$</u>

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- <sup>(1)</sup> Includes legal fees, paying agent and trustee fees, fees and expenses of the Issuer's Municipal Advisor, placement agent fee, and other miscellaneous fees and expenses.

## THE BONDS

### Principal Amount, Date, Interest Rate and Maturity

The Bonds will be issued in the aggregate principal amount set forth on the inside cover page hereof and will be dated and bear interest from the date of their initial delivery. The Bonds will mature on April 15 of the years and in the amounts and bear interest at the rates set forth on the inside cover page of this Private Placement Memorandum. The Bonds will bear interest (payable semi-annually on April 15 and October 15 commencing April 15, 2021) until maturity. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

### Form, Denomination and Registration

The Bonds will be issued in fully registered form in denominations of \$100,000 or any multiple of \$1,000 in excess thereof or, if the Bonds are Outstanding in a principal amount less than \$100,000, then the amount equal to the principal amount of the Bonds then Outstanding, provided that no single Bond shall represent more than one maturity. Individual purchases will be made in the principal amount of \$100,000 and in multiples thereof in book-entry form only. Purchasers will not receive a bond certificate representing their ownership interest in the Bonds. The Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of DTC.

### Book-Entry Only System

DTC will act as securities depository for the Bonds through its nominee, Cede & Co. One fully registered bond in a denomination equal to the principal amount and maturity of the Bonds will be registered in the name of Cede & Co. Individual purchases of Bonds will be made in book-entry only form, and beneficial owners of the Bonds will not receive physical delivery of bond certificates, except as described in **APPENDIX E**. Upon receipt of payments of principal and interest, DTC will remit such payment to DTC participants for subsequent disbursement to the beneficial owners of the Bonds. For a more complete description of the book-entry only system, see "**APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY SYSTEM**".

So long as Cede & Co. is the registered owner of the Bonds, references herein to the Registered Owners, Bondowners or Bondholders will mean Cede & Co. and will not mean the “Beneficial Owner” of the Bonds. In this Private Placement Memorandum, the term “Beneficial Owner” means the person for whom a DTC participant acquires an interest in the Bonds.

### **Trustee, Paying Agent and Registrar**

UMB Bank, N.A., Kansas City, Missouri, will act as the initial Trustee, Paying Agent and Registrar for the Bonds. The principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent to DTC which, in turn, will remit such principal, premium, if any, and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds.

### **Redemption Provisions**

Optional Redemption. The Bonds are subject to optional redemption and payment prior to maturity by the Issuer, upon the direction of the City, on and after April 15, 20\_\_, in whole or in part in Authorized Denominations, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, without premium. Official notice of any optional redemption shall state that it is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Bonds, and such notice and optional redemption shall be of no effect if by no later than the scheduled redemption date, sufficient moneys to redeem the Bonds are not on deposit with and available to the Trustee.

Mandatory Redemption. The Bonds are subject to mandatory sinking fund redemption and payment prior to maturity on April 15 in each year, at 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, in accordance with the mandatory sinking fund schedule determined as set forth below:

#### **Term Bonds Maturing on April 15, 20\_\_**

<u>Year</u>	<u>Principal Amount</u>
	\$

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<sup>†</sup> Final Maturity

The Trustee shall make timely selection of such Bonds or portions thereof to be so redeemed in Authorized Denominations of principal amount by lot or in such other equitable manner as the Trustee may determine and shall give notice thereof without further instructions from the Issuer, the City or the District. At the option of the City, to be exercised on or before the 45<sup>th</sup> day next preceding each mandatory redemption date, the City may: (1) deliver Bonds to the Trustee for cancellation in the aggregate principal amount desired; or (2) furnish to the Trustee moneys, together with appropriate instructions, for the purpose of purchasing any Bonds from any owner thereof in the open market at a price agreed to by the City not in excess of 100% of the principal amount thereof, whereupon the Trustee shall use its best efforts to expend such funds for such purposes; or (3) elect to receive a credit in respect to the mandatory redemption obligation under this subsection for any Bonds which prior to such date have been redeemed (other than through the operation of the requirements of this subsection) and cancelled by the Trustee and not theretofore applied as a credit against any redemption obligation under this subsection. Each Bond so

delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation to redeem Bonds on the next mandatory redemption date applicable to Bonds that is at least 45 days after receipt by the Trustee of such instructions from the City, and any excess of such amount shall be credited on future mandatory redemption obligations for Bonds in chronological order or such other order as the City may designate, and the principal amount of Bonds to be redeemed on such future mandatory redemption dates by operation of the requirements of this subsection shall be reduced accordingly. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the City will, on or before the 45<sup>th</sup> day next preceding the applicable mandatory redemption date, furnish the Trustee a certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with in respect to such mandatory redemption payment and any Bonds to be cancelled or credited for the mandatory redemption obligation.

Selection for Redemption. Bonds shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Bonds are to be optionally redeemed, such Bonds shall be redeemed from stated maturities selected by the City, and Bonds of less than a full Stated Maturity shall be selected by the Trustee in Authorized Denominations by lot or in such other equitable manner as the Trustee may determine.

In the case of a partial redemption of Bonds when Bonds of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each unit of \$1,000 in excess of the minimum Authorized Denomination shall be treated as though it was a separate Bond of \$1,000. If one or more, but not all, of the \$1,000 units of principal amount in excess of the minimum Authorized Denomination represented by any Bond are selected for redemption, then upon notice of intention to redeem such unit or units, the Owner of such Bond or such Owner's attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the redemption premium, if any, and interest to the date fixed for redemption) of the unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the unit or units of principal amount called for redemption and shall cease to accrue interest on such amount.

Notice of Redemption. Unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of Bonds shall be given by the Trustee on behalf of the Issuer by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 10 days prior to the redemption date to the Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Owner to the Trustee. All official notices of redemption shall be dated and shall state: (1) the redemption date, (2) the redemption price, (3) if less than all Outstanding Bonds are to be redeemed, the identification, number, maturity date and, in the case of the partial redemption of any Bond, the respective principal amounts of the Bonds to be redeemed, (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Payment Office of the Trustee.

The failure of any Bondowner to receive notice given as provided above, or any defect in the notice, will not affect the validity of any proceedings for the redemption of any Bonds. Any notice mailed as provided above will be conclusively presumed to have been duly given and become effective upon mailing, whether or not any Bondowner receives the notice.



Effect of Call for Redemption. On or prior to the date fixed for redemption, moneys available solely for such redemption shall be deposited with the Trustee to pay the principal of the Bonds called for redemption, accrued interest thereon to the redemption date, if any, and the redemption premium, if any, thereon. Upon the happening of the above conditions, and notice having been given as provided above, as applicable, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price of the Bonds called for redemption are on deposit at the place of payment at the time fixed for such redemption, and shall no longer be entitled to the protection, benefit or security of the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

### **No Additional Bonds**

No bonds other than the Bonds may be issued under the Indenture.

### **Transfer and Exchange**

Any Bond may be transferred only to Approved Investors and only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or their attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new fully-registered Bond or Bonds, registered in the name of the transferee, of the same series and maturity and of any Authorized Denomination.

The Bonds may be transferred only in any Authorized Denominations, and the initial Purchaser shall deliver to the Trustee an Investment Letter in substantially the form attached to the Indenture. Subsequent purchasers will not be required to deliver a similar letter, but will be deemed to represent by their purchase of the Bonds that (i) they are an Approved Investor, (ii) the transferee is purchasing the Bonds for its own account for investment and with no present intention of selling or transferring the Bonds; provided that the transferee reserves the right to sell or distribute the Bonds subject to the restrictions set forth in the Indenture, (iii) the transferee has been provided with or given access to all financial and other information requested relating to the Bonds or which it deems material in connection with the purchase of Bonds, (iv) the transferee has such knowledge and experience in financial and business matters, including the purchase of tax-exempt obligations, as to be independently capable of evaluating the merits and risks of investment in the Bonds and to make an informed decision with respect thereto, and (v) the transferee understands that the Bonds are subject to all terms and conditions of the Indenture.

Any Bond, upon surrender thereof at the payment office of the Trustee, together with an assignment duly executed by the Owner or his or her attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same series and maturity of any Authorized Denomination.

In all cases in which Bonds are exchanged or transferred under the Indenture, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of the Indenture. All Bonds surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee.

The Issuer or the Trustee may make a charge against each Owner requesting a transfer or exchange of Bonds for every such transfer or exchange of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, the cost of printing, if any, each new Bond issued upon any transfer or exchange and the reasonable expenses of the Issuer and

the Trustee in connection therewith, and such charge shall be paid before any such new Bond shall be delivered.

At reasonable times and under reasonable regulations established by the Trustee, the Bond Register may be inspected and copied by the Issuer, the City, the District or the Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

The person in whose name any Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute Owner of such Bond for all purposes, and payment of or on account of the principal of and redemption premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered Owner thereof or such Owner's attorney or legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

## SECURITY FOR THE BONDS

### Limited Obligations; Sources of Payment

The Bonds and the interest thereon are special, limited obligations of the Issuer, payable solely from the proceeds of the Bonds, the Revenues and other moneys pledged thereto, as provided in the Indenture. Subject to the limitations contained in the Indenture, the Issuer will pledge and assign moneys in the Revenue Fund, the Debt Service Fund and the Bond Reserve Fund to the Purchaser as security for the payment of the Bonds and the interest thereon. Pursuant to the Financing Agreement, the City has agreed to transfer to the Trustee for application to the payment of the Bonds the Payments in Lieu of Taxes and, subject to annual appropriation, the Economic Activity Tax Revenues, and the District has pledged to transfer, subject to annual appropriation, or to cause the transfer, to the Trustee for application to the payment of the Bonds, the District Sales Taxes.

**Because the TIF Act provides that 23 years is the maximum amount of time for the retirement of obligations incurred to finance redevelopment project costs, the obligation of the City to transfer Economic Activity Taxes and Payments in Lieu of Taxes to the Trustee for the repayment of the Bonds terminates on September 26, 2033. In addition, there is no contractual obligation to transfer any District Revenues to the Trustee after such date. Accordingly, there will be no revenues available for debt service on the Bonds after September 26, 2033, whether or not the principal amount thereof or interest thereon has been paid in full.**

The District Sales Taxes allocable to pay the Debt Service Requirements for the Bonds shall not exceed 41% of the Debt Service Requirements for the Bonds, or such other percentage as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Revenue Fund and eligible for payment from the District Sales Taxes. **The Bonds are not secured by a mortgage on any property.** However, the TIF Act provides that the Payments in Lieu of Taxes that are due and owing shall constitute a lien against the real estate in the Redevelopment Area from which they are derived. Upon a default in the payment of any Payments in Lieu of Taxes, the lien for such unpaid Payments in Lieu of Taxes may be enforced as provided by law.

THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY, THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, CHARTER OR STATUTORY DEBT PROVISION OR LIMITATION. THE ISSUANCE OF THE BONDS SHALL NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE THE ISSUER, THE CITY, THE DISTRICT, THE STATE OR ANY

POLITICAL SUBDIVISION THEREOF TO LEVY ANY FORM OF TAXATION THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE ISSUER HAS NO TAXING POWER.

## **Revenues**

Under the Indenture “Revenues” are defined as (a) Payments in Lieu of Taxes (PILOTS) payable by the City to the Trustee pursuant to the Financing Agreement, (b) subject to annual appropriation by the City, Economic Activity Tax Revenues paid by the City to the Trustee pursuant to the Financing Agreement, and (c) the District Sales Taxes appropriated and paid by or on behalf of the District to the Trustee as provided in the Financing Agreement. Revenues do not include (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) any sum received by the City or the District which is the subject of a suit or other claim communicated to the City or the District which suit or claim challenges the collection of such sum, (iii) an amount equal to 1% of the total of PILOTS and EATs in the Special Allocation Fund retained by the City for administration of the Redevelopment Plan and Redevelopment Area, (iv) an amount equal to 1.5% of the revenues attributable to the 1.00% sales tax within the District retained by the City for administration of the District revenues, or (v) amounts retained by the State of Missouri or Jackson County, Missouri related to the collection and disbursement of the Revenues.

“PILOTS” or “Payments in Lieu of Taxes” are those tax revenues attributable to the increase in the assessed valuation of all taxable real property within the Redevelopment Area over and above the tax revenues attributable to the initial assessed valuation of real property in such area as of the date on which tax increment financing for the Redevelopment Area was adopted. Such increase is multiplied by the then current aggregate tax rate applicable to such property to determine the PILOTS. Such PILOTS have been irrevocably pledged by the Issuer to the payment of the Bonds. Pursuant to the TIF Act, fire protection districts may annually set a reimbursement rate between 50% and 100% of the amount of their entities tax rate. At this time, the Central Jackson County Fire Protection District has an agreement to have 50% of their captured tax rate reimbursed by the City. Additionally, the TIF Act provides that additional revenues generated by a new tax levy or an increase to a taxing jurisdiction’s existing levy will not be subject to capture without the taxing jurisdiction’s consent. The base year established for the property tax TIF was 2010, when taxable values totaled \$657,422.

“EATs” or “Economic Activity Tax Revenues” are those revenues attributable to 50% of the increase in tax revenues (other than real property tax revenues) generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within such area in the calendar year prior to the adoption of the redevelopment project by ordinance, including sales and utilities taxes, but excluding any taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500, RSMo., licenses, fees or special assessments, other than payments in lieu of taxes, and personal property taxes and taxes levied for the purpose of public transportation pursuant to Section 94.660, RSMo, and the sales tax imposed by Jackson County, Missouri to fund improvements to the Stadium Sports Complex. THE EXPENDITURE OF ECONOMIC ACTIVITY TAX REVENUES IS SUBJECT TO ANNUAL APPROPRIATION BY THE CITY. THERE CAN BE NO ASSURANCES THAT THE CITY WILL APPROPRIATE SUCH REVENUES IN ANY YEAR AND THE INDENTURE DOES NOT OBLIGATE THE CITY TO DO SO. The base value established for taxable retail sales is \$536,886.80.

District Sales Taxes are those revenues attributable to the 1.00% sales tax within the District, less the 50% of the sales tax that is captured as EATs. The District encompasses all of the Projects.

## Revenue Fund

The Trustee shall deposit into the Revenue Fund all Revenues and any other amounts received by the Trustee on the 25th day of each month (or the next Business Day thereafter if the 25th day is not a Business Day) that are subject to the lien and pledge of the Indenture, to the extent not required to be deposited in other Funds and Accounts in accordance with the terms of the Indenture or to the extent otherwise restricted in use of payments pursuant to the Indenture. The Trustee shall deposit (1) all District Sales Taxes received from or on behalf of the District in accordance with the Financing Agreement to the Sales Tax Account of the Revenue Fund; (2) all Payments in Lieu of Taxes received from or on behalf of the City in accordance with the Financing Agreement to the PILOTS Account of the Revenue Fund, (3) all Economic Activity Tax Revenues received from or on behalf of the City in accordance with the Financing Agreement to the EATs Account of the Revenue Fund and (4) all other amounts required to be deposited in the Revenue Fund pursuant to the terms of the Indenture into the Revenue Account of the Revenue Fund. The Trustee shall notify the City, the District, the Issuer, the Developer and the Purchaser if the Trustee has not received such payments on or before the 27th calendar day of each month (or the next Business Day thereafter if the 27th day is not a Business Day).

Moneys on deposit in the District Operating Account of the Revenue Fund shall be disbursed by the Trustee from time to time upon receipt of a written request of the District to pay reasonable and necessary costs of operating the District.

Except as otherwise provided in the Indenture, from and after the Bond Issuance Date, the Trustee shall apply moneys from the Revenue Fund, *first*, from the Revenue Account of the Revenue Fund, *second*, from the Sales Tax Account of the Revenue Fund, *third*, from the PILOTS Account of the Revenue Fund, and *fourth*, from the EATs Account of the Revenue Fund, at least 40 days prior to each Interest Payment Date and Principal Payment Date on the Bonds (or at any time in the event of rebate payable to the United States of America), for application in the order of priority and for the purposes as follows:

- (1) to the Rebate Fund when necessary, an amount sufficient to pay rebate, if any, to the United States of America, owed under Section 148 of the Code, in accordance with the Tax Compliance Agreement and to the Rebate Analyst, an amount equal to all fees, charges, advances and expenses of the Rebate Analyst due and payable;
- (2) to the Trustee, an amount equal to all fees, charges, advances and expenses of the Trustee due and payable pursuant to the Indenture (not to exceed \$2,500 per Fiscal Year);
- (3) to the Issuer, an amount equal to all fees, charges and expenses of the Issuer due and payable pursuant to the Indenture;
- (4) to the District Operating Account from moneys in the Sales Tax Account in an amount requested in writing by the District not to exceed \$10,000 per calendar year;
- (5) to the Interest Account of the Debt Service Fund, an amount sufficient to pay the interest becoming due and payable on the Bonds on the next two Interest Payment Dates;
- (6) to the Principal Account of the Debt Service Fund, an amount sufficient to pay the principal of the Bonds on the next Principal Payment Date (at maturity or upon scheduled mandatory redemption);

- (7) to the Bond Reserve Fund, such amount as may be required to restore any deficiency in the Bond Reserve Fund if the amount on deposit in the Bond Reserve Fund is less than the Bond Reserve Requirement;
- (8) to the City, an amount not to exceed four percent (4%) of the moneys deposited within the PILOTS Account and the EATs Account for payment of any additional City Expenses upon receipt by the Trustee of a written requisition of costs;
- (9) when funds are allocated prior to the Principal Payment Date, for payment to the Developer on or about April 15 of each year for Reimbursable Project Costs that have not been paid by the City to the Developer in accordance with the Redevelopment Agreement as directed by the City and the Developer; and
- (10) upon payment to the Developer of amounts owed for all Reimbursable Project Costs (as confirmed in writing to the Trustee by the Developer), to the Redemption Account of the Debt Service Fund to provide for the redemption of the Bonds. The outstanding principal amount of the Reimbursable Project Costs due to the Developer is currently \$3,964,189.

**The District Sales Taxes allocable to pay the Debt Service Requirements for the Bonds shall not exceed 41% of the Debt Service Requirements for the Bonds, or such other percentage as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Revenue Fund and eligible for payment from the District Sales Taxes.**

#### **Debt Service Fund**

Moneys on deposit in the Interest Account shall be applied solely to pay the interest on the Bonds as the same becomes due and payable. On each date fixed for redemption of the Bonds and on each scheduled Interest Payment Date on the Bonds, the Trustee shall remit to the respective Bondowners of such Bonds an amount from the Interest Account sufficient to pay the interest on the Bonds becoming due and payable on such date.

Moneys on deposit in the Principal Account shall be applied solely to pay the principal of the Bonds as the same becomes due and payable at maturity or scheduled mandatory sinking fund redemption. On each Principal Payment Date of the Bonds, the Trustee shall set aside and hold in trust an amount from the Principal Account sufficient to pay the principal of the Bonds becoming due and payable on such date.

Moneys on deposit in the Redemption Account shall be applied solely to pay the principal and premium, if any, on the Bonds as the same become due and payable by redemption. On each date fixed for such redemption, the Trustee shall set aside and hold in trust an amount from the Redemption Account sufficient to pay the principal of and premium, if any, on the Bonds becoming due and payable on such date.

#### **Bond Reserve Fund**

Moneys in the Bond Reserve Fund shall be disbursed and expended by the Trustee without further authorization solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds if and to the extent moneys otherwise available for such purpose in the Debt Service Fund are insufficient to pay the same as they become due and payable. The Trustee may disburse and expend moneys from the Bond Reserve Fund for such purposes whether or not the amount in the Bond Reserve Fund at that time equals the Bond Reserve Requirement.

On March 1 and September 1 of each year (or if such date is not a Business Day, the immediately preceding Business Day), commencing March 1, 2021, the Trustee shall determine the value of all cash and Investment Securities held in the Bond Reserve Fund and shall give immediate written notice to the City if such amount is less than the Bond Reserve Requirement. All such Investment Securities shall be valued as specified in the Indenture. If the value so determined exceeds the Bond Reserve Requirement, the Trustee shall promptly transfer the excess without further authorization to the Revenue Account of the Revenue Fund.

Moneys in the Bond Reserve Fund shall be used to pay and retire the last Outstanding Bonds unless such Bonds and all interest thereon be otherwise paid. Notwithstanding any other provision of this Indenture, moneys in the Bond Reserve Fund shall be applied to pay the last Outstanding Bonds prior to any application of moneys on deposit in the Revenue Fund or the Debt Service Fund for such purpose.

See also “**APPENDIX A—FORM OF THE INDENTURE**,” for information regarding the Cost of Issuance Fund and the Rebate Fund.

### **THE REFUNDED BONDS**

In September 2010, the City approved the redevelopment plan, which included approximately 84 acres of land encompassing the four quadrants of the I-70/Buckner-Tarsney Interchange in the City. The redevelopment plan included construction of the Marketplace in the Redevelopment Area. In January 2011, the City and a prior developer entered into a redevelopment agreement relating to the construction of the Projects, which contemplated that the City would provide various incentives to finance construction. The prior redevelopment agreement, which has been amended and restated to, among other things, replace the prior developer with the Developer, provided that the Projects would be financed through (i) Neighborhood Improvement District Bonds, (ii) Post-TIF Community Improvement District Revenues, (iii) private funding, and (iv) the Refunded Bonds.

The City agreed to secure the Refunded Bonds with an annual appropriation pledge so that the Refunded Bonds could be issued in advance of construction of the Projects. The proceeds of the Refunded Bonds were used to finance the clearing, grading and environmental remediation work to prepare the site for construction of a portion of the Projects. In addition, proceeds of the Refunded Bonds were used to finance construction of the public and private utilities, public parking lots, a movie theater and professional services, developer fees and permitting fees.

**Although the Refunded Bonds were secured with an annual appropriation pledge from the City, the City will not secure the Bonds with an appropriation pledge other than for the Revenues.**

The City issued Taxable Neighborhood Improvement District Limited General Obligation Bonds in November 2016 (the “Series 2016 NID Bonds”) in order to refund the City’s \$3,125,000 Taxable Neighborhood Improvement District Limited General Obligation Temporary Notes (Grain Valley Marketplace Project), Series 2015 (the “Series 2015 Notes”). The Series 2015 Notes were part of a larger plan of finance to improve an interchange at Interstate 70 and Buckner-Tarsney Road. The road project, which was completed in December 2013, included modifications to the existing interchange, construction of new north and south outer roads, improvements to a segment of Buckner-Tarsney Road and realignment of U.S. 40 Highway where it intersects Buckner-Tarsney. The Series 2016 NID Bonds remain outstanding and are payable from special assessments and income, revenues and surplus funds of the City and other legally available funds of the City.

## THE CITY

### General

The City is a fourth-class city and political subdivision, duly created and existing under the laws of the State. The City was incorporated in 1945 and encompasses an area of approximately six square miles. The City is located in Jackson County, Missouri (the “County”) approximately 24 miles east of downtown Kansas City, Missouri. The City and County’s population trends are shown below:

	<b>City Population</b>	<b>Percent Change</b>	<b>County Population</b>	<b>Percent Change</b>
July 2019 (estimate)	14,277	11%	700,307	4%
2010 Census	12,854	149	674,158	3
2000 Census	5,160	172	654,880	3

Additional information regarding the City may be obtain from the City Administrator, City of Grain Valley, 711 Main Street, Grain Valley, Missouri 64029.

The City is governed by a Mayor, a six-person Board of Aldermen and a City Administrator. The Mayor is elected every two years, and three Aldermen are elected each year for staggered terms of two years with no restrictions on reelection. The City Administrator is appointed by the Mayor with the approval of a majority vote of the Board of Aldermen. The appointment is for an indefinite term. The City Administrator is the budget officer of the City and works directly with the City Clerk, Budget Committee and Mayor in preparing the budget for each year. The City Administrator has continuing responsibility throughout the year in proper implementation and administration of the City budget. Tax rates are established by the Board of Aldermen to support the budget adopted. As required by State law, the aggregate City budget may not include any expenditures in excess of anticipated revenues plus any unencumbered balances. The City’s fiscal year ends on December 31.

## THE ISSUER

### Organization and Powers

The Issuer is a public corporation, duly organized and existing under the laws of the State, including particularly the Act. Under the Act, the Issuer is authorized and empowered to issue revenue bonds for the purpose of paying the cost of certain “projects” as defined in the Act, to loan the proceeds from the sale of such bonds for such use and to secure the payment of such bonds as therein provided and to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it.

**None of the State, the City, the District nor any political subdivision, agency, or instrumentality thereof (other than the Issuer) shall in any event be liable for the payment of principal of or interest on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever undertaken by the Issuer, and neither the Bonds nor any of the Issuer’s agreements or obligations under any resolution, lease or other agreement shall be construed to constitute a general obligation or debt of the Issuer, the City, the District, the State, or any political subdivision or agency or instrumentality thereof within the meaning of any constitutional or statutory debt limitation or restriction. The Issuer has no taxing power or other source of revenue.**

The Bonds are special, limited obligations of the Issuer payable solely from Revenues and other moneys held by the Trustee, as described herein and defined in the Indenture and the Financing Agreement.

The Bonds are not obligations of the State, the District or the City, and no recourse shall be had against any elected official, officer, employee, or agent, as such, of the State, the District or the City for payment upon any such Bonds or obligations of the Issuer. No recourse shall be had against any commissioner, officer, employee, or agent, as such, of the Issuer for payment upon any such Bonds and no recourse shall be had against the Issuer for payment upon any such Bonds unless payments and certain moneys are placed on deposit under the Indenture for such payment and are available to the Issuer. No recourse shall be had for the payment of the principal of or interest on any of the Bonds or for any claim based thereon against any past, present, or future elected director of the Issuer. See “**THE BONDS**” herein.

## **Membership**

The Issuer has a Board of Directors in which all of the powers of the Issuer are vested, which presently consists of five directors, all of which are duly qualified electors and taxpayers in the City. The persons currently serving as directors are:

<u><b>Name</b></u>	<u><b>Office</b></u>
Michael Switzer	President
Justin Tyson	Vice President
Paul Wooten	Treasurer
Darryl Jones	Secretary
Kim Roam	Director

The principal mailing address of the Issuer is 711 Main Street, Grain Valley, Missouri.

## **Indebtedness of the Issuer**

The Issuer is authorized to issue and may issue other series of bonds and notes secured by instruments separate and apart from the Indenture. The owners of such bonds and notes will have no claim on the assets, funds, or revenues of the Issuer securing the Bonds. The holders of the Bonds will have no claim on the assets, funds, or revenues of the Issuer securing such other bonds and notes.

With respect to additional indebtedness of the Issuer, the Issuer intends to enter into separate agreements for the purpose of providing financing for eligible projects. Issues which may be sold by the Issuer in the future will be created under separate and distinct indentures or resolutions and secured by instruments, properties, and revenues separate from those securing the Bonds.

EXCEPT FOR INFORMATION CONCERNING THE ISSUER IN THIS SECTION, NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE ISSUER, AND THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

## **THE PROJECTS**

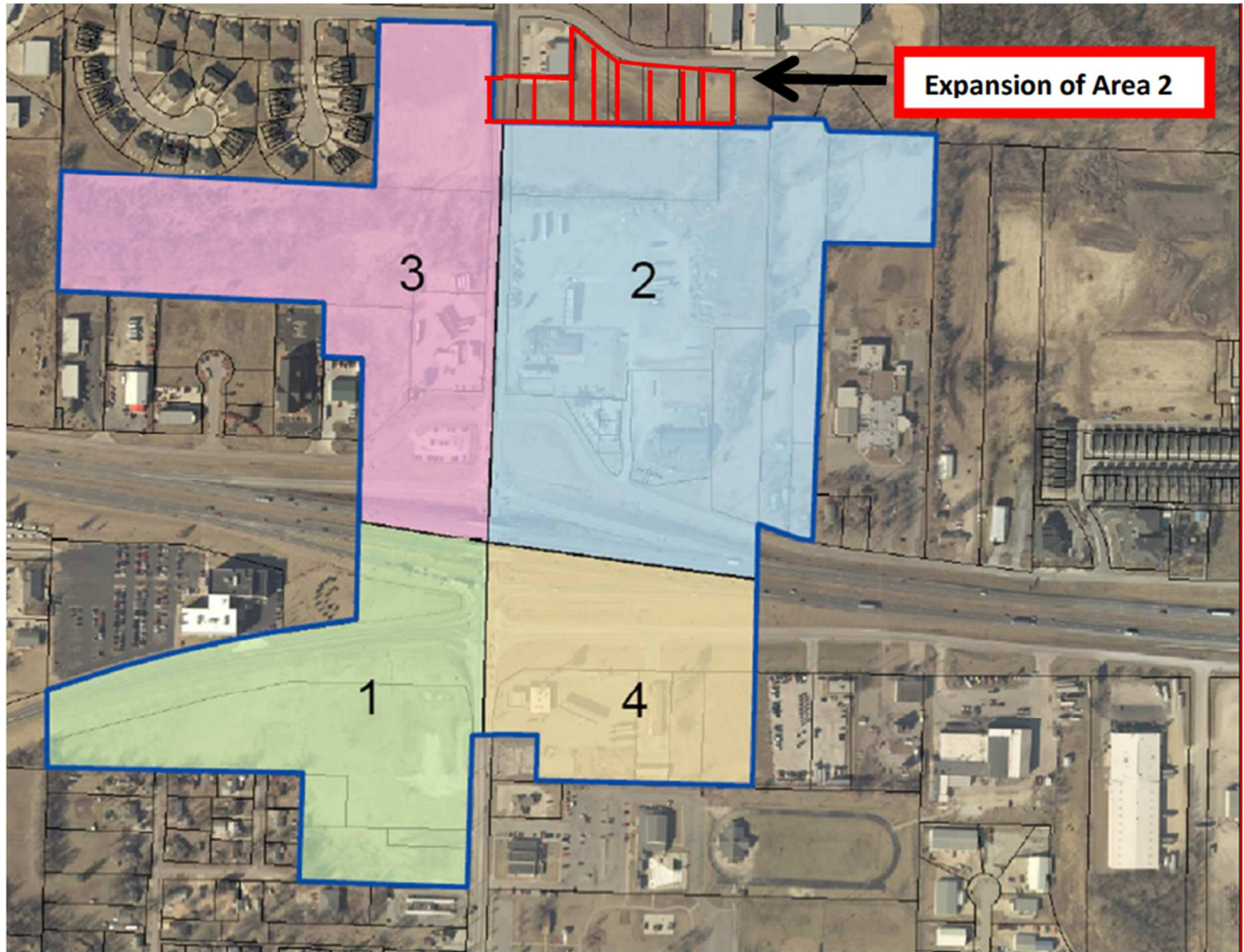
### **Overview**

In 2010, the City created the Grain Valley Marketplace Tax Increment Financing District (the “TIF District”), which includes approximately 84 acres of land located at all four quadrants of the I-70 Buckner-Tarsney Interchange. At the time, each quadrant represented a distinct tax increment financing redevelopment project. In 2013, the City amended the TIF District to divide Redevelopment Project 1, located at the southwest quadrant of the interchange, into two redevelopment projects and to rename the TIF District as the Grain Valley Interchange Tax Increment Financing District. Pursuant to the TIF Act, and as part of the redevelopment plan, the City designated the Redevelopment Area as the location of the



Marketplace. The boundary of the TIF District along the northern edge of the Redevelopment Area was later expanded in connection with the Developer's acquisition of the Redevelopment Area.

The below map illustrates the location and boundaries of the TIF District and redevelopment projects located within the TIF District:



The Redevelopment Area is located in the northeastern quadrant of the Interchange TIF and was studied and determined by the City to be a “blighted area” within the meaning of the TIF Act. The Redevelopment Area was originally owned by SG Property Management, LLC, but it ceased development of the Redevelopment Area after completing only a portion of the Projects. The City Council subsequently named Star Acquisitions, Inc. (the “Developer”) as the developer, and the City and the Developer entered into a Tax Increment Financing Contract on May 10, 2016 to implement development of the Marketplace. The Marketplace currently includes: (i) a 24,000-square-foot, eight screen movie theater operated by B&B Theaters Operating Company (opened December 2012) (the “Theater”); (ii) a 4,790-square-foot Casey’s General Store (opened April 2014); (iii) a 60,729-square-foot Price Chopper grocery store (opened December 2017); (iv) a 1,200-square-foot Great Clips hair salon (opened August 2018); (v) a 1,200-square-foot TT Nails of Grain Valley nail salon (opened April 2019); (vi) a 1,115-square-foot Exclusively Dogs dog grooming business (opened January 2019); and (vii) a 2,053-square-foot Taco Bell restaurant (opened December 2019).

Development of the Marketplace was funded, in part, with the proceeds of the Refunded Bonds. The following picture shows the Redevelopment Area and the location of the major tenants of the Marketplace. There is still land remaining in the Redevelopment Area for future development. The locations labeled “sites” are currently undeveloped, although the Developer recently entered into an agreement for development of the site that is located south of the Taco Bell.



### Ownership of the Marketplace

In 2016, the original developer, SG Property Management, LLC, sold its interests in the Redevelopment Area to the Developer. Since such time, the Developer has partially developed the Redevelopment Area, and the land and improvements comprising the Redevelopment Area have been transferred to various owners. The sites on which the Price Chopper grocery store, Casey’s General Store convenience store, the Theater, and Taco Bell restaurant are located are owned by their respective occupants. The strip mall in which the Great Clips salon, nail salon and dog grooming business are located (the “Strip Mall Site”) is owned by the Developer, and the building is leased to the various tenants. The Developer also owns the undeveloped pad sites.

### Competition

The Marketplace combines some elements of what might normally be located within a grocery anchored neighborhood center with a movie theater that draws from a larger area. The movie theater competition comes from a more distant area, but restaurants compete with both local establishments in the City as well as other operators near or around the Redevelopment Area.

There are five movie theaters within a 10 to 12 mile radius of the site that would compete with the theater at the Marketplace including the Blue Springs 8, AMC Independence Commons 20, Pharaoh Cinema 4, B&B Theaters Lee's Summit 16 and B&B Theaters Twin Drive-In.

Retail competition for the Marketplace comes from both local businesses and other shopping centers near the site. Concentrations of existing retail within the City include Old Towne Marketplace and Sni-A-Bar Plaza. Other retail and restaurant options are scattered around the City.

Other retail options outside the City within a 20 mile radius of the Marketplace include retail operators around or near the Interstate 70 interchange in Oak Grove, Missouri, Adam's Farm development in Blue Springs, Missouri, retail operators around or near the Interstate 70/Missouri Highway 7 interchange in Blue Springs, Missouri, retail operators around or near the Interstate 70/Woods Chapel Road interchange in Blue Springs, Missouri, retail operators around or near the Interstate 70/Interstate 470 interchange in Independence, Missouri, retail operators around or near the Interstate 470/Douglas Street interchange in Lee's Summit, Missouri, and retail operators around or near the Interstate 470/U.S. Highway 50 interchange in Lee's Summit, Missouri.

### **Occupants and Lease Information**

Below is a summary of the existing businesses occupying the Marketplace as of September 1, 2020, square feet occupied, and the commencement and expiration of their existing lease terms, as applicable. The Strip Mall Site is partially vacant. Out of the 7,115 leasable square feet available in the Strip Mall Site, 3,515 square feet are currently occupied. Three pad sites remain undeveloped.

<b>Occupant</b>	<b>Ownership Status</b>	<b>Lease Start</b>	<b>Lease Expiration</b>	<b>Total Square Feet</b>
Price Chopper	Owned	N/A	N/A	60,729
Casey's General Store	Owned	N/A	N/A	4,790
B&B Grain Valley Marketplace 8 Theater	Owned	N/A	N/A	24,000
Taco Bell	Owned	N/A	N/A	2,053
Great Clips	Leased	11/1/2018	11/30/2023	1,200
TT Nails of Grain Valley	Leased	8/1/2020	5/31/2024	1,200
Exclusively Dogs	Leased	4/1/2019	3/21/2022	1,115

### **Impacts of the Coronavirus**

On March 11, 2020, the World Health Organization declared the public health crisis caused by the strain of coronavirus known as COVID-19 ("COVID-19") to be a "public health emergency of international concern." On March 24, 2020, Jackson County released a Stay at Home Order requiring individuals to stay at their place of residence and ordering non-essential business to temporarily ease all activities except for "minimum basic operations" in an effort to increase social distancing and reduce person-to-person contact to slow transmission of the disease. Of the seven businesses located inside the TIF District, the Price Chopper grocery store, Casey's General Store convenience store and Taco Bell restaurant were considered essential businesses and remained open during the shutdown. The TT Nails of Grain Valley nail salon, Exclusively Dogs dog grooming business and Great Clips hair salon were all forced to close until the Jackson County Stay-at-Home Order ended on May 11, 2020, but these businesses are not retail in nature, and thus, did not impact collections within the TIF District. The Theater was also forced to close, and it stayed closed until August 14, 2020. Prior to the COVID-19 shutdown, the Theater purchased the building in which it is located and planned a renovation to go along with such purchase. During the time the Theater was closed due to the COVID-19 shutdown, the Theater renovated its building to include new message boards, all new seating and a full service bar addition to the concession area.

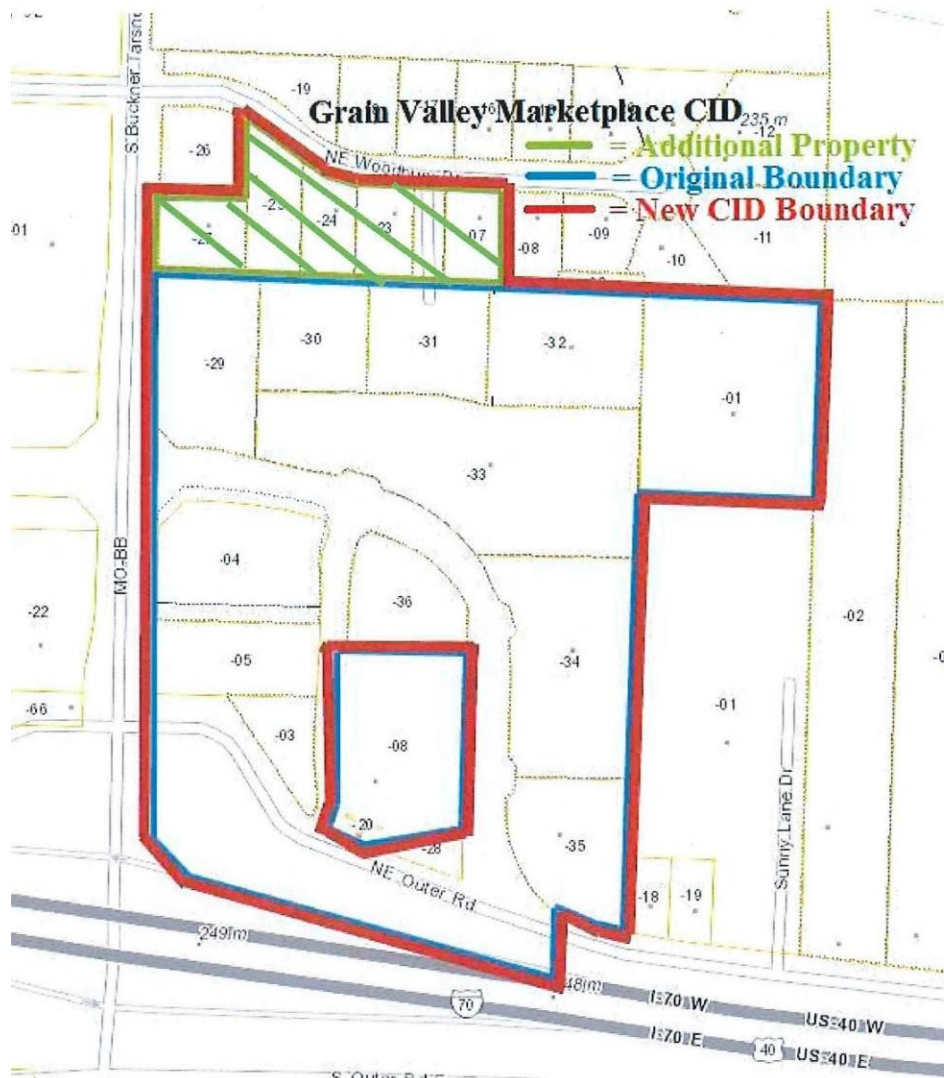


## THE DISTRICT

### General

The District is a community improvement district and a political subdivision of the State, formed pursuant to the CID Act. The District has the same boundaries as the Redevelopment Area. The District was formed upon the filing of a Petition for Establishment of a Community Improvement District in September 2010 and was expanded to include parking areas around the Price Chopper grocery store in connection with the Developer's acquisition of the Redevelopment Area.

The following depicts the boundaries of the District:



The District is governed by a five-member Board of Directors. Members of the Board of Directors serve a term of four years. At the end of each term, new directors are elected at large in accordance with Section 67.1451 of the CID Act. Each director serves without compensation. The current directors and officers of the District are as follows:

<u>Name</u>	<u>Office</u>	<u>Principal Employment</u>
Timothy Harris	Chair	Developer
Robert de la Fuente	Vice Chair	Star Development Corp.
Sheryl Giambalvo	Secretary/Treasurer	Star Development Corp.
Stephanie Harris	Director	First Missouri Bank
Ken Murphy	Director	City of Grain Valley

## **CID Revenues**

A majority of the qualified voters within the District voting on the proposition in 2012 approved the imposition of a sales tax within the District in the amount of one percent (1%) on all transactions that are taxable pursuant to the CID Act. By resolution adopted by the Board of Directors of the District and notification to the Missouri Department of Revenue (“MoDOR”), the District imposed the sales tax within the boundaries of the District, effective April 1, 2012. The sales tax is authorized to remain in effect for a period of thirty years or until such time as the District is terminated if such time is less than thirty years.

The retail establishments located in the District collect the District Sales Taxes and forward the District Sales Taxes to MoDOR for further remittance, less MoDOR’s 1% collection fee, to the District. Under State law, taxpayers who promptly pay their sales taxes are entitled to retain 2% of the amount of taxes owed.

Pursuant to the CID Act, a community improvement district may repeal by resolution any sales tax imposed pursuant to the CID Act before the expiration date of such sales tax **unless** the repeal of such sales tax will impair the district’s ability to repay any liabilities the district has incurred, moneys the district has borrowed or obligations the district has issued to finance any improvements or services rendered for the district.

In connection with the sale of the Bonds, the Issuer, the City and the District will enter into the Financing Agreement, pursuant to which the District will agree to collect the District Sales Taxes at the rate of 1% of retail sales and to direct the deposit of all proceeds of the District Sales Tax that may lawfully be collected to the City for deposit into the CID Revenue Fund, which was established by the City pursuant to the Second Amended and Restated Cooperative Agreement dated May 2016 by and among the City, the District and the Developer (the “Cooperative Agreement”). Subject to appropriation, on the 20<sup>th</sup> day (and if such day is not a Business Day, the next succeeding Business Day) of each calendar month during the term of the Financing Agreement, the District shall direct payment by the City to the Trustee of the proceeds of the District Sales Tax on deposit in the CID Revenue Fund. The City, in turn, will agree to pay to the Trustee any of the District Sales Tax, Economic Activity Tax Revenues and the payments in Lieu of Taxes it has received on or before the 25<sup>th</sup> day of each month. See “**APPENDIX B—FORM OF FINANCING AGREEMENT**”.

## **Cooperative Agreement**

Pursuant to the Cooperative Agreement, the CID agrees to direct MoDOR to collect the District Sales Taxes and to distribute the revenues, after deducting the not to exceed 1% of the total amount collected, to the City for deposit by the City into a special account created for such purpose.

On a monthly basis, the City shall, after deducting 1.5% of the amount received by the City to provide for its service in administering the District Sales Taxes, distribute such revenues received in the preceding month in the following order of priority:

- (a) For so long as tax increment financing is in effect within the Redevelopment Area, one half of the District Sales Taxes will be captured as Economic Activity Taxes and deposited into the Special Allocation Fund; and
- (b) The City shall transfer the remaining monies to the Trustee for distribution in accordance with the Indenture.

### **HISTORIC REVENUES**

Set forth below is a table reflecting the historic annual Revenues received by the trustee from 2013 through September 30, 2020 for the Refunded Bonds\*:

<b>Year</b>	<b>Total Revenue**</b>
2013	\$ 26,708
2014	120,086
2015	165,933
2016	201,462
2017	204,003
2018	713,016
2019	1,093,580
2020***	999,691

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\* Net of 1% State Collection Fee. The City's 1% administrative fee related to the Redevelopment Area and the City's 1.5% administrative fee related to the District will need to be collected in order to get to the net amount available to pay debt service on the Bonds.

\*\* Includes EATs Revenue, CID Revenue, Use Tax Revenue and PILOTs.

\*\*\* Through September 30, 2020

*[Remainder of Page Intentionally Left Blank]*

Set forth below is a table reflecting the historic monthly Revenues received by the trustee for the Refunded Bonds for the trailing 24-month period\*:

<b>Month</b>	<b>Total Revenue**</b>	<b>Trailing 12 months</b>
October 2018	\$ 50,975	
November 2018	7,455	
December 2018	116,393	
January 2019	75,091	
February 2019	89,822	
March 2019	244,287	
April 2019	80,313	
May 2019	26,372	
June 2019	121,637	
July 2019	71,973	
August 2019	8,780	
September 2019	149,764	\$1,042,863
October 2019	70,678	
November 2019	353	
December 2019	154,510	
January 2020	86,936	
February 2020	193,640	
March 2020	138,018	
April 2020	83,864	
May 2020	6,766	
June 2020	172,790	
July 2020	144,673	
August 2020	9,304	
September 2020	163,702	1,225,233
	<u>\$2,268,095</u>	

\* Receipts are included in the month they were received by the City except for a portion of EATs, which are indicated in the month they were received by the collecting entity. Net of 1% State Collection Fee. The City's 1% administrative fee related to the Redevelopment Area and the City's 1.5% administrative fee related to the District will need to be collected in order to get to the net amount available to pay debt service on the Bonds.

\*\* Includes EATs Revenue, CID Revenue, Use Tax Revenue and PILOTS.

## **DEBT SERVICE COVERAGE**

The following table\* shows projected debt service coverage for the Bonds based upon the following assumptions: (1) Projected Revenues assume that Revenues will be received in accordance with receipt of the amount calculated for the most recent trailing 12-month receipts under the caption "HISTORIC REVENUES" above, with no growth going forward. Projected Revenues also assume application of the Bond Reserve Fund in the final payment. (2) The amounts on deposit in the Revenue Fund and Bond Reserve Fund are assumed to earn no interest. (3) Certain lags between Revenues generated and actually deposited with the Trustee and available for payment of debt service on the Bonds have been assumed. (4) Semi-annual fees, costs and expenses of \$11,250, 1% of EATs and PILOTS deposited have been assumed on each payment date to be retained by the City and 1.5% of the total District sales tax have been retained

by the City for administration of the District. (5) The Indenture imposes a cap on District Sales Taxes allocable to pay the Debt Service Requirements for the Bonds of not to exceed 41%. Based on the above assumptions, the cap is not exceeded.

<b>Payment Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Projected Revenues</b>	<b>Fees and Expenses</b>	<b>Net Projected Revenues</b>	<b>Coverage (4/15 year)</b>
4/15/21	\$ 75,000	\$ 34,665	\$ 109,665	\$ 573,457	(\$ 18,307)	\$ 555,150	5.062
10/15/21	-	37,538	37,538	581,097	(18,823)	562,274	
4/15/22	155,000	37,538	192,538	644,135	(19,252)	624,883	5.160
10/15/22	-	35,019	35,019	581,097	(18,823)	562,274	
4/15/23	160,000	35,019	195,019	644,135	(19,252)	624,883	5.161
10/15/23	-	32,419	32,419	581,097	(18,823)	562,274	
4/15/24	170,000	32,419	202,419	644,135	(19,252)	624,883	5.055
10/15/24	-	29,656	29,656	581,097	(18,823)	562,274	
4/14/25	175,000	29,656	204,656	644,135	(19,252)	624,883	5.067
10/15/25	-	26,813	26,813	581,097	(18,823)	562,274	
4/15/26	180,000	26,813	206,813	644,135	(19,252)	624,883	5.081
10/15/26	-	23,888	23,888	581,097	(18,823)	562,274	
4/15/27	185,000	23,888	208,888	644,135	(19,252)	624,883	5.100
10/15/27	-	20,881	20,881	581,097	(18,823)	562,274	
4/15/28	190,000	20,881	210,881	644,135	(19,252)	624,883	5.122
10/15/28	-	17,794	17,794	581,097	(18,823)	562,274	
4/15/29	195,000	17,794	212,794	644,135	(19,252)	624,883	5.148
10/15/29	-	14,625	14,625	581,097	(18,823)	562,274	
4/15/30	205,000	14,625	219,625	644,135	(19,252)	624,883	5.068
10/15/30	-	11,294	11,294	581,097	(18,823)	562,274	
4/15/31	210,000	11,294	221,294	644,135	(19,252)	624,883	5.104
10/15/31	-	7,881	7,881	581,097	(18,823)	562,274	
4/15/32	215,000	7,881	222,881	644,135	(19,252)	624,883	5.144
10/15/32	-	4,388	4,388	581,097	(18,823)	562,274	
4/15/33	270,000	4,388	274,388	878,973	(19,252)	859,721	5.101
	\$2,385,000	\$559,053	\$2,944,053	\$15,511,086	(\$475,214)	\$15,035,873	
Average Life:			7.212 years				

\*Preliminary; Subject to change.

## BONDHOLDERS' RISKS

### General

The purchase of the Bonds involves a significant degree of investment risk and, therefore, the Bonds are not appropriate investments for many types of investors. The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth herein, in evaluating the investment quality of the Bonds. This discussion does not purport to be comprehensive or definitive.



## Nature of the Obligations

The Bonds are limited obligations of the Issuer and are payable solely from Revenues and all moneys and securities from time to time held by the Trustee under the terms of the Indenture (except payments required to be made to meet the requirements of Section 148(f) of the Code) and any and all other property (real, personal or mixed) of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security under the Indenture by the Issuer or by anyone in its behalf or with its written consent, to the Trustee, as provided in the Indenture. See “**SECURITY FOR THE BONDS – Limited Obligations; Sources of Payment**” herein.

**Because the TIF Act provides that 23 years is the maximum amount of time for the retirement of obligations incurred to finance redevelopment project costs, the obligation of the City to transfer Economic Activity Taxes and Payments in Lieu of Taxes to the Trustee for the repayment of the Bonds terminates on September 26, 2033. In addition, there is no contractual obligation to transfer any Revenues to the Trustee after such date. Accordingly, there will be no revenues available for debt service on the Bonds after September 26, 2033, whether or not the principal amount thereof or interest thereon has been paid in full.**

The Bonds do not constitute a general obligation of the City and do not constitute an indebtedness of the City, the State, the District or any political subdivision thereof within the meaning of any constitutional or statutory debt provision or limitation. Neither the full faith and credit nor the taxing power of the City, the State, the District or any political subdivision thereof is pledged or obligated to the payment of the Bonds.

## Tax Increment Financing Litigation

The Missouri Supreme Court upheld the constitutionality of the TIF Act (prior to certain amendments thereto) in 1987. See “**TAX INCREMENT FINANCING IN MISSOURI – The TIF Act**” herein. Nevertheless, litigation regarding the constitutionality and application of the TIF Act has been brought from time to time and may be brought in the future in various Missouri circuit courts. Circuit courts in Missouri are trial courts and decisions in those courts are not binding on other Missouri courts. Circuit court decisions, whether favorable or unfavorable with respect to the constitutionality and application of the TIF Act, may be appealed to a Missouri Court of Appeals and, ultimately, the Missouri Supreme Court. If plaintiffs are successful in one or more future cases, the court’s decision may interpret the requirements of the TIF Act in a manner adverse to the establishment of tax increment financing in the Redevelopment Area. It is not possible to predict whether an adverse holding in any future litigation would prompt a challenge to the adoption of tax increment financing in the Redevelopment Area or how that decision would be applied by a court with respect to the Redevelopment Area. If future litigation challenging all or any part of the TIF Act were to be applied to the adoption of tax increment financing in the Redevelopment Area, the Revenues may not be available to pay principal of and interest on the Bonds and the enforceability of the Indenture could be adversely affected. The Issuer cannot predict or guarantee the outcome of any future litigation challenging the constitutionality or the application of the TIF Act or the application by a court of a potential holding in any case to other tax increment projects.

## Forward-Looking Statements

Certain statements included in or incorporated by reference in this Private Placement Memorandum that are not purely historical are “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect current expectations, hopes, intentions or strategies regarding the future. Such statements may be

identifiable by the terminology used such as “project,” “plan,” “expect,” “estimate,” “budget,” “intend,” “anticipate” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS, INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (I) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (II) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (III) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, USERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS PRIVATE PLACEMENT MEMORANDUM WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS PRIVATE PLACEMENT MEMORANDUM ARE BASED ON INFORMATION AVAILABLE ON THE DATE HEREOF, AND NEITHER THE ISSUER NOR THE CITY ASSUME ANY OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR.

### **Financial Feasibility of the Projects**

The financial feasibility of the Projects depend in part upon the ability of the current and future owners and managers to maintain the occupancy throughout the term of the Bonds.

This Private Placement Memorandum includes assumptions relating to the future occupancy of the Projects and certain other significant assumptions. Some assumed events and circumstances inevitably will not materialize, and unanticipated events and circumstances will occur subsequent to the date thereof. Therefore, the actual results achieved during the forecast period will vary from the forecast and the variations may be material.

### **Environmental Conditions**

No assurance can be given that environmental conditions do not now or will not in the future exist in the Redevelopment Area which could become the subject of enforcement actions by governmental agencies. Additionally, there can be no assurance that future environmental conditions, if any, would not adversely impact the willingness of the public to frequent the Projects.

### **No Mortgage**

Payment of the principal of and interest on the Bonds is not secured by any deed of trust or mortgage on the Projects or on any other property within the Redevelopment Area. The Developer has not pledged its credit or assets or provided any guaranty to pay the principal of, premium, if any, and interest on the

Bonds. The Bonds are payable solely from the Revenues and all moneys and securities from time to time held by the Trustee under the terms of the Indenture (except payments required to be made to meet the requirements of Section 148(f) of the Code).

### **Risk of Failure to Maintain Levels of Assessed Valuations or to Pay Property Taxes**

There can be no assurance that the assessed value of the property within the Redevelopment Area will be maintained throughout the term of the Bonds. If at any time during the term of the Bonds the assessed value of the property within Redevelopment Area decreases, the amount of the Payments in Lieu of Taxes will also decrease and there may not be sufficient Revenue to pay the principal of and interest on the Bonds.

Even if the assessed value of the property within the Redevelopment Area is maintained, the owners of property within the Redevelopment Area have the right to appeal such determination. If any such appeal is not resolved prior to the time when property taxes are due, the taxpayer may pay the taxes under protest. In such event, the property taxes being protested will not be available for deposit into the Revenue Fund until the appeal has been concluded. If the appeal is resolved in favor of the taxpayer, the assessed value of the Redevelopment Area will be reduced, in which event the Revenues may be less than forecasted. See “**TAX INCREMENT FINANCING IN MISSOURI – Assessments and Collections of Ad Valorem Taxes – *Appeal of Assessment***” herein.

### **Reliance on Owners and Tenants**

Bondowners will be dependent on current and future owners and managers of the Projects and other businesses within the Redevelopment Area to maintain occupancy with retail businesses that will generate sales tax revenues. If tenants are not present at the Project, Economic Activity Taxes and CID Revenues could be reduced.

### **Changes in State and Local Tax Laws**

Any change in the current system of collection and distribution of real property taxes in the County or the City, including without limitation the reduction or elimination of any such tax, judicial action concerning any such tax or voter initiative, referendum or action with respect to any such tax, could adversely affect the availability of PILOTS to pay the principal of and interest on the Bonds. There can be no assurances, however, that the current system of collection and distribution of the real property taxes in the County or the City will not be changed by any competent authority having jurisdiction to do so, including without limitation the State, the County, the City, school districts, the courts or the voters, and the Indenture does not limit the ability of the Issuer to make any such changes with respect to the levy and collection of such taxes and the tax rates.

The assessments and revenue estimates used herein are based on the current status of the national and local business economy and assume a future performance of the real estate market similar to the historical performance of such market in the Grain Valley area. However, changes in such market conditions, as well as changes in general economic conditions, could adversely affect the amount of PILOTS collected.

### **Limitations on Remedies**

The remedies available to the Bondowners upon a default under the Indenture are in many respects dependent upon judicial action, which is often subject to discretion and delay under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the “Federal Bankruptcy Code”). The various legal opinions to be delivered concurrently with delivery of the

Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, now or hereafter in effect; to usual equity principles which shall limit the specific enforcement under laws of the State as to certain remedies; to the exercise by the United States of America of the powers delegated to it by the United States Constitution; and to the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies, in the interest of serving an important public purpose. The Bonds are not subject to acceleration upon the occurrence of an Event of Default under the Indenture.

In addition, while property located in the Redevelopment Area may be subject to foreclosure for non-payment of property taxes, due to delays inherent in obtaining foreclosure on real property and other judicial remedies, no assurance can be given that a court, in the exercise of judicial discretion, would enforce these remedies in a timely manner. Any delays in the ability of the City to collect property taxes or foreclose for non-payment of the same, could result in delays in any payment of principal of or interest on the Bonds after the expenditure of amounts on deposit in the Debt Service Reserve Fund. Nor can any assurance be given that any moneys realized by the City, and subsequently the Issuer, upon an exercise of any remedies would be sufficient to pay the principal of and interest on the Bonds.

### **Risk of Non-Appropriation**

The application of District Sales Taxes and Economic Activity Taxes is subject to annual appropriation by the District or the City, as applicable. The District has covenanted in the Financing Agreement that the officer of the District at any time charged with the responsibility of formulating budget proposals is directed to include in the budget proposal submitted to the District's Board of Directors for each fiscal year that the Bonds are Outstanding a request for an appropriation of District Sales Taxes collected during such fiscal year for deposit in the Revenue Fund under the Indenture. Similarly, the City has covenanted in the Financing Agreement that the officer of the City at any time charged with the responsibility of formulating budget proposals is directed to include in the budget proposal submitted to the City's Board of Aldermen for each fiscal year that the Bonds are Outstanding a request for an appropriation of Economic Activity Tax Revenues and any other amounts owing by the City during such fiscal year for deposit in the Revenue Fund under the Indenture. There can be no assurance that such appropriation will be made by the governing bodies, and the governing bodies are not legally obligated to do so.

### **Changes in Economic Conditions**

Changes in the market conditions in the Redevelopment Area, as well as changes in general economic conditions, could adversely affect the amount of Revenues collected. The national, regional and local economic climates may be negatively impacted by the loss of jobs, war or terrorism, pandemics, declines in residential real estate activity and other factors that tend to reduce consumer spending on retail goods and tend to adversely affect property values. See **"BONDOWNERS' RISKS – Impact of the Coronavirus"** herein.

### **Bond Reserve Fund**

There can be no assurance that the amounts on deposit in the Bond Reserve Fund will be available if needed for payment of the Bonds in the full amount of the Bond Reserve Requirement because (1) of fluctuations in the market value of the securities deposited therein and/or (2) if funds are transferred to the Debt Service Fund, sufficient revenues may not be available in the Revenue Fund to replenish the Bond Reserve Fund to the Bond Reserve Requirement.

## **Determination of Taxability**

The Bonds are not subject to redemption, nor is the interest rate on the Bonds subject to adjustment, in the event of a determination by the Internal Revenue Service or a court of competent jurisdiction that the interest paid or to be paid on any Bond is or was includible in the gross income of the Owner of a Bond for federal income tax purposes. Such determination may, however, result in a breach of the tax covenants of the Issuer set forth in the Indenture which may constitute an event of default under the Indenture. It may be that Owners would continue to hold their Bonds, receiving principal and interest as and when due, but would be required to include such interest payments in gross income for federal and state income tax purposes.

## **Risk of Audit**

The Internal Revenue Service (the “Service”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. No assurance can be given that the Service will not commence an audit of the Bonds. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, in accordance with its current published procedures, the Service is likely to treat the Issuer as the taxpayer, and the Owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

## **Loss of Premium Upon Early Redemption**

Purchasers of Bonds at a price in excess of their principal amount should consider the fact that the Bonds are subject to redemption at a redemption price equal to their principal amount plus accrued interest under certain circumstances. See “**THE BONDS – Redemption Provisions**” herein.

## **Defeasance Risks**

When any or all of the Bonds or the interest payments thereon have been paid and discharged, then the requirements contained in the Indenture and the pledge of revenues made thereunder and all other rights granted thereby shall terminate with respect to the Bonds so paid and discharged. Bonds shall be deemed to be paid within the meaning of the Indenture when payment of the principal on such Bonds, plus premium, if any, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (1) has been made or caused to be made in accordance with the terms of the Indenture, or (2) provision therefore has been made by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and the Trustee shall have received an opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Service) to the effect that such deposit of interest on any Bonds will not result in the interest on any Bonds then Outstanding and exempt from taxation for federal income tax purposes becoming subject to federal income taxes then in effect and that all conditions precedent to the satisfaction of the Indenture have been met. Any money and non-callable Government Securities that at any time shall be deposited with the Trustee by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds or the interest payments thereon, shall be assigned, transferred and set over to the Trustee in trust for the respective Owners of the Bonds, and such moneys shall be irrevocably appropriated to the payment and discharge thereof. Non-callable Government Securities include, in addition to cash and obligations pre-refunded with cash, bonds, notes, certificates of indebtedness, treasury bills and other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America. Historically, such United States obligations

have been rated in the highest rating category by the rating agencies. There is no legal requirement in the Indenture that Government Securities consisting of such United States obligations be or remain rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and that could include any rating of the Bonds defeased with Government Securities to the extent the Government Securities have a change or downgrade in rating.

### **Bonds Not Rated**

No credit rating has been or is intended to be sought for the Bonds. Thus, no independent third party has evaluated or provided an opinion as to the creditworthiness of the Bonds. The absence of a rating could adversely affect the secondary market, if any, for the Bonds.

### **Limited Secondary Market**

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Although the Issuer has committed to provide certain information on a periodic basis, there can be no assurance that such information will be available to Bondowners on a timely basis. Occasionally, because of general market conditions, lack of current information, or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

THERE IS NO REQUIREMENT THAT SUBSEQUENT PURCHASERS OF THE BONDS EXECUTE AN INVESTOR LETTER; HOWEVER, EACH SUBSEQUENT PURCHASER OF THE BONDS WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT THEY ARE AN APPROVED INVESTOR.

### **Impact of the Coronavirus**

On March 11, 2020, the World Health Organization declared the public health crisis caused by the strain of coronavirus known as COVID-19 (“COVID-19”) to be a “public health emergency of international concern.” On March 13, 2020 the President of the United States declared a national state of emergency and the Missouri Department of Health and Senior Services ordered statewide social distancing. The Governor of the State issued a statewide “Stay Home Missouri” order, effective April 6, 2020, as well as other executive orders closing schools and postponing elections. Statewide restrictions were lifted effective June 16, 2020, but local orders remain. County orders currently in place include certain limitations on the number and types of activities permitted, requirements to use face masks, and social distancing guidelines. Most businesses (including bars and restaurants) and recreational activity sites in the City are currently permitted to be open, with some limitations on crowd sizes.

The spread of COVID-19 is altering the behavior of businesses and people in a manner that is having negative effects on national, state and local economies. The extent to which COVID-19 has impacted and will continue to impact the Projects and the operations and financial condition of the businesses operating within the Redevelopment Area will depend on future developments, including the potential shutdown of certain businesses if the spread of COVID-19 accelerates, the willingness of customers who may have health concerns to frequent businesses that are part of the Redevelopment Area, and general trends, including unemployment rates, affecting the wider economy. It is impossible to predict the duration of these impacts or whether they will have a lasting effect on the businesses that are part of the Redevelopment Area.

The COVID-19 pandemic, its effects, and federal, state and local responses have evolved rapidly and are subject to changes that cannot be predicted. Accordingly, ultimately, the Issuer cannot predict what the effects the continuing coronavirus outbreak will have on the Project.

### **Factors Affecting Sales Tax Revenues**

Economic Activity Taxes and District Sales Taxes are all derived from sales taxes, are contingent on retail sales and may be adversely affected by a variety of factors, including without limitation economic conditions within the Redevelopment Area and the surrounding trade area and competition from other retail businesses, rental rates and occupancy rates in private developments in the Redevelopment Area, suitability of the Projects and the retailers within the Redevelopment Area for the local market, local unemployment, availability of transportation, neighborhood changes, crime levels in the area, vandalism and rising operating costs, interruption or termination of operation of the Projects and the retailers within the Redevelopment Area as a result of fire, natural disaster, strikes or similar events, among many other factors. As a result of all of the above factors, it is difficult to predict with certainty the expected amount of Economic Activity Taxes and Revenues that will be available for appropriation to the repayment of the Bonds. The retail sales industry is highly competitive. Existing retail businesses outside of the Redevelopment Area and the future development of retail businesses outside of the Redevelopment Area, which are competitive with retail businesses in the Redevelopment Area may exist or may be developed after the date of this Private Placement Memorandum. Sales taxes are not currently imposed on purchases made over the internet or purchases made from catalogs unless the business has nexus in the Redevelopment Area or CID. Increases in online shopping could negatively impact the Economic Activity Taxes and Revenues collected.

In addition to the foregoing, the partial or complete destruction of the Projects or the retailers within the Redevelopment Area, as a result of fire, natural disaster or similar casualty event or the temporary or permanent closing of one or more of such retail establishments due to strikes or failure of the business would adversely affect the Economic Activity Taxes and District Sales Taxes and thereby adversely affect the revenues available to pay the Bonds and the interest thereon. Any insurance maintained by the owners, or the tenants, in such areas for such casualty or business interruption is not likely to include coverage for sales taxes that otherwise would be generated by the establishment.

Products that are eligible for the federal Food Stamp program and pharmaceutical products, if any, that are purchased cannot, by law, be subject to state or local sales taxes. To the extent that products are sold to shoppers who purchase goods with Food Stamps or purchase pharmaceutical items, the expected amount of Economic Activity Taxes and District Sales Taxes that will be available for appropriation for payment of the principal of and interest on the Bonds would be reduced.

## **TAX INCREMENT FINANCING IN MISSOURI**

### **Overview**

Tax increment financing is a procedure whereby cities and counties encourage the redevelopment of designated areas. The theory of tax increment financing is that, by encouraging redevelopment projects, the value of real property in a redevelopment area should increase. When tax increment financing is adopted for a redevelopment area, the assessed value of real property in the redevelopment area is frozen for tax purposes at the then current base level prior to the construction of improvements. The owners of the property continue to pay property taxes at the base level. As the property is improved, the assessed value of real property in the redevelopment area should increase above the base level. By applying the tax rate of all taxing districts having taxing power within the redevelopment area to the increase in assessed valuation of the improved property over the base level, a “tax increment” is produced. The tax increments,

referred to as “payments in lieu of taxes” or “PILOTS,” are paid by the owners of property in the same manner as regular property taxes. The payments in lieu of taxes are transferred by the collecting agency to the treasurer of the city or county and deposited in a “special allocation fund.” All or a portion of the moneys in the fund are used to pay directly for redevelopment project costs or to retire bonds or other obligations issued to pay such costs.

### **The TIF Act**

The TIF Act was enacted in 1982 and was subsequently amended numerous times. The constitutional validity of the TIF Act (prior to the amendments) was upheld by the Missouri Supreme Court in *Tax Increment Financing Commission of Kansas City, Missouri v. J.E. Dunn Construction Co., Inc.*, 781 S.W.2d 70 (Mo. 1989) (en banc). The TIF Act authorizes cities and counties to provide long-term financing for redevelopment projects in “blighted” and “conservation” areas (as defined in the TIF Act) through the issuance of bonds and other obligations. Prior to the amendments to the TIF Act, such obligations were payable solely from PILOTS within the redevelopment area. Now, such obligations are also payable from 50% of the increase in certain other tax revenues generated by economic activities within the redevelopment area (including sales, utilities and earnings taxes but excluding personal property taxes, taxes for hotel or motel rooms, licenses, fees and special assessments). Such other taxes are referred to herein as “Economic Activity Taxes.” The validity of certain portions of the TIF Act relating to the capture of Economic Activity Taxes was upheld by the Missouri Supreme Court in *County of Jefferson v. QuikTrip Corporation*, 912 S.W.2d 487 (Mo. 1995) (en banc). The TIF Act was amended in 2014, when the Missouri Legislature passed and Missouri’s governor signed into law Conference Committee Substitute for Senate Substitute for Senate Committee Substitute for House Bill 1504 (“House Bill 1504”). House Bill 1504 provides that Payments in Lieu of Taxes do not include revenues directly attributable to any incremental increase in a taxing district’s real property tax ad valorem rates approved by such district’s voters after August 28, 2014 unless the voters in the applicable taxing district consent and further provides that if the voters in a taxing district vote to approve an increase in such taxing district’s sales tax or use tax, other than the renewal of an expiring sales or use tax, any additional revenues generated within an existing redevelopment area that are directly attributable to the newly voter-approved incremental increase in such taxing district’s levy rate shall not be considered economic activity taxes subject to deposit into a special allocation fund without the consent of such taxing district. See the caption “**OWNERS’ RISKS – Changes in State and Local Tax Laws**” herein.

Although payments in lieu of taxes may be irrevocably pledged to the repayment of bonds, Economic Activity Taxes are subject to annual appropriation by the governing body of the city or county, and there is no obligation on the part of the governing body to appropriate Economic Activity Taxes in any year. See the captions “**BONDOWNERS’ RISKS – Risk of Non-Appropriation**,” “**BONDOWNERS’ RISKS – Factors Affecting Sales Tax Revenues**” and “**BONDOWNERS’ RISKS – Tax Increment Financing Litigation**” herein.

### **Assessments and Collections of Ad Valorem Taxes**

The City and the Redevelopment Area is located within Jackson County, Missouri (the “County”). On or before October 1 in each year, each political subdivision located within the County which imposes ad valorem taxes (the “Taxing Districts”) estimates the amount of taxes that will be required during the next succeeding fiscal year to pay interest falling due on general obligation bonds issued and the principal of bonds maturing in such year and the costs of operation and maintenance plus such amounts as shall be required to cover emergencies and anticipated tax delinquencies. The Taxing Districts certify the amount of such taxes which shall be levied, assessed and collected on all taxable tangible property in the County to the County Assessor by October 1.



All taxes levied must be based upon the assessed valuation of land and other taxable tangible property in the County as shall be determined by the records of the County Assessor and must be collected and remitted to the Taxing Districts. All the laws, rights and remedies provided by the laws of the State for the collection of State, county, city, school and other ad valorem taxes are applicable to the collection of taxes authorized to be collected in the Redevelopment Area.

The Missouri Constitution requires uniformity in taxation of real property by directing such property to be subclassed as agricultural, residential or commercial and permitting different assessment ratios for each subclass. Residential property is currently assessed at 19% of true value in money, commercial property is assessed at 32% of true value in money, and agricultural property is assessed at 12% of true value in money. The phrase “true value in money” has been held to mean “fair market value” except with respect to agricultural property.

Real property within the County is assessed by the County Assessor. The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The Board of Equalization has the authority to question and determine the proper values of real property and then adjust and equalize individual properties appearing on the tax rolls. The County Collector collects taxes for all Taxing Districts within the County limits. The County Collector deducts a commission for its services. After such collections and deductions of commission, taxes are distributed according to the Taxing District’s pro rata share.

Taxes are levied on all taxable property based on the equalized assessed value thereof determined as of January 1 in each year. Under Missouri law, each property must be reassessed every two years (in odd-numbered years). The County Collector prepares the tax bills and mails them to each taxpayer in September. Payment is due by December 31, after which they become delinquent and accrue a penalty of one percent per month. In the event of an increase in the assessed value of a property, notice of such increase must be given to the owner of the affected property, which notice is generally given in April.

***Valuation of Real Property.*** The County Assessor must determine the assessed value of a property based upon the State law requirement that property be valued at its true value in money. For agricultural land, true value is based on its productive capability. As to residential and commercial property, true value in money is the fair market value of the property on the valuation date. The fair market value is arrived at by using the three universally recognized approaches to value: cost approach, the sales comparison approach and the income approach.

The cost approach is typically applied when a property is newly constructed and is based on the principle of substitution. This principle states that no informed buyer will pay more for a property than the cost to reproduce or replace the property. Value is determined under the cost approach by adding the estimated land value to the replacement or reproduction cost of improvements reduced by estimated depreciation. Courts have held, however, that construction cost alone is not a proper basis for determining true value in money and that all factors which affect the use and utility of the property must be considered.

The sales comparison approach determines value based upon recent sales prices of comparable properties. Comparable sales are adjusted for differences in properties by comparing such items as sales price per square foot and net operating income capitalization rates.

The income approach estimates market value by discounting to present value a stream of estimated net operating income. First, the property’s gross potential income is estimated based on gross rents being generated at the property. A vacancy allowance is then deducted to arrive at effective gross income. Next, allowable operating expenses are deducted to arrive at an estimate of the property’s net operating income. Finally, the net operating income is divided by an appropriate capitalization rate to arrive at the estimated present value of the income stream.

***Appeal of Assessment.*** State statutes set up various mechanisms for a property owner to appeal the assessment of a tax on its property. Typically, there are four issues that can be raised in property tax appeals: overvaluation, uniformity, misclassification and exemption. Overvaluation appeals are the most common appeals presented by taxpayers. An overvaluation appeal requires the taxpayer to prove that the true value in money of the property is less than that determined by the assessor. Uniformity appeals are based on the assertion that other property in the same class and county as the subject property is assessed at a lower percentage of value than the subject property. A misclassification appeal is based on an assertion that assessing authorities have improperly subclassed a property. Exemption appeals are based on claims that the property in question is exempt from taxation.

Overvaluation appeals, for the most part, must be made administratively, first, to the Board of Equalization and then to the State Tax Commission within prescribed time periods following notice of an increase in assessment. Appeals to the Board of Equalization must be filed with the County Assessor on or before the third Monday in June of each year. Appeals to the State Tax Commission must be filed by the later of August 15 and 30 days after the date of the final decision of the Board of Equalization. Where valuation is not an issue, appeals must be taken directly to the State circuit court rather than the State Tax Commission. If an appeal is pending on December 31, the due date for the payment of taxes, State statute provides a procedure for the payment of taxes under protest. If taxes are paid but not under protest, the taxpayer cannot recover the amount paid unless those taxes have been mistakenly or erroneously paid. Application for a refund of mistakenly or erroneously paid taxes must be made within one year after the tax in dispute was paid. Typically, only that portion of the taxes being disputed is identified as being paid under protest, unless a claim of exemption is being asserted. The portion of the tax paid under protest is required to be held in an interest-bearing account. Unless an appeal before the Board of Equalization or State Tax Commission is pending, suit must be brought by the taxpayer to resolve the dispute within 90 days, or the escrowed funds will be released to the Collector of Revenue and distributed to the Taxing Districts.

***Reassessment and Tax Rate Rollback.*** A general reassessment of all property in the State is required to be conducted every two years. When, as a result of such reassessment, the assessed valuation within a taxing district increases by more than an allowable percentage pursuant to the Hancock Amendment (as hereinafter described), the taxing district is required to roll back the rate of tax within the taxing district so as to produce substantially the same amount of tax revenue as was produced in the previous year increased by an amount called a “preceding valuation factor.” A “preceding valuation factor” is a percentage increase or decrease based on the average annual percentage changes in total assessed valuation of the County over the previous three or five years, whichever is greater, adjusted to eliminate the effect of boundary changes, changes from State and County assessed property, general reassessment and State ordered changes.

***The Hancock Amendment.*** A Constitutional amendment limiting taxation and government spending was approved by Missouri voters on September 4, 1980 and went into effect with the 1981-82 fiscal year. The amendment (Article X, Section 22(a) of the State Constitution and commonly known as the Hancock Amendment) limits the rate of increase and the total amount of taxes that shall be imposed in any fiscal year and provides that the limit shall not be exceeded without voter approval. Provisions are included in the Hancock Amendment for rolling back tax rates to produce an amount of revenues equal to that of the previous year if the definition of the tax base is changed or if property is reassessed. The tax levy on the assessed valuation of new construction is exempt from this limitation in the initial year of new construction.

## **Tax Delinquencies**

All real estate upon which taxes or payments in lieu of taxes remain unpaid on the first day of January, annually, are delinquent, and the County Collector is empowered to enforce the lien of the taxing jurisdictions thereon. Whenever the County Collector is unable to collect any taxes on the tax roll, having diligently endeavored and used all lawful means to do so, the County Collector is required to compile lists of delinquent tax bills collectible by such office. All lands and lots on which taxes are delinquent and unpaid are subject to suit to collect delinquent tax bills or suit for foreclosure of the tax liens. Upon receiving a judgment, the Sheriff must advertise the sale of the land, fixing the date of sale within 30 days after the first publication of the notice. Delinquent taxes, with penalty, interest and costs, may be paid to the County Collector at any time before the property is sold therefor. No action for recovery of delinquent taxes shall be valid unless initial proceedings therefor are commenced within five years after delinquency of such taxes.

## **Economic Activity Taxes**

The Economic Activity Taxes that will be used for the payment of the Bonds, subject to annual appropriation, are 50% of the total additional revenue from taxes imposed by the City or other Taxing Districts which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending prior to the adoption of the ordinance designating such a redevelopment area, but excluding therefrom any taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, personal property taxes and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri.

Retail businesses are required to collect the sales tax from purchasers at the time of sale, and pay said amounts to the Department of Revenue of the State with the filing of returns, except for the sales tax on motor vehicles, trailers, boats and outboard motors, which is due at the time application is made for title and registration. The sales volume of a retail business determines the frequency of payments made to the Department of Revenue of the State. In most cases, the retail businesses in the City make monthly payments to the Department of Revenue of the State, which are due on the tenth day of each calendar month for sales taxes collected in the preceding calendar month. Retail businesses located in the City submit applications to the City for a merchant's license and an occupancy permit, and before such license and permit are awarded, verification of a tax identification number from the State is made by the City. In the event of a failure by a retail business to remit sales taxes, interest and penalties, the unpaid amount may become a lien in the nature of a judgment lien against the delinquent taxpayer. In the event of overpayment by any retail business as a result of error or duplication, provision is made under State law for refunds.

Pursuant to State law, taxpayers who promptly pay their sales taxes are entitled to retain 2% of the amount of taxes owed.

Within 30 days of receipt of sales taxes by the Department of Revenue of the State, the Director of the Department of Revenue remits to the State Treasurer for deposit in a special trust fund for the benefit of each political subdivision entitled to a sales tax distribution the amount of such sales tax receipts less 1% of certain taxes, which constitutes a fee paid to the State for collecting and distributing certain taxes. The State Treasurer then distributes moneys on deposit in the special trust fund on behalf of each such political subdivision to such political subdivision on a monthly basis.

## **NO RATING**

No application has been made for a rating of the Bonds. See also “**BONDHOLDERS’ RISKS—Bonds Not Rated**” and “**BONDHOLDERS’ RISKS—Limited Secondary Market,**” above.

## **ABSENCE OF LITIGATION**

### **The Issuer**

To the Issuer’s knowledge, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, or the collection of Revenues to pay the principal of and interest on the Bonds or contesting or questioning the proceedings and authority under which the Bonds are to be authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

### **The City**

To the City’s knowledge, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, or the collection of Revenues to pay the principal of and interest on the Bonds or contesting or questioning the proceedings and authority under which the Bonds are to be authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

### **The District**

To the knowledge of the appropriate officials of the District, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, or the collection of sales taxes in the District to pay the principal of and interest on the Bonds or contesting or questioning the proceedings and authority under which the Bonds are to be authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

## **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Bonds by the Issuer are subject to the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, whose approving opinion will be delivered with the Bonds. A copy of the proposed form of such opinion is attached hereto as **APPENDIX B**. Certain legal matters will be passed upon for the Issuer by Gilmore & Bell, P.C., for the City by Lauber Municipal Law, LLC, for the Placement Agent by its counsel, Lewis Rice LLC, and for the District by Polsinelli, PC. The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein.

By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon or of the future performance of parties to such transaction, and the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

## **TAX MATTERS**

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary

does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

## **Opinion of Bond Counsel**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under the law currently existing as of the issue date of the Bonds:

***Federal and Missouri Tax Exemption.*** The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

***Alternative Minimum Tax.*** Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

***Bank Qualification.*** The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

Bond counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”) that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds, except as expressly provided herein. Purchasers of the Bonds should consult their tax advisors as to the applicability of these tax consequences and other income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

## **Other Tax Consequences**

***[Original Issue Discount.*** For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received

ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

**[Original Issue Premium.** For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

***Sale, Exchange or Retirement of Bonds.*** Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

***Reporting Requirements.*** In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

***Collateral Federal Income Tax Consequences.*** Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

## **PLACEMENT OF THE BONDS**

Stifel, Nicolaus & Company, Incorporated, in its capacity as the Placement Agent and subject to various conditions set forth in the Placement Agent Agreement (the "Placement Agreement") between the Issuer and the Placement Agent, has agreed to place the Bonds on a best-efforts, all-or-none basis to persons who are Approved Investors.

The Placement Agent has reviewed the information in this Private Placement Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied

to the facts and circumstances of this transaction. The Placement Agent has not, however, independently verified the factual and financial information contained in this Private Placement Memorandum and, accordingly, expresses no view as to the sufficiency or accuracy thereof.

THE PLACEMENT AGENT IS LIMITING THIS OFFERING TO QUALIFIED INSTITUTIONAL BUYERS, AS DEFINED IN RULE 144A PROMULGATED PURSUANT TO THE SECURITIES ACT AND “INSTITUTIONAL ACCREDITED INVESTORS” (AN INSTITUTIONAL INVESTOR THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF THE SECURITIES ACT OF 1933, AS AMENDED) (COLLECTIVELY, “APPROVED INVESTORS”). INITIAL PURCHASERS OF THE BONDS WHO ARE APPROVED INVESTORS WILL BE REQUIRED TO DELIVER AN INVESTOR LETTER IN THE FORM ATTACHED HERETO AS APPENDIX D IN CONNECTION WITH SUCH PURCHASE PROVIDING, AMONG OTHER THINGS, REPRESENTATIONS AND ASSURANCES TO THE ISSUER AND THE PLACEMENT AGENT REGARDING THEIR KNOWLEDGE AND SOPHISTICATION IN THE EVALUATION AND PURCHASE OF SECURITIES SUCH AS THE BONDS.

There is no requirement that subsequent transferees of the Bonds execute an Investor Letter; however, each subsequent purchaser of the Bonds will be deemed to have represented and warranted as follows: Each subsequent purchaser of a Bond (i) is an Approved Investor, (ii) is acquiring such Bond for its own account or for the account of an Approved Investor and not with a view to further distribution thereof but expressly reserves the right to re-sell the Bond, (iii) the transferee has been provided with or given access to all financial and other information requested relating to the Bonds or which it deems material in connection with the purchase of Bonds, (iv) the transferee has such knowledge and experience in financial and business matters, including the purchase of tax-exempt obligations, as to be independently capable of evaluating the merits and risks of investment in the Bonds and to make an informed decision with respect thereto, and (v) the transferee understands that the Bonds are subject to all terms and conditions of the Indenture.

#### **MUNICIPAL ADVISOR**

The City has entered into an agreement with Baker Tilly Municipal Advisors, LLC (the “Municipal Advisor”), whereunder the Municipal Advisor provides financial recommendations and guidance to the City with respect to preparation for sale of the Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the Bonds. The Municipal Advisor has read and participated in the review of certain portions of this Private Placement Memorandum. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in this Private Placement Memorandum, or any other related information available to the City, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of this Private Placement Memorandum or any other matter related to this Private Placement Memorandum.

#### **CONTINUING DISCLOSURE**

The City and the District will enter into a Continuing Disclosure Agreement (the “Undertaking”) with UMB Bank, N.A., as dissemination agent (the “Dissemination Agent”) for the benefit of the beneficial owners of the Bonds to send certain information annually and semi-annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the “MSRB”). The form of the Undertaking is set forth in **APPENDIX D** hereto. A failure by the City or the District to comply with their respective obligations under the Undertaking will not constitute a default under the Indenture and beneficial owners of the Bonds are limited to the remedies provided in the Undertaking. A failure by the City or the District to comply with their respective obligations under the Undertaking must be reported in accordance with the

Undertaking and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market prices.

### **MISCELLANEOUS**

To the extent that any statements made in this Private Placement Memorandum involve matters of opinion, forecasts, projections or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of these statements have been or will be realized. Information in this Private Placement Memorandum has been derived from the Issuer, the CID, the Developer and other sources believed to be reliable.

The statements relating to the Indenture are in summarized form, and in all respects are subject to and qualified in their entirety by the provisions of such document in its complete form, copies of which are available from the Issuer prior to the delivery of the Bonds. The obligations of the Issuer are set forth in the Indenture and the information herein is not to be construed as a contract with the purchasers or owners of any of the Bonds.

The preparation and distribution of this Private Placement Memorandum has been authorized by the Issuer. This Private Placement Memorandum is not to be construed as an agreement or contract between the Issuer and any Owner, Beneficial Owner or other holder of any Bonds or any interest therein.

**THE INDUSTRIAL DEVELOPMENT  
AUTHORITY OF THE CITY OF GRAIN  
VALLEY, MISSOURI**

By: \_\_\_\_\_  
Name:  
Title:



**APPENDIX A**  
**FORM OF THE INDENTURE**

The following is a form of the Indenture to be executed by the Issuer. A copy of the executed Indenture will be available from the Trustee after its execution and delivery and upon request to the Trustee.

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**TRUST INDENTURE**

**Dated as of October 1, 2020**

**between**

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE CITY OF GRAIN VALLEY, MISSOURI**

**and**

**UMB BANK, N.A.,  
as Trustee**

**Relating to**

**\$(Principal Amount)  
Tax Increment Refunding Revenue Bonds  
(Grain Valley Marketplace Redevelopment Project #2)  
Series 2020**

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## TABLE OF CONTENTS

Page

### TRUST INDENTURE

Parties.....	1
Recitals.....	1
Granting Clauses .....	2

### ARTICLE I

#### DEFINITIONS; RULES OF CONSTRUCTION

Section 101.	Definitions of Words and Terms .....	3
Section 102.	Rules of Interpretation .....	10

### ARTICLE II

#### THE BONDS

Section 201.	Authorization, Issuance and Terms of Bonds .....	11
Section 202.	Nature of Obligations .....	12
Section 203.	Execution, Authentication and Delivery of Bonds .....	13
Section 204.	Registration, Transfer and Exchange of Bonds .....	14
Section 205.	Temporary Bonds.....	15
Section 206.	Mutilated, Lost, Stolen or Destroyed Bonds.....	15
Section 207.	Cancellation and Destruction of Bonds Upon Payment .....	15
Section 208.	Additional Bonds.....	16

### ARTICLE III

#### REDEMPTION OF BONDS

Section 301.	Optional Redemption.....	18
Section 302.	Mandatory Redemption .....	18
Section 303.	Selection of Bonds to be Redeemed .....	19
Section 304.	Notice of Redemption of Bonds .....	20
Section 305.	Effect of Call for Redemption .....	21

### ARTICLE IV

#### REVENUES AND FUNDS

Section 401.	Creation of Funds and Accounts.....	21
Section 402.	Deposits and Transfers.....	21
Section 403.	Project Fund.....	22
Section 404.	Revenue Fund .....	22
Section 405.	Debt Service Fund .....	24
Section 406.	Bond Reseve Fund.....	24
Section 407.	Rebate Fund.....	25

Section 408.	Final Balances.....	25
Section 409.	Non-Presentment of Bonds.....	25

## **ARTICLE V**

### **DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS**

Section 501.	Moneys to be Held in Trust .....	26
Section 502.	Investment of Moneys .....	26

## **ARTICLE VI**

### **PARTICULAR COVENANTS AND PROVISIONS**

Section 601.	Authority to Issue Bonds and Execute Indenture .....	27
Section 602.	Performance of Covenants.....	27
Section 603.	Instruments of Further Assurance .....	27
Section 604.	Annual Notices to District and Calculation Agent.....	28
Section 605.	General Limitation on Issuer Obligations.....	28
Section 606.	Recording and Filing .....	28
Section 607.	Possession and Inspection of Books and Documents .....	28
Section 608.	Rights and Duties Under Bond Documents .....	28
Section 609.	Tax Covenants .....	28

## **ARTICLE VII**

### **DEFAULT AND REMEDIES**

Section 701.	Events of Default .....	29
Section 702.	Acceleration .....	30
Section 703.	Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession .....	30
Section 704.	Appointment of Receivers in Event of Default .....	31
Section 705.	Exercise of Remedies by the Trustee.....	31
Section 706.	Limitation on Exercise of Remedies by Bondowners.....	31
Section 707.	Right of Bondowners to Direct Proceedings .....	32
Section 708.	Application of Moneys in Event of Default.....	32
Section 709.	Remedies Cumulative .....	33
Section 710.	Delay or Omission Not Waiver.....	33
Section 711.	Effect of Discontinuance of Proceedings.....	33
Section 712.	Waivers of Events of Default.....	33

## **ARTICLE VIII**

### **THE TRUSTEE**

Section 801.	Acceptance of Trusts.....	34
--------------	---------------------------	----

Section 802.	Fees, Charges and Expenses of the Trustee .....	37
Section 803.	Notice to the Bondowners if Default Occurs.....	37
Section 804.	Intervention by the Trustee .....	37
Section 805.	Successor Trustee Upon Merger, Consolidation or Sale.....	37
Section 806.	Trustee Required; Eligibility .....	38
Section 807.	Resignation of Trustee .....	38
Section 808.	Removal of Trustee.....	38
Section 809.	Appointment of Successor Trustee .....	38
Section 810.	Vesting of Trusts in Successor Trustee .....	38
Section 811.	Trust Estate May be Vested in Co-Trustee.....	39
Section 812.	Accounting.....	39
Section 813.	Paying Agent; Bond Registrar; Appointment and Acceptance of Duties.....	39
Section 815.	Right of Trustee to Pay Taxes and Other Charges .....	40

## **ARTICLE IX**

### **SUPPLEMENTAL INDENTURES**

Section 901.	Supplemental Indentures Not Requiring Consent of Bondowners .....	34
Section 902.	Supplemental Indentures Requiring Consent of Bondowners.....	37
Section 903.	Opinion of Bond Counsel .....	37

## **ARTICLE X**

### **AMENDMENT OF BOND DOCUMENTS**

Section 1001.	Amendments, Changes or Modifications to Bond Documents Not Requiring Consent of Bondowners.....	41
Section 1002.	Amendments, Changes or Modifications to the Bond Documents Requiring Consent of Bondowners.....	42
Section 1003.	Opinion of Bond Counsel .....	42

## **ARTICLE XI**

### **SATISFACTION AND DISCHARGE OF INDENTURE**

Section 1101.	Defeasance.....	42
Section 1102.	Satisfaction and Discharge of Indenture.....	43

## **ARTICLE XII**

### **MISCELLANEOUS PROVISIONS**

Section 1201.	Consents and Other Instruments by Bondowners.....	44
Section 1202.	Notices .....	45
Section 1203.	Limitation of Rights Under Indenture; No Pecuniary Liability.....	47
Section 1204.	Suspension of Mail Service .....	47
Section 1205.	Business Days.....	47

Section 1206.	Immunity of Officers, Employees and Members of Issuer.....	48
Section 1207.	Severability.....	48
Section 1208.	Execution in Counterparts .....	48
Section 1209.	Governing Law .....	49
Section 1210.	Electronic Transaction .....	49

Signatures.....	S-1
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Exhibit A - Bond Form
Exhibit B - Investment Letter
Exhibit C - Form of Requisition

## **TRUST INDENTURE**

**THIS TRUST INDENTURE** (this “Indenture”) is made and entered into as of October 1, 2020 by and between **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GRAIN VALLEY, MISSOURI**, a public corporation organized and existing under the laws of the State of Missouri (or any body, agency or instrumentality of the City of Grain Valley, Missouri or the State of Missouri succeeding to or charged with its powers, duties and functions, the “Issuer”), and **UMB BANK, N.A.**, a national banking association duly organized and existing, and authorized to accept and execute trusts of the character herein set forth, under the laws of the United States of America, with a corporate trust office located in Kansas City, Missouri, as trustee (the “Trustee”).

### **RECITALS:**

1. The Issuer is authorized and empowered under Chapter 349 of the Revised Statutes of Missouri, as amended (the “Act”), to issue its revenue bonds for the purpose of providing funds to purchase, construct, extend and improve certain “projects” (as defined in the Act).

2. The Issuer has previously issued its Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 (the “Series 2012 Bonds”) for the purpose of financing the costs of constructing certain projects.

3. The Issuer has determined that it is in the best interests of the Issuer (a) to current refund the outstanding principal amount of the Series 2012 Bonds (the “Refunded Bonds”) and (b) to issue its Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “Bonds”) for the purpose of (i) refunding the Refunded Bonds, (ii) funding a deposit to the Bond Reserve Fund for the Bonds, and (iii) paying costs of issuance of the Bonds and the incidental costs of refunding the Refunded Bonds.

4. Pursuant to the Act, a resolution of the Board of Directors of the Issuer adopted on October 19, 2020, and this Indenture, the Issuer desires to issue the Bonds in the principal amount of \$[Principal Amount], for the purpose of providing funds to refinance the Projects by refunding the Refunded Bonds.

5. The Grain Valley Marketplace Community Improvement District (the “District”), the City of Grain Valley, Missouri (the “City”) and the Issuer have entered into a Financing Agreement (the “Financing Agreement”) pursuant to which the District and the City will transfer certain funds to be used to pay debt service of the Bonds.

### **GRANTING CLAUSES**

The Issuer, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment of the principal of, redemption premium, if any, and interest on the Bonds according to their tenor and effect, and to secure the performance and observance by the Issuer of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby transfer, pledge and assign to the Trustee and its successors and assigns in trust forever, and does hereby grant a security interest unto the Trustee and its successors in trust and its assigns, in and to all and singular the property described in paragraphs (a) and (b) below (said property being herein referred to as the “Trust Estate”), to wit:

(a) all right, title and interest of the Issuer (including, but not limited to, the right to enforce any of the terms thereof) in, to and under (i) the Financing Agreement (excluding any rights of the Issuer to indemnity and reimbursement contained in such agreement, or to receive moneys on its own account) and (ii) the Revenues (as defined herein) derived by the Issuer under and pursuant to and subject to the provisions of the Financing Agreement; and

(b) all other moneys and securities from time to time held by the Trustee under the terms of this Indenture (excluding amounts held in the Rebate Fund (as defined herein)), and any and all other property (real, personal or mixed) of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the Issuer, or by anyone in its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

**TO HAVE AND TO HOLD**, all and singular, the Trust Estate with all rights and privileges hereby transferred, pledged, assigned and granted or agreed or intended so to be to the Trustee and its successors and assigns in trust forever;

**IN TRUST NEVERTHELESS**, upon the terms and conditions herein set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the Bonds Outstanding, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one Bond over or from the others;

**PROVIDED, NEVERTHELESS**, and these presents are upon the express condition that if the Issuer or its successors or assigns shall well and truly pay or cause to be paid the principal of and premium, if any, on such Bonds with interest, according to the provisions set forth in the Bonds, or shall provide for the payment or redemption of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment or redemption thereof when and as authorized by the provisions of Article XI, and shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then these presents and the estate and rights hereby granted shall cease, terminate and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Issuer, shall duly execute, acknowledge and deliver to the Issuer such instruments of satisfaction or release as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Issuer, all and singular the property, rights, privileges and interests by it hereby granted, conveyed and assigned, and all substitutes, or any part thereof, not previously disposed of or released as herein provided; otherwise this Indenture shall be and remain in full force.

**THIS INDENTURE FURTHER WITNESSETH**, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer does hereby agree and covenant with the Trustee, for the benefit of the respective Owners from time to time of the Bonds, as follows:



## ARTICLE I

### DEFINITIONS; RULES OF CONSTRUCTION

Section 101. Definitions of Words and Terms. In addition to words and terms defined in the Recitals and elsewhere in this Indenture, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

“Accounts” means the accounts created pursuant to Section 401.

“Administrative Office” means (i) with respect to the initial Trustee, for notice and administration purposes, initially, 1010 Grand Blvd., 4th Floor, Kansas City, Missouri 64106, Attention: Corporate Trust Department, and (ii) with respect to any successor Trustee, its office for notice and administration purposes designated as such by the successor Trustee.

“Approved Investors” means (a) an “accredited investor” under Rule 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, or (b) a “qualified institutional buyer” under Rule 144A promulgated under the Securities Act of 1933.

“Authorized City Representative” means the Mayor, City Administrator, Deputy City Administrator, and Finance Director of the City, or such other person at the time designated to act on behalf of the City as evidenced by a written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the City by the Mayor of the City. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized City Representative.

“Authorized Denominations” means \$100,000 or any integral multiple of \$1,000 in excess thereof or, if the Bonds are Outstanding in a principal amount less than \$100,000, then the amount equal to the principal amount of the Bonds then Outstanding.

“Authorized District Representative” means the Chairman of the Board of Directors or the District Manager of the District, or such other person at the time designated to act on behalf of the District as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of District by its Chairman or District Manager. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized District Representative.

“Authorized Issuer Representative” means the Chairman, the President or any Vice President of the Issuer, or such other person at the time designated to act on behalf of the Issuer as evidenced by a written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Issuer by the Chairman, the President or any Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized Issuer Representative.

“Bond” or “Bonds” means the Bonds issued under this Indenture.

“Bond Counsel” means Gilmore & Bell, P.C. or any other attorney or firm of attorneys reasonably acceptable to the Trustee having a national reputation for skill in connection with the authorization and issuance of municipal obligations in the State which may be counsel to the Trustee.

“Bond Documents” means this Indenture, the Financing Agreement, the Tax Compliance Agreement, the Placement Agreement, the Continuing Disclosure Agreement, the Cooperative Agreement, the Redevelopment Agreement, Purchase Agreement, and the Escrow Agreement.

“Bond Issuance Date” means the date of initial issuance and delivery of each series of the Bonds.

“Bond Register” means the registration books of the Issuer kept by the Trustee to evidence the registration and transfer of Bonds.

“Bond Registrar” means the Trustee when acting as bond registrar.

“Bond Reserve Fund” means the fund by that name created in Section 401.

“Bond Reserve Requirement” means the sum equal to \$\_\_\_\_\_.

“Bondowner” or “Owner” or “Registered Owner” means the person in whose name such Bond is registered on the Bond Register.

“Business Day” means a day which is not (a) a Saturday or Sunday, (b) any other day on which banking institutions in New York, New York, or the city or cities in which the Administrative Office or Payment Office of the Trustee, are required or authorized to close or (c) a day on which the New York Stock Exchange or Federal Reserve Banks are closed.

“CID Act” means the Missouri Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended.

“City” means the City of Grain Valley, Missouri, and its successors or assigns.

“City Administrative Costs” means costs necessary to implement the Redevelopment Plan and administer its duties related to the Redevelopment Agreement.

“City Expenses” means actual additional documented third party professional service costs and other out-of-pocket expenses reasonably incurred by the City found to be necessary for the City in connection with the Redevelopment Plan and Redevelopment Agreement, including fees imposed by the State or County relating to the collection and disbursal of the PILOTs.

“Cooperative Agreement” means the Cooperative Agreement dated as of January 13, 2011 by and among the District, the Original Developer and the City relating to, among other things, the construction of the Projects, as amended from time to time including the First Amended and Restated Cooperative Agreement between the District, the Original Developer and the City dated October 8, 2012 and the Second Amended and Restated Cooperative Agreement between the District, the Developer and the City dated May 9, 2016.

“Costs of Issuance” means all expenses incurred in connection with the authorization, sale, issuance and delivery of the Bonds, including, without limitation, the placement agent fees and expenses, discount or fees (including any premium on the resale of the first delivery of the Bonds), counsel fees and expenses (including Bond Counsel, the placement agent counsel, Trustee’s counsel, Issuer’s counsel, City’s counsel, District’s counsel, and Developer’s counsel, as well as any other specialized counsel fees incurred in connection with the issuance of the Bonds), the City’s municipal advisor, the Issuer’s costs and administrative fees related to issuance of the Bonds, ratings agency fees and expenses, printing costs (for the Bonds and preliminary and final offering materials), costs incurred in connection with the

required public approval process and costs of engineering and feasibility studies necessary to the issuance of the Bonds (as opposed to studies related to completion of the Projects, but not to the Bond financing), initial Trustee, Bond Registrar and Paying Agent fees, title insurance fees, survey fees and recording and filing fees.

“Costs of Issuance Fund” means the fund by that name created in Section 401.

“Debt Service Fund” means the fund by that name created in Section 401.

“Debt Service Requirements” means for any period of time for which calculated, the aggregate of the payments to be made during such period in respect of principal (whether at maturity or otherwise) and net interest or interest-like payments on Bonds; provided that such payments are excluded from Debt Service Requirements to the extent that cash or Investment Securities are on deposit in an irrevocable escrow or trust account and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay principal or interest on the Bonds and are sufficient to pay such principal or interest.

“Default” means any event or condition which, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both, would constitute an Event of Default under this Indenture.

“Default Rate” means the interest rate announced from time to time by the Trustee (or a banking affiliate of the Trustee) as its prime rate or base rate on commercial loans (which rate fluctuates as and when said prime rate or base rate changes) plus 2.0%.

“Developer” means Star Acquisitions, Inc., a Missouri corporation, and its successors or assigns.

“District” means the Grain Valley Marketplace Community Improvement District, its successors and assigns.

“District Operating Expenses” means, with respect to each fiscal year of the District, the amount budgeted by the District for the payment of operating expenses of the District for such fiscal year, which amount shall not exceed \$10,000 with respect to any fiscal year.

“District Sales Taxes” means the receipts by or on behalf of the District from the sales taxes imposed on retail sales within the boundaries of the District, and not required to be deposited into the Special Allocation Fund.

“Economic Activity Tax Revenues” means 50% of the total additional revenue from taxes imposed by the City or other taxing districts (as that term is defined in Section 99.805 of the TIF Act) which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2009, but excluding therefrom any taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500, RSMo., licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, personal property taxes, taxes levied for the purpose of public transportation pursuant to Section 94.660, RSMo., and the sales tax imposed by Jackson County, Missouri to fund improvements to the Stadium Sports Complex.

“Escrow Agent” means UMB Bank, N.A., as Escrow Agent under the terms of the Escrow Agreement.

“Escrow Agreement” means the Letter of Instructions to Redeem Bonds from the City to the Escrow Agent with respect to the Refunded Bonds.

“Escrow Fund” means the fund by that name created under the Escrow Agreement and referred to in Section 401.

“Event of Default” means any event or occurrence as defined in Section 701.

“Financing Agreement” means the Financing Agreement among the Issuer, the City and the District related to the Bonds.

“Fiscal Year” means the fiscal year of the City currently beginning on January 1 and ending on December 31.

“Funds” means the funds created in Section 401.

“Government Securities” means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed as to full and timely payment by, the United States of America.

“Immediate Notice” means notice by telephone, telegram, telex, telecopier or other telecommunication device (but excluding internet e-mail) to such phone numbers or addresses as are specified in Section 1202 or such other phone number or address as the addressee shall have directed in writing, promptly followed by written notice by first-class mail postage prepaid to such addresses.

“Indenture” means this Trust Indenture as originally executed by the Issuer and the Trustee, as from time to time amended, supplemented or restated by Supplemental Indentures in accordance with the provisions of Article X.

“Interest Account” means the account by that name in the Debt Service Fund created in Section 401.

“Interest Payment Date” means the date on which an interest installment is required to be paid on the Bonds to the Owners thereof, which shall be each April 15 and October 15, beginning April 15, 2021, or when any Bonds are called for redemption.

“Interest Period” means the period from and including each Interest Payment Date to and including the day immediately preceding the following Interest Payment Date.

“Investment Securities” means any of the following securities purchased in accordance with Section 502, if and to the extent the same are at the time legal for investment of the funds being invested:

(a) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed as to full and timely payment by, the United States of America, including obligations of any of the federal agencies set forth in clause (b) below to the extent they are unconditionally guaranteed by the United States of America;

(b) obligations of Fannie Mae, Government National Mortgage Association, Federal Financing Bank, Federal Intermediate Credit Bank, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, and Federal Home Loan Mortgage Corporation;

(c) direct and general obligations of any state of the United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, provided that at the time of their purchase under this Indenture such obligations are rated in either of the two highest rating categories by a nationally-recognized bond rating agency;

(d) certificates of deposit, whether negotiable or nonnegotiable, or a demand deposit account issued by or maintained with, any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee or any of its affiliates), provided that such certificates of deposit shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (c), inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit and shall be deposited with the Trustee or a custodian bank, trust company or national banking association. The bank, trust company or national banking association holding each such certificate of deposit required to be so secured shall furnish the Trustee written evidence satisfactory to it that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount at least equal to the principal amount of each such certificate of deposit and the Trustee shall be entitled to rely on each such undertaking;

(e) shares of a fund registered under the Investment Company Act of 1940, as amended, whose shares are registered under the Securities Act of 1933, as amended, having assets of at least \$100,000,000, and which shares, at the time of purchase, are rated by Standard & Poor's and Moody's in one of the two highest rating categories (without regard to any refinements or gradation of rating category by numerical modifier or otherwise) assigned by such rating agencies for obligations of that nature; or

(f) any other investment permitted by law and approved in writing by the Authorized City Representative.

"Issuer" means The Industrial Development Authority of the City of Grain Valley, Missouri, a public corporation organized and existing under the laws of the State of Missouri, and its successors and assigns.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the District, by notice to the Trustee and the Issuer.

"Opinion of Bond Counsel" means an opinion of Bond Counsel, addressed to the Issuer and the Trustee, for the benefit of the Issuer, the Trustee and the Owners of the Bonds.

"Opinion of Counsel" means a written opinion of an attorney or firm of attorneys addressed to the Issuer, the City and the Trustee, for the benefit of the Issuer, the City, the Trustee and the Owners of the Bonds, who may (except as otherwise expressly provided in this Indenture) be counsel to the Issuer, the District, the Developer, the City or the Trustee, and who is acceptable to the Issuer, the City and the Trustee.

"Original Developer" means SG Property Management, LLC.

“Outstanding” when used with reference to Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered under this Indenture except:

(a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation pursuant to Section 207;

(b) Bonds which are deemed to have been paid in accordance with Article XI;

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to Article II; and

(d) for purposes of any consent or other action to be taken by the Owner of a specified percentage of Bonds under this Indenture, Bonds registered in the name of the Issuer. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Bonds and that the pledgee is not the Issuer.

“Paying Agent” means the Trustee, and any other bank or trust institution with an office in the State and organized under the laws of any state of the United States of America or any national banking association designated by this Indenture or any Supplemental Indenture as paying agent for the Bonds at which the principal of, and redemption premium, if any, on, such Bonds shall be payable.

“Payments in Lieu of Taxes” means those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the TIF Act), if any, attributable to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Area over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Area, as provided for by Section 99.845 of the TIF Act (excluding 50% of the Payments in Lieu of Taxes related to any real property taxes imposed by the Central Jackson County Fire Protection District).

“Payment Office” means, (i) with respect to the initial Trustee, for payment, registration, maintenance of the Bond Register and exchange purposes, initially, 1010 Grand Blvd., 4th Floor, Kansas City, Missouri 64106, Attention: Corporate Trust Department, and (ii) with respect to any successor Trustee, its office or offices for those purposes designated as such by the successor Trustee.

“Person” and “person” means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, a limited liability company, or a government or any agency or political subdivision thereof.

“Placement Agreement” means the Placement Agent Agreement between the Authority and Stifel, Nicolaus & Company, Incorporated relating to the Bonds.

“Principal Account” means the account by that name in the Debt Service Fund created in Section 401.

“Principal Payment Date” means the maturity date or redemption date (including as a result of acceleration) of any Bond.

“Project Costs” means the costs incurred by the Developer related to the development of property within the Redevelopment Area.

“Projects” means, collectively, the projects funded by the Refunded Bonds, and all additions, modifications and improvements made thereto, as they may at any time exist, and other development of the property within the Redevelopment Area.

“Purchase Agreement” means the Bond Purchase Agreement between the Authority and the Purchaser relating to the Bonds.

“Purchaser” means \_\_\_\_\_, as the purchaser of the Bonds.

“Qualified Institutional Buyer” has the meaning set forth in Rule 144A of the Securities and Exchange Commission as amended from time to time.

“Rating Agency” means S&P’s or Moody’s.

“Rebate Analyst” means Bond Counsel, an independent certified public accountant, or such other person or firm selected by the City or District pursuant to the Tax Compliance Agreement to compute arbitrage rebate.

“Rebate Fund” means the fund by that name created in Section 401.

“Record Date” means the fifteenth calendar day, whether or not a Business Day, of the month preceding the applicable Interest Payment Date for the Bonds.

“Redemption Account” means the account by that name in the Debt Service Fund created in Section 401.

“Redevelopment Agreement” means the Tax Increment Financing Contract dated May 10, 2016, between the City and the Developer related to the Redevelopment Plan, as amended from time to time.

“Redevelopment Area” means the area legally described in the Redevelopment Plan as Redevelopment Project #2.

“Redevelopment Plan” means the Grain Valley Marketplace Tax Increment Financing Plan, as it may be amended from time to time, as approved by the City, including the First Amendment to the Grain Valley Marketplace Tax Increment Financing Plan approved by the City on December 9, 2013 and the Second Amendment to the Grain Valley Marketplace Tax Increment Financing Plan approved by the City on March 28, 2016.

“Refunded Bonds” means the Series 2012 Bonds.

“Reimbursable Project Costs” means the portion of the Project Costs incurred by the Developer related to the Redevelopment Plan that are to be funded or reimbursed from the Revenues pursuant to the Redevelopment Agreement.

“Revenue Account” means the account by that name in the Revenue Fund created in Section 401.

“Revenue Fund” means the fund by that name created in Section 401.

“Revenues” means all (a) Payment in Lieu of Taxes payable by the City to the Trustee pursuant to the Financing Agreement, (b) subject to annual appropriation by the City, Economic Activity Tax

Revenues paid by the City to the Trustee pursuant to the Financing Agreement, and (c) the District Sales Taxes appropriated and paid by or on behalf of the District to the Trustee as provided in the Financing Agreement. Revenues do not include (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, (ii) any sum received by the City or the District which is the subject of a suit or other claim communicated to the City or the District which suit or claim challenges the collection of such sum, (iii) an amount equal to 1% of the total of PILOTS and EATs in the Special Allocation Fund retained by the City for administration of the Redevelopment Plan and Redevelopment Area, (iv) an amount equal to 1.5% of the revenues attributable to the 1.00% sales tax within the District retained by the City for administration of the District revenues, or (v) amounts retained by the State of Missouri or Jackson County, Missouri related to the collection and disbursal of the Revenues.

“Series 2012 Bonds” means the City’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012, which will be current refunded pursuant to this Indenture and the Escrow Agreement.

“Special Allocation Fund” means the Special Allocation Fund created within the Treasury of the City and in accordance with Section 99.845 of the TIF Act for the projects within the Redevelopment Area.

“S&P’s” means S&P Global Ratings, A Division of McGraw-Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, S&P’s shall be deemed to refer to any other nationally recognized securities rating agency designated by the District, by notice to the Trustee and the Issuer.

“State” means the State of Missouri.

“Supplemental Indenture” means any indenture supplemental or amendatory to this Indenture entered into by the Issuer and the Trustee pursuant to Article IX.

“Tax Compliance Agreement” means the Tax Compliance Agreement dated as of October 1, 2020 among the Issuer, the District, the City and the Trustee, as from time to time amended in accordance with the provisions thereof.

“TIF Act” means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended.

“Trust Estate” means the Trust Estate described in the granting clauses of this Indenture.

“Trustee” means UMB Bank, N.A., Kansas City, Missouri, and any co-trustee or successor or permitted assignee trustee appointed, qualified and then acting as such under the provisions of this Indenture.

#### Section 102. Rules of Interpretation.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.



(b) Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, partnerships, limited liability companies, associations and corporations, including public bodies, as well as natural persons.

(c) The table of contents hereto and the headings and captions herein are not a part of this document.

(d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by accounting principles generally accepted in the United States of America.

(e) Wherever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

(f) If the Bonds are not then rated, any reference to the giving of notice to, or obtaining the approval of, the Rating Agency will be of no force and effect.

## ARTICLE II

### THE BONDS

#### Section 201. Authorization, Issuance and Terms of Bonds.

(a) Authorized Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article.

(b) Title of Bonds. The general title of all series of Bonds authorized to be issued under this Indenture shall be “Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020.” From and after the Bond Issuance Date, the Bonds authorized to be issued under this Indenture shall be designated “Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020.”

(c) Form of Bonds. From and after the Bond Issuance Date, the Bonds shall be substantially in the form of Exhibit A with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(d) Denominations. The Bonds shall be issuable in Authorized Denominations.

(e) Numbering. The Bonds shall be numbered from R-1 upward.

(f) Dating. The Bonds shall be dated as of the date of delivery. The Bonds shall bear interest from the most recent Interest Payment Date to which interest has been paid or for which due provision has been made.

(g) Maturity. The Bonds shall become due in the amounts on the maturity dates, subject to redemption and payment prior to their maturities as provided in **Article III** hereof, and shall bear interest at the rates specified below (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly

provided for, payable semiannually on April 15 and October 15 in each year, beginning on April 15, 2021.

### **SERIAL BONDS**

<b><u>Maturity</u></b> <b><u>April 15</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>
	\$	%

### **TERM BONDS**

<b><u>Maturity</u></b> <b><u>April 15</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>
	\$	%

(h) **Method and Place of Payment.** Except as provided herein, the principal of, and redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Principal and premium, if any, shall be payable by check or draft or electronic transfer at the Payment Office of the Trustee or at the office of any alternate Paying Agent. Payment of interest on any Bond shall be made by check or draft or electronic transfer of the Trustee mailed to the person in whose name such Bond is registered on the Bond Register as of the close of business of the Trustee on the Record Date for such Interest Payment Date, except that interest not duly paid or provided for when due shall be payable to the person in whose name such Bond is registered at the close of business on the Business Day immediately preceding the date of payment of such defaulted interest. Upon payment other than at a Principal Payment Date without presentation of the Bond, the Paying Agent shall record the amount of such principal payment on the registration books for the Bonds maintained by the Paying Agent. If any Bond is presented to the Paying Agent for such payment, the Paying Agent shall also record the amount of such principal payment on the registration books for the Bonds maintained by the Paying Agent. Notwithstanding the foregoing, the registration books maintained by the Paying Agent shall be the official record of the principal amount on the Bonds at any time, and the Owner is not required to present the Bonds for action by the Paying Agent with each payment of principal on the Bond other than for payment at the final Principal Payment Date. Payment of the Bonds at maturity shall only be made upon presentation of the Bonds to the Trustee.

The principal, premium, if any, and interest on each Bond payable on any Principal Payment Date and any Interest Payment Date, other than the maturity date, can be paid to the Owner by electronic transfer upon written notice signed by such Bondowner given to the Paying Agent not less than 5 days prior to the Record Date. The electronic transfer instructions must include the name, address and ABA routing number of the bank (located in the continental United States) and the account name and account number to which payment is to be credited and acknowledge an electronic transfer fee payable by the Owner. All checks or drafts for the payment of the principal and redemption price of and interest on the

Bonds shall include or have enclosed therewith the CUSIP number and appropriate payment amount for each CUSIP number. The Trustee shall use its best efforts to include the CUSIP number and appropriate payment amount for each CUSIP number with respect to all electronic transfers of the payment of the principal and redemption price of and interest on the Bonds. If any Bondowner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure and such amount may be deducted by the Trustee from amounts otherwise payable to such Bondowner under this Indenture or under the Bonds.

Section 202. Nature of Obligations.

(a) The Bonds and the interest thereon are limited obligations of the Issuer payable solely from proceeds of the Bonds, the Revenues and other moneys pledged thereto and held by the Trustee as provided herein, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in this Indenture. In issuing the Bonds, Issuer has relied only upon financial information supplied by all of the other parties (other than the Trustee) to the Bond Documents and has performed no due diligence of its own as to the adequacy of the Revenues and any other money pledged under this Indenture to pay the Bonds.

(b) The Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Issuer, the City, the District, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Issuer has no taxing power.

(c) No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in this Indenture or any other document to which the Issuer is a party, against any past, present or future director, trustee, officer, official, employee or agent of the Issuer, or any director, trustee, officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such director, trustee, officer, official, employee or agent as such is hereby expressly and conclusively waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of any of the Bonds. Neither the officers of the Issuer nor any person executing the Bonds shall be personally liable on the Bonds by reason of the issuance thereof.

(d) No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in this Indenture or any other document to which the City is a party, against any past, present or future director, trustee, officer, official, employee or agent of the City, or any director, trustee, officer, official, employee or agent of any successor to the City, as such, either directly or through the City or any successor to the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such director, trustee, officer, official, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of any of the Bonds. Neither the officers of the City nor any person executing the Bonds shall be personally liable on the Bonds by reason of the issuance thereof.

(e) It is recognized that notwithstanding any other provision of this Indenture, none of the District, the Developer, the Trustee or any Bondowner shall look to the Issuer for damages suffered by the District, the Developer, the Trustee or such Bondowner as a result of the failure of the Issuer to perform

any covenant, undertaking or obligation under this Indenture, the Bonds, any other Bond Documents or any of the other documents referred to herein, or as a result of the incorrectness of any representation made by the Issuer in any of such documents, or for any other reason. Although this Indenture recognizes that such documents shall not give rise to any pecuniary liability of the Issuer, nothing contained in this Indenture shall be construed to preclude in any way any action or proceeding (other than that element of any action or proceeding involving a claim for monetary damages against the Issuer) in any court or before any governmental body, agency or instrumentality or otherwise against the Issuer or any of its officers or employees to enforce the provisions of any of such documents which the Issuer is obligated to perform and the performance of which the Issuer has not assigned to the Trustee or any other person provided, however, that as a condition precedent to the Issuer proceeding with such performance, the Issuer has received satisfactory indemnification and satisfactory assurance of the payment of its expenses in connection with such performance.

Section 203. Execution, Authentication and Delivery of Bonds.

(a) The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Chairman, President or any Vice President and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, and shall have the corporate seal of the Issuer affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Exhibit A, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed by the Trustee. Such executed Certificate of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee, but it shall not be necessary that the same authorized signatory sign the Certificate of Authentication on all of the Bonds that may be issued hereunder at any one time.

Section 204. Registration, Transfer and Exchange of Bonds.

(a) The Trustee is hereby appointed Bond Registrar and as such shall keep the Bond Register at its Payment Office.

(b) Provided that the requirements of Section 204(c) below are satisfied, any Bond may be transferred only upon the Bond Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the registered Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds of the same series and maturity, registered in the name of the transferee, of any Authorized Denomination.

(c) The Bonds may be transferred only in any Authorized Denomination. Bonds shall be transferable by the Purchaser to Approved Investors. Subsequent transferees shall be deemed to have represented by their purchase of the Bonds that (i) the transferee is an Approved Investor, (ii) the

transferee is purchasing the Bonds for its own account for investment and with no present intention of selling or transferring the Bonds; provided that the transferee reserves the right to sell or distribute the Bonds subject to the restrictions set forth in this Indenture, (iii) the transferee has been provided with or given access to all financial and other information requested relating to the Bonds or which it deems material in connection with the purchase of Bonds, (iv) the transferee has such knowledge and experience in financial and business matters, including the purchase of tax-exempt obligations, as to be independently capable of evaluating the merits and risks of investment in the Bonds and to make an informed decision with respect thereto, and (v) the transferee understands that the Bonds are subject to all terms and conditions of this Indenture.

(d) Any Bonds, upon surrender thereof at the Payment Office of the Trustee, together with an assignment duly executed by the Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same series and maturity, of any Authorized Denomination.

(e) In all cases in which Bonds shall be exchanged or transferred hereunder, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. The Trustee shall cancel all Bonds surrendered in any such exchange or transfer.

(f) The Issuer or the Trustee may make a charge against each Bondowner requesting a transfer or exchange of Bonds for every such transfer or exchange of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, the cost of printing, if any, each new Bond issued upon any transfer or exchange and the reasonable expenses of the Issuer and the Trustee in connection therewith, and such charge shall be paid before any such new Bond shall be delivered.

(g) At reasonable times and under reasonable regulations established by the Trustee, the Bond Register may be inspected and copied by the Issuer, the District, the City or by the Owners (or a designated representative thereof) of 10% or more in aggregate principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(h) The person in whose name any Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute Owner of such Bond for all purposes, and payment of or on account of the principal of and redemption premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered Owner thereof or such Owner's attorney or legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Section 205. Reserved.

Section 206. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond of like date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, the mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity to hold harmless the Issuer and the Trustee, in form and substance satisfactory to the Trustee. If any such Bond has matured, is about to mature or been called for redemption, instead of delivering a substitute Bond the Paying Agent may pay the same without surrender thereof. Upon the issuance of any substitute Bond, the Issuer and the Trustee may require the payment of an amount by the Bondowner sufficient to reimburse the Issuer and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

Section 207. Cancellation and Destruction of Bonds Upon Payment. All Bonds which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity, shall be promptly cancelled and periodically destroyed by the Trustee, in accordance with the customary practices of the Trustee and applicable record retention laws, upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee. The Trustee shall execute a certificate describing the Bonds so canceled, and shall at their written request, file executed counterparts of such certificate with the Issuer, the City or either of them. Bonds at any time held by the Issuer shall be surrendered to the Trustee for cancellation in accordance with the provisions of this Section.

Section 208. Additional Bonds. No Additional Bonds may be issued under this Indenture.

### ARTICLE III

#### REDEMPTION OF BONDS

Section 301. Optional Redemption.

(a) The Bonds are subject to redemption and payment prior to maturity by the Issuer, upon the direction of the City, on and after April 15, 20\_\_\_\_, in whole or in part on any date in Authorized Denominations, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, without premium.

(b) Any provision in this Indenture to the contrary notwithstanding, the notice of redemption pursuant to this Section 301 shall state that it is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Bonds, and such notice and optional redemption shall be of no effect if by no later than the scheduled redemption date, sufficient moneys to redeem the Bonds are not on deposit with and available to the Trustee.

Section 302. Mandatory Redemption. The Bonds are subject to mandatory sinking fund redemption and payment prior to stated maturity on April 15 in each year, at 100% of the principal amount thereof, plus accrued interest to the redemption date, without premium, in accordance with the mandatory sinking fund schedule determined as set forth below:

**Term Bonds Maturing on April 15, 20\_\_**

**Year**

**Principal Amount**

\$

† Final Maturity

The Trustee shall make timely selection of such Bonds or portions thereof to be so redeemed in Authorized Denominations of principal amount by lot or in such other equitable manner as the Trustee may determine and shall give notice thereof without further instructions from the Issuer, the City or the District. At the option of the City, to be exercised on or before the 45<sup>th</sup> day next preceding each mandatory redemption date, the City may: (1) deliver Bonds to the Trustee for cancellation in the aggregate principal amount desired; or (2) furnish to the Trustee moneys, together with appropriate instructions, for the purpose of purchasing any Bonds from any owner thereof in the open market at a price agreed to by the City not in excess of 100% of the principal amount thereof, whereupon the Trustee shall use its best efforts to expend such funds for such purposes; or (3) elect to receive a credit in respect to the mandatory redemption obligation under this subsection for any Bonds which prior to such date have been redeemed (other than through the operation of the requirements of this subsection) and cancelled by the Trustee and not theretofore applied as a credit against any redemption obligation under this subsection. Each Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation to redeem Bonds on the next mandatory redemption date applicable to Bonds that is at least 45 days after receipt by the Trustee of such instructions from the City, and any excess of such amount shall be credited on future mandatory redemption obligations for Bonds in chronological order or such other order as the City may designate, and the principal amount of Bonds to be redeemed on such future mandatory redemption dates by operation of the requirements of this subsection shall be reduced accordingly. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) of this subsection, the City will, on or before the 45<sup>th</sup> day next preceding the applicable mandatory redemption date, furnish the Trustee a certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with in respect to such mandatory redemption payment and any Bonds to be cancelled or credited for the mandatory redemption obligation.

**Section 303. Selection of Bonds to be Redeemed.**

(a) Bonds shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Bonds are to be optionally redeemed, such Bonds shall be redeemed from stated maturities selected by the City, and Bonds of less than a full Stated Maturity shall be selected by the Trustee in Authorized Denominations by lot or in such other equitable manner as the Trustee may determine.

(b) In the case of a partial redemption of Bonds when Bonds of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each unit of \$1,000 in excess of the minimum Authorized Denomination shall be treated as though it was a separate Bond of \$1,000. If one or more, but not all, of the \$1,000 units of principal amount in excess of the minimum Authorized Denomination represented by any Bond are selected for redemption, then upon notice of intention to redeem such unit or units, the Owner of such Bond or such Owner's attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the redemption premium, if any, and interest to the date

fixed for redemption) of the unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the unit or units of principal amount called for redemption and shall cease to accrue interest on such amount.

Section 304. Notice of Redemption of Bonds.

(a) Unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of Bonds shall be given by the Trustee on behalf of the Issuer by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 10 days prior to the redemption date to the Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Owner to the Trustee.

(b) All official notices of redemption pursuant to this Section shall be dated and shall state:

(1) the redemption date,

(2) the redemption price,

(3) if less than all Outstanding Bonds are to be redeemed, the identification, number, maturity date and, in the case of the partial redemption of any Bond, the respective principal amounts of the Bonds to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Payment Office of the Trustee.

(c) The failure of any Bondowner to receive notice given as provided in this Section, or any defect in the notice, will not affect the validity of any proceedings for the redemption of any Bonds. Any notice mailed as provided in this Section will be conclusively presumed to have been duly given and become effective upon mailing, whether or not any Bondowner receives the notice.

Section 305. Effect of Call for Redemption. On or prior to the date fixed for redemption, moneys available solely for such redemption in accordance with the requirements of Sections 301 and 302 shall be deposited with the Trustee to pay the principal of the Bonds called for redemption, accrued interest thereon to the redemption date, if any, and the redemption premium, if any, thereon. Upon the happening of the above conditions, and notice having been given as provided in Section 304, as applicable, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price of the Bonds called for redemption are on deposit at the place of payment at the time fixed for such redemption, and shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.



## ARTICLE IV

### REVENUES AND FUNDS

#### Section 401. Creation of Funds and Accounts.

(a) The following Funds and Accounts of the Issuer are hereby ratified or created and established, as applicable, with the Trustee:

- (1) the Cost of Issuance Fund;
- (2) the Bond Reserve Fund;
- (3) the Revenue Fund, consisting of the Revenue Account, the PILOTs Account, the EATS Account, the Sales Tax Account and the District Operating Account;
- (4) the Debt Service Fund, consisting of the Interest Account, the Principal Account and the Redemption Account; and
- (5) the Rebate Fund.

(b) Each Fund and Account shall be maintained by the Trustee as a separate and distinct trust fund or account to be held, managed, invested, disbursed and administered as provided in this Indenture. All moneys deposited in the Funds and Accounts shall be used solely for the purposes set forth in this Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and all disbursements therefrom.

(c) Additionally, the Escrow Fund is created pursuant to the Escrow Agreement to be held and administered by the Escrow Agent in accordance with the Escrow Agreement.

#### Section 402. Deposits and Transfers.

(a) On the Bond Issuance Date for the Bonds, the Trustee will deposit the net proceeds received from the initial sale of the Bonds as follows:

- (i) an amount equal to \$\_\_\_\_\_ in the Costs of Issuance Fund;
- (ii) an amount equal to \$\_\_\_\_\_, together with \$\_\_\_\_\_ from bond reserve fund established for the Refunded Bonds, shall be deposited into the Escrow Fund to provide for the redemption of the Refunded Bonds in accordance with the Escrow Agreement; and
- (iii) an amount equal to the Bond Reserve Requirement in the Bond Reserve Fund.

(b) All amounts on deposit in the accounts of the revenue fund and the debt service fund established for the Refunded Bonds, and any amounts remaining in the accounts of the bond reserve fund established for the Refunded Bonds after the application of the amounts described in Section 402(a) above, shall, upon deposit of the amounts described in Section 402(a) above, be transferred as follows: *first*, to the Interest Account of the Debt Service Fund in an amount sufficient to pay the interest on the Bonds, *second*, to the Bond Reserve Fund, until the Bond Reserve Fund is equal to the Bond Reserve Requirement, and *third*, all remaining amounts to the Principal Account of the Debt Service Fund.

Section 403. Costs of Issuance Fund. On the Bond Issuance Date, the Trustee shall deposit into the Costs of Issuance Fund the amount required by Section 402. The Trustee shall pay out of the Costs of Issuance Fund the amounts certified in the Requisitions signed by the Authorized City Representative for the payment of Costs of Issuance. The Trustee may conclusively rely upon a requisition and is not required to make any independent inquiry or investigation with respect to the Requisition. Moneys in the Costs of Issuance Fund shall be expended no later than 180 days after the Bond Issuance Date. Any moneys remaining therein on such date, and any investment earnings thereon, shall be transferred without further authorization into the Interest Account of the Debt Service Fund.

Section 404. Revenue Fund.

(a) The Trustee shall deposit into the Revenue Fund all Revenues and any other amounts received by the Trustee on the 25th day of each month (or the next Business Day thereafter if the 25th day is not a Business Day) that are subject to the lien and pledge of this Indenture, to the extent not required to be deposited in other Funds and Accounts in accordance with the terms of this Indenture or to the extent otherwise restricted in use of payments pursuant to this Indenture. The Trustee shall deposit (1) all District Sales Taxes received from or on behalf of the District in accordance with the Financing Agreement to the Sales Tax Account of the Revenue Fund; (2) all Payments in Lieu of Taxes received from or on behalf of the City in accordance with the Financing Agreement to the PILOTs Account of the Revenue Fund, (3) all Economic Activity Tax Revenues received from or on behalf of the City in accordance with the Financing Agreement to the EATS Account of the Revenue Fund and (4) all other amounts required to be deposited in the Revenue Fund pursuant to the terms of this Indenture into the Revenue Account of the Revenue Fund. The Trustee shall notify the City, the District, the Issuer, the Developer and the Purchaser if the Trustee has not received such payments on or before the 27th calendar day of each month (or the next Business Day thereafter if the 27th day is not a Business Day).

(b) Moneys on deposit in the District Operating Account of the Revenue Fund shall be disbursed by the Trustee from time to time upon receipt of a written request of the District to pay reasonable and necessary costs of operating the District.

(c) Except as otherwise provided in Section 408, from and after the Bond Issuance Date, the Trustee shall apply moneys from the Revenue Fund, *first*, from the Revenue Account of the Revenue Fund, *second*, from the Sales Tax Account of the Revenue Fund, *third*, from the PILOTs Account of the Revenue Fund, and *fourth*, from the EATS Account of the Revenue Fund, at least 40 days prior to each Interest Payment Date and Principal Payment Date on the Bonds (or at any time in the event of rebate payable to the United States of America), for application in the order of priority and for the purposes as follows:

(1) to the Rebate Fund when necessary, an amount sufficient to pay rebate, if any, to the United States of America, owed under Section 148 of the Code, in accordance with the Tax Compliance Agreement and to the Rebate Analyst, an amount equal to all fees, charges, advances and expenses of the Rebate Analyst due and payable;

(2) to the Trustee, an amount equal to all fees, charges, advances and expenses of the Trustee due and payable pursuant to this Indenture (not to exceed \$2,500 per Fiscal Year);

(3) to the Issuer, an amount equal to all fees, charges and expenses of the Issuer due and payable pursuant to this Indenture;

(4) to the District Operating Account from moneys in the Sales Tax Account in an amount requested in writing by the District not to exceed \$10,000 per calendar year;

(5) to the Interest Account of the Debt Service Fund, an amount sufficient to pay the interest becoming due and payable on the Bonds on the next two Interest Payment Dates;

(6) to the Principal Account of the Debt Service Fund, an amount sufficient to pay the principal of the Bonds on the next Principal Payment Date (at maturity or upon scheduled mandatory redemption);

(7) to the Bond Reserve Fund, such amount as may be required to restore any deficiency in the Bond Reserve Fund if the amount on deposit in the Bond Reserve Fund is less than the Bond Reserve Requirement;

(8) to the City, an amount not to exceed four percent (4%) of the moneys deposited within the PILOTs Account and the EATs Account for payment of any additional City Expenses upon receipt by the Trustee of a written requisition of costs;

(9) when funds are allocated prior to the Principal Payment Date, for payment to the Developer on or about April 15 of each year for Reimbursable Project Costs that have not been paid by the City to the Developer in accordance with the Redevelopment Agreement as directed by the City and the Developer; and

(10) upon payment to the Developer of amounts owed for all Reimbursable Project Costs (as confirmed in writing to the Trustee by the Developer), to the Redemption Account of the Debt Service Fund to provide for the redemption of the Bonds.

**For purposes of this section, the District Sales Taxes allocable to pay the Debt Service Requirements for the Bonds shall not exceed 41% of the Debt Service Requirements for the Bonds, or such other percentage as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Revenue Fund and eligible for payment from the District Sales Taxes.**

Section 405. Debt Service Fund.

(a) The Trustee will deposit into the Interest Account the amounts required by Section 404. Moneys on deposit in the Interest Account shall be applied solely to pay the interest on the Bonds as the same becomes due and payable. On each date fixed for redemption of the Bonds and on each scheduled Interest Payment Date on the Bonds, the Trustee shall remit to the respective Bondowners of such Bonds an amount from the Interest Account sufficient to pay the interest on the Bonds becoming due and payable on such date.

(b) The Trustee will deposit into the Principal Account the amounts required by Section 404. Moneys on deposit in the Principal Account shall be applied solely to pay the principal of the Bonds as the same becomes due and payable at maturity or scheduled mandatory sinking fund redemption. On each Principal Payment Date of the Bonds, the Trustee shall set aside and hold in trust an amount from the Principal Account sufficient to pay the principal of the Bonds becoming due and payable on such date.

(c) The Trustee will deposit into the Redemption Account the amounts required by Section 404. Moneys on deposit in the Redemption Account shall be applied solely to pay the principal and premium, if any, on the Bonds as the same become due and payable by redemption. On each date fixed for such redemption, the Trustee shall set aside and hold in trust an amount from the Redemption Account

sufficient to pay the principal of and premium, if any, on the Bonds becoming due and payable on such date.

Section 406. Bond Reserve Fund.

(a) On the Bond Issuance Date, the Trustee will deposit into the Bond Reserve Fund the amount required by Section 402. In addition, the Trustee will deposit into the Bond Reserve Fund the amounts required by Section 404.

(b) Moneys in the Bond Reserve Fund shall be disbursed and expended by the Trustee without further authorization solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds if and to the extent moneys otherwise available for such purpose in the Debt Service Fund are insufficient to pay the same as they become due and payable. The Trustee may disburse and expend moneys from the Bond Reserve Fund for such purposes whether or not the amount in the Bond Reserve Fund at that time equals the Bond Reserve Requirement.

(c) On March 1 and September 1 of each year (or if such date is not a Business Day, the immediately preceding Business Day), commencing March 1, 2021, the Trustee shall determine the value of all cash and Investment Securities held in the Bond Reserve Fund and shall give immediate written notice to the City if such amount is less than the Bond Reserve Requirement. All such Investment Securities shall be valued as specified pursuant to Section 502. If the value so determined exceeds the Bond Reserve Requirement, the Trustee shall promptly transfer the excess without further authorization to the Revenue Account of the Revenue Fund.

(d) Moneys in the Bond Reserve Fund shall be used to pay and retire the last Outstanding Bonds unless such Bonds and all interest thereon be otherwise paid. Notwithstanding any other provision of this Indenture, moneys in the Bond Reserve Fund shall be applied to pay the last Outstanding Bonds prior to any application of moneys on deposit in the Revenue Fund or the Debt Service Fund for such purpose.

Section 407. Rebate Fund.

(a) There shall be deposited by the Trustee in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. Subject to the transfer provisions provided in subsection (c) below, all money at any time deposited in the Rebate Fund and any income earned thereon shall be held in trust, to the extent required to pay arbitrage rebate to the federal government of the United States of America, and none of the Issuer, the District, the City, the Developer or the Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and by the Tax Compliance Agreement (which is incorporated herein by reference).

(b) Pursuant to the Tax Compliance Agreement, the Trustee, on behalf of the Issuer, shall at the written request of the City, remit from the Rebate Fund rebate installments and the final rebate payments to the United States. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any arbitrage rebate, or provision made therefor, shall be withdrawn and released to the City.

(c) Notwithstanding any other provision of this Indenture, including in particular this Article, the obligation to remit arbitrage rebate to the United States and to comply with all other requirements of

this Section and the Tax Compliance Agreement shall survive the defeasance or payment in full of the Bonds.

Section 408. Final Balances. Upon the deposit with the Trustee of moneys sufficient to pay all principal of, and premium, if any, and interest on the Bonds, and upon satisfaction of all claims against the Issuer hereunder, including all fees, charges and expenses of the Trustee, the Issuer and any Paying Agent which are properly due and payable hereunder, or upon the making of adequate provisions for the payment of such amounts as permitted hereby, all amounts remaining in the Debt Service Fund consisting of (i) Payments in Lieu of Taxes and Economic Activity Tax Revenues shall be paid to the City for deposit into the Special Allocation Fund, and (ii) District Sales Taxes shall be paid to the District.

Section 409. Non-Presentation of Bonds.

(a) In the event any Bond shall not be presented for payment when the principal thereof becomes due, at maturity or at the date fixed for redemption thereof, if moneys sufficient to pay such Bond shall have been deposited in the Debt Service Fund, all liability of the Issuer to the holder thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the holder of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature of such holder under this Indenture or on, or with respect to, said Bond.

(b) Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within one year after the date on which the same shall have become due shall be paid, without liability for interest, by the Trustee to the Issuer, free from the trusts created by this Indenture. Thereafter, Bondowners shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to the Issuer by the Trustee. The Issuer shall not be liable for any interest on the sums paid to it pursuant to this Section and shall not be regarded as a trustee of such money. Upon termination and release of this Indenture, any remaining funds held by the Issuer and received pursuant to this Section shall be distributed and applied as provided in **Section 408** herein.

ARTICLE V

DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS  
AND INVESTMENT OF FUNDS

Section 501. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for the account of any Fund or Account under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and, until used or applied as herein provided, shall constitute part of the Trust Estate (except for the Rebate Fund) and be subject to the lien, terms and provisions hereof and shall not be commingled with any other funds of the Issuer, the City or the District except as provided under Section 502 for investment purposes. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 502. Investment of Moneys.

(a) Moneys in all Funds and Accounts (except moneys in the Rebate Fund, which will remain uninvested) shall be continuously invested and reinvested by the Trustee at the written direction of the City. Moneys on deposit in all Funds and Accounts may be invested only in Investment Securities that mature or are subject to redemption by the owner thereof prior to the date such funds are expected to

be needed; provided that if written investment directions have not been received from the City, the Trustee shall invest and re-invest amounts only in a money market fund that constitutes Investment Securities as described in subsection (e) of the definition of Investment Securities. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which fees may be deducted from income earned on investments.

(b) The Trustee must receive the written directions of the City to invest pursuant to this Section by 12:00 noon local time. All such investments shall mature not later, nor, to the extent reasonably practicable subject to the restrictions above, earlier, than the date such moneys or investment proceeds are required for the purposes of the respective Funds and Accounts.

(c) Net investment earnings on each Fund and Account shall be credited to such Fund and Account; provided, however, that earnings on the moneys in the Bond Reserve Fund in excess of the Bond Reserve Requirement shall be transferred to the Interest Account of the Debt Service Fund.

(d) All investments shall constitute a part of the Fund or Account from which the moneys used to acquire such investments have come. The Trustee shall sell and reduce to cash a sufficient amount of investments in a Fund or Account whenever the cash balance therein is insufficient to pay the amounts then required to be paid therefrom. The Trustee may transfer investments from any Fund or Account to any other Fund or Account in lieu of cash when required or permitted by the provisions of this Indenture.

(e) In determining the balance in any Fund or Account (other than the Bond Reserve Fund), investments shall be valued at the lower of their original cost or their fair market value as of the most recent Payment Date. Investment Securities in the Bond Reserve Fund shall be valued at their fair market value. Investments in the funds and accounts under this Indenture shall be valued on March 1 and September 1 in each year beginning on March 1, 2021.

(f) The Trustee may make any investment pursuant to this Section through its bond department or short-term investment department or through any affiliate of the Trustee, except moneys held in any fund or account that are required to be yield restricted in accordance with the Tax Compliance Agreement. In making or disposing of any investment permitted by this Section, the Trustee is authorized to deal with itself (in its individual capacity) or with one or more of its affiliates, whether it or the affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account.

(g) The Issuer, the City and the District, by the execution of the Financing Agreement, acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer, the City or the District the right to receive brokerage confirmations of security transactions as they occur, the Issuer, the City and the District will not receive such confirmations to the extent permitted by law. The Trustee will furnish the Issuer, the City and the District periodic cash transaction statements that include detail of all investment transactions made by the Trustee with respect to the applicable Funds and Accounts under this Indenture.

## ARTICLE VI

### PARTICULAR COVENANTS AND PROVISIONS

Section 601. Authority to Issue Bonds and Execute Indenture. The Issuer covenants that it is duly authorized under the Act to execute and deliver this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the

execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

Section 602. Performance of Covenants. The Issuer will, upon request and after adequate assurance of the payment of its expenses, faithfully perform, or cause to be performed, any and all covenants, undertakings, stipulations and provisions on its part contained in this Indenture, in the Bonds and in all proceedings pertaining thereto.

Section 603. Instruments of Further Assurance. At the sole expense of the District, the Issuer will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better assuring, transferring, pledging and assigning to the Trustee, and granting a security interest unto the Trustee in and to the Trust Estate and the other property and revenues herein described. An executed counterpart of the Financing Agreement, the Tax Compliance Agreement and all other documents or instruments required by the Trustee shall be delivered to and held by the Trustee.

Section 604. Annual Notices to District and the City. On May 1 of each year (or if such date is not a Business Day, the immediately preceding Business Day), commencing May 1, 2021, the Trustee shall provide written notice to the District and the City of the following:

- (a) the aggregate amount of money on deposit in the Revenue Fund on such date;
- (b) any deficiency in the Bond Reserve Fund as of such date, as provided in Section 406(c); and
- (c) the amount of debt service payable on the Bonds through the next Principal Payment Date.

Section 605. General Limitation on Issuer Obligations. ANY OTHER TERM OR PROVISION OF THIS INDENTURE OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTION WHICH IS THE SUBJECT HEREOF TO THE CONTRARY NOTWITHSTANDING, THE ISSUER SHALL NOT BE REQUIRED TO TAKE OR OMIT TO TAKE, OR REQUIRE ANY OTHER PERSON OR ENTITY TO TAKE OR OMIT TO TAKE, ANY ACTION WHICH WOULD CAUSE IT OR ANY PERSON OR ENTITY TO BE, OR RESULT IN IT OR ANY PERSON OR ENTITY BEING, IN VIOLATION OF ANY LAW OF THE STATE.

Section 606. Recording and Filing. The City shall file or cause to be kept and filed all financing statements, and the Trustee shall file or cause to be kept and filed continuation statements with respect to such originally filed financing statements related to this Indenture and all supplements hereto provided a copy of the originally filed financing statement is timely delivered to the Trustee. Unless otherwise notified in writing by the City or District or Issuer, may conclusively rely upon the originally filed financing statements in filing any continuation statement. The Issuer hereby authorizes the filing of financing statements under the Uniform Commercial Code in connection with any security interest granted hereunder. The Issuer, upon request and to the extent permitted by law, at the expense of the District, shall execute and cause to be executed any and all further instruments as shall be reasonably required by law or as requested by the Trustee for such protection and perfection of the interests of the Trustee and the Bondowners.

Section 607. Possession and Inspection of Books and Documents. The Issuer and the Trustee covenant and agree that all books and documents in their possession relating to the Bond Documents and to the distribution of proceeds thereof shall at all times be open to inspection by such accountants or other agencies or persons as the other party may from time to time designate during normal business hours upon reasonable prior notice.

Section 608. Rights and Duties Under Bond Documents. The Trustee hereby acknowledges and agrees to perform its duties as set forth in the Bond Documents to which it is a party. Subject to the provisions of Article VIII, the Trustee, at the request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, shall enforce all the rights of the Issuer under the Bond Documents (and the Issuer hereby appoints the Trustee as the Issuer's agent and attorney-in-fact for all such purposes). The Trustee, as assignee hereunder, in its name or to the extent permitted by law, in the name of the Issuer, may enforce all rights of the Issuer without recourse and all obligations of the City, the District and the Developer under the Bond Documents (and waive the same, except for rights expressly granted to the Developer) on behalf of the Bondowners whether or not the Issuer is in default hereunder.

Section 609. Tax Covenants.

(a) The Issuer (to the extent within its power, knowledge or direction) shall not directly use or cause the use of any proceeds of Bonds or any other funds of the Issuer, in any manner, and shall not take or directly permit to be taken, any other action or actions, which would adversely affect the exclusion of the interest on any Bond from gross income for federal income tax purposes.

(b) The Issuer agrees that so long as any of the Bonds remain Outstanding, it will comply with the provisions of the Tax Compliance Agreement applicable to the Issuer.

(c) The Trustee agrees to comply with the provisions of the Tax Compliance Agreement, and upon receipt of the Tax Compliance Agreement and any Opinion of Bond Counsel which sets forth such requirements, to comply with any statute, regulation or ruling that may apply to it as Trustee hereunder and relating to reporting requirements or other requirements necessary to preserve the exclusion from federal gross income of the interest on the Bonds. The Trustee from time to time may, at the written request of the Issuer, cause a firm of attorneys, consultants or independent accountants or an investment banking firm to supply the Trustee and, with such information as the Trustee, on behalf of the Issuer, may request in order for the Issuer to determine in a manner reasonably satisfactory to the Issuer, all matters relating to (a) the actuarial yields on the Bonds as the same may relate to any data or conclusions necessary to verify that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, and (b) compliance with rebate requirements of Section 148(f) of the Internal Revenue Code. The costs and expenses incurred by the Trustee in connection with supplying the foregoing information shall be paid as provided in Section 802.

(d) The foregoing covenants of this Section shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to Article XI of this Indenture or any other provision of this Indenture, until the final maturity date of all Bonds Outstanding and payment thereof.



## ARTICLE VII

### DEFAULT AND REMEDIES

Section 701. Events of Default. If any one or more of the following events occur, it is hereby defined as and declared to be and to constitute an “Event of Default”:

- (a) default in the due and punctual payment of any interest on any Bond;
- (b) default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond, whether at the stated maturity or accelerated maturity thereof, or upon proceedings for redemption thereof or otherwise;
- (c) Default in the performance or observance of any of the covenants, agreements or conditions on the part of the Issuer in this Indenture or in the Bonds contained, and the continuance thereof for a period of 30 days after written notice thereof has been given (i) to the Issuer by the Trustee, or (ii) to the Trustee (which notice of default the Trustee shall be required to accept) and the Issuer by the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding; provided, however, if any default is such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer within such period and diligently pursued until the default is corrected;
- (d) The filing by the Issuer of a voluntary petition in bankruptcy, or failure by the Issuer to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the Issuer to carry on its operation, or adjudication of the Issuer as a bankrupt, or assignment by the Issuer for the benefit of creditors, or the entry by the Issuer into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceedings instituted under the provisions of federal bankruptcy law, or under any similar acts which may hereafter be enacted; or
- (e) An Event of Default under the Financing Agreement shall have occurred and be continuing.

The Trustee shall give Immediate Notice of any Event of Default to the Issuer, the District, the City and the Developer as promptly as practicable after the occurrence of an Event of Default of which the Trustee has knowledge or is deemed to have knowledge as provided in Section 801(h).

Section 702. Acceleration.

- (a) If an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, by notice in writing delivered to the Issuer, the District, the City and the Developer, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable. The principal and interest shall thereupon become due and payable on a date established by the Trustee, which date shall not be more than ten calendar days after such acceleration.
- (b) If, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of principal of and interest on the Bonds, together with the reasonable and proper fees, charges and expenses of the Issuer and the Trustee, and all other sums then payable by the Issuer under this Indenture shall either be paid or provision satisfactory to the Trustee shall be made for such payment, then and in every such case the Trustee shall, but only with the approval of the Owners of

not less than a majority in aggregate principal amount of the Bonds Outstanding, rescind such declaration and annul such default in its entirety.

(c) In case of any rescission, then and in every such case the Issuer, the Trustee, the District, the City and the Bondowners shall be restored to their former position and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Section 703. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession.

(a) If an Event of Default has occurred and is continuing, the Issuer, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the Issuer pertaining thereto, and including the rights and the position of the Issuer under the Bond Documents and to hold and manage the same and to collect, receive and sequester the payments, revenues and receipts derived under the Bond Documents, and out of the same and any moneys received from any receiver of any part thereof pay and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including (i) reasonable compensation to the Trustee, its agents and counsel, (ii) any reasonable charges of the Trustee hereunder, and (iii) any taxes and assessments, and other charges, prior to the lien of this Indenture which the Trustee may deem it wise to pay, and the Trustee shall apply the remainder of the moneys so received in accordance with Section 708. Whenever all that is due upon the Bonds shall have been paid and all defaults made good and all payments pursuant to Section 712 have been made, the Trustee shall surrender possession of the Trust Estate to the Issuer, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default, subject to the provisions of Article VII.

(b) While in possession of the Trust Estate, the Trustee shall render annually (or more often if requested in writing but not more frequently than monthly) to the District, the City and the Developer a summarized statement of receipts and expenditures in connection therewith.

Section 704. Appointment of Receivers in Event of Default. If an Event of Default has occurred and is continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 705. Exercise of Remedies by the Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and redemption premium, if any, and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth.

(b) If an Event of Default has occurred and is continuing, and if requested so to do by the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding and indemnified as provided in Section 701(1), the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondowners.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Bondowner, and any recovery or judgment shall, subject to Section 708, be for the equal benefit of all the Owners of the Outstanding Bonds.

Section 706. Limitation on Exercise of Remedies by Bondowners. No Bondowner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless:

- (1) a default has occurred of which the Trustee has notice or is deemed to have notice as provided in Section 801(h), and
- (2) such default shall have become an Event of Default, and
- (3) the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and shall have provided to the Trustee indemnity as provided in Section 801(l), and
- (4) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name;

and such notification, request and indemnity are hereby declared in every case, at the option of the Trustee (with the exception of any duty to cause an acceleration of the Bonds or make payments when due), to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Bondowners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by such Bondowners' action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in this Indenture, however, shall affect or impair the right of any Bondowner to payment of the principal of, redemption premium, if any, and interest on any Bond at and after its maturity or the obligation of the Issuer to pay the principal of, redemption premium, if any, and interest on each of the Bonds to the respective Owners thereof at the time, place, from the source and in the manner herein and in such Bond expressed.

Section 707. Right of Bondowners to Direct Proceedings. The Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that the Trustee shall have been provided indemnity satisfactory to it in accordance with Section 801(l) and provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and provided, further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the proceeding so directed would involve it in personal liability.

Section 708. Application of Moneys in Event of Default.

(a) Upon an Event of Default all moneys held or received by the Trustee pursuant to this Indenture or the Bond Documents or pursuant to any right given or action taken under this Article, together with all funds held by the Trustee hereunder (except for the Rebate Fund) after first payment of the reasonable costs and expenses of the proceedings resulting in the collection of such moneys and the fees, expenses, liabilities and advances incurred or made by the Trustee, and second, payment of the fees, expenses, liabilities and advances incurred or made by the Issuer, shall be deposited in the Debt Service Fund and all moneys so deposited in the Debt Service Fund shall be applied as follows:

(1) If the principal of all the Bonds shall not have become or shall not have been declared due and payable, all such moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due and payable on the Bonds, in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Bonds to the extent permitted by law, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

Second - To the payment to the persons entitled thereto of the unpaid principal of and redemption premium, if any, on any of the Bonds, that shall have become due and payable (other than Bonds called for redemption for the payment of which moneys or securities are held pursuant to this Indenture), in the order of their due date, with interest on such principal and redemption premium, if any, at the rate or rates specified in the respective Bonds from the respective dates upon which they became due and payable, and, if the amount available shall not be sufficient to pay in full such principal and redemption premium, if any, due on any particular date, together with such interest, then to the payment ratably, according to the amounts of principal and redemption premium, if any, due on such date, to the persons entitled thereto without any discrimination or privilege; and

Third - To the City and the District for amounts owed.

(2) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal, redemption premium, if any, and interest then due and unpaid on all of the Bonds, with interest on such principal and redemption premium, if any, and, to the extent permitted by law, on such interest, at the rate or rates specified in the respective Bonds, without preference or priority of principal, redemption premium or interest over principal, redemption premium or interest or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, redemption premium, if any, and interest, to the persons entitled thereto, without any discrimination or privilege.

(3) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under this Article then, subject to paragraph (2), in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with subsection (a).

(b) Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future.

(c) Whenever all of the Bonds and interest thereon have been paid under this Section, and all fees, expenses and charges of the Issuer and the Trustee have been paid and all arbitrage rebate owing has been paid, any balance remaining in the Funds and Accounts established hereunder shall be paid to the City and the District as provided in Section 408.

Section 709. Remedies Cumulative. No remedy conferred by this Indenture upon or reserved to the Trustee or to the Bondowners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondowners hereunder or now or hereafter existing at law or in equity or by statute.

Section 710. Delay or Omission Not Waiver. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient.

Section 711. Effect of Discontinuance of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee and the Bondowners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 712. Waivers of Events of Default. The Trustee shall waive any Event of Default and its consequences and rescind any declaration of maturity of principal upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding; provided that there shall not be waived without the written consent of the Owners of all the Bonds Outstanding (a) any Event of Default in the payment of the principal of any Outstanding Bonds at their maturity, upon the redemption (including as a result of acceleration) thereof, or (b) any Event of Default in the payment when due of the interest on any such Bonds unless, prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest in respect of which such default shall have occurred, or all arrears of payments of principal when due, as the case may be, all fees, charges and expenses of the Issuer and the Trustee in connection with such Event of Default shall have been paid or provided for. However, no Default involving the nonpayment of the fees, charges or expenses of the Trustee shall be waived without the prior written consent of the Trustee. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Bondowners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon

## ARTICLE VIII

### THE TRUSTEE

Section 801. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) No implied covenants or obligations shall be read into this Indenture against the Trustee. The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. Subject to the limitations on liability of the Trustee contained in Section 801(l), in case an Event of Default shall have occurred of which the Trustee is deemed hereunder to have knowledge (and which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Trustee may execute any of the trusts or powers or perform any duties under this Indenture either directly or through agents, attorneys or receivers. The Trustee is not responsible for the misconduct or negligence of any agent, attorney or receiver appointed by the Trustee with due care. The Trustee shall be entitled to conclusively rely and act or refrain from acting upon the opinion or advice of counsel in the exercise of reasonable care, who may be counsel to the Trustee, the Issuer, the District or the Developer, concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts of this Indenture. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of such agents, attorneys and receivers appointed with due care by the Trustee under this Indenture.

(c) The Trustee shall not be responsible for any recital in this Indenture or in the Bonds (except with respect to the Certificate of Authentication of the Trustee endorsed on the Bonds), or for the recording or rerecording, filing or re-filing of this Indenture or any security agreements or financing statements in connection therewith (except as provided in Section 606), or for insuring the Projects or collecting any insurance moneys or taxes, or for the validity of the execution by the Issuer of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security for the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article V.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered under this Indenture. The Trustee, in its individual or any other capacity, may become the Owner or pledgee of Bonds with the same rights that it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting in good faith or refraining from acting in good faith upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture believed by it to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to and in accordance with this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all

future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by the Authorized Issuer Representative, the Authorized City Representative or the Authorized District Representative, as applicable, as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (h) or of which by that subsection the Trustee is deemed to have notice, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Default or Event of Default under this Indenture except a Default or an Event of Default under Section 701(a) or (b) unless the Trustee shall be specifically notified in writing of such default by the Issuer or the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding. All notices or other instruments required by this Indenture to be delivered to the Trustee shall be delivered at the Administrative Office of the Trustee, and, in the absence of such notice so delivered, the Trustee may, except as set forth above, conclusively assume there is no Default or Event of Default except as aforesaid. The Trustee shall notify the Developer, the District and the City of any Default known to the Trustee in accordance with this subsection (h) that has not yet become a matured Event of Default.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect the Projects, including all books, papers and records of the Issuer or the City pertaining to the Projects and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder or otherwise in respect of the Projects.

(k) The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate or partnership action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee as are deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, the release of any property or the taking of any other action by the Trustee.

(l) Before taking any action under this Indenture, other than any action concerning the payment of principal and interest on the Bonds, declaring an Event of Default and accelerating the maturity of the Bonds, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of its fees and all costs and expenses to which it may be put and to protect it against all liability it may incur by reason of such action (including, without limitation, attorneys' fees and expenses and liability in connection with environmental contamination and remediation), except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) All moneys received by the Trustee shall, until used, applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds, except to the extent required by law or this Indenture. The Trustee shall be under no liability for interest on any moneys received hereunder, except to account for interest earned from Investment Securities.

(n) Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture that occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder.

(o) No provision of this Indenture shall be deemed to require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers, if the Trustee has reasonable grounds for believing that repayment of those funds or, in the alternative, adequate indemnity against such risk or liability is not reasonably assured to it.

(p) The Trustee has no obligation or liability to the Bondowners for the payment of interest or premium, if any, on or principal of the Bonds, but rather the Trustee's sole obligations are to administer, for the benefit of the Issuer and the Bondowners, the Funds established hereunder.

(q) In the event the Trustee shall receive inconsistent or conflicting requests and indemnity from two or more groups of Bondowners, each representing less than a majority of the aggregate principal amount of the Bonds then Outstanding, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

(r) The Trustee shall have no responsibility with respect to any information in any offering memorandum or other disclosure material distributed with respect to the Bonds. The Trustee shall have no responsibility for compliance with securities laws in connection with issuance of the Bonds.

(s) The Trustee's immunities and protections from liability, and its right to payment of compensation and indemnification in connection with performance of its duties and obligations under this Indenture, shall survive the Trustee's resignation or removal, or the final payment of the Bonds.

(t) The Trustee is under no duty, obligation or responsibility to verify any insurance policy, audit, schedule, statement, report, surety bond or other instrument required or directed to be delivered or filed with the Trustee by any provision of this Indenture nor is the Trustee under any duty of any other character with respect to the foregoing except hold as a repository for Bondowners and deliver a copy from time to time during reasonable business hours to any Bondowner desiring to inspect the foregoing (provided that the Bondowner pays the associated costs).

(u) The Trustee will not be liable for any error of judgment made in good faith by an authorized officer of the Trustee, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(v) Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of, conveying rights or duties, or affording protection to the Trustee, whether in its capacity as Trustee, Paying Agent, Bond Registrar or any other capacity, will be subject to the provisions of this Section.



Section 802. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and expenses and other ordinary expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Bond Registrar. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a first lien for the foregoing advances, fees, costs and expenses incurred, with right of payment prior to payment on account of principal of, redemption premium, if any, or interest on any Bond, upon all moneys in its possession under any provisions hereof. Each provision of this Indenture that provides for compensation, reimbursement or indemnification of the Trustee is deemed to provide for the payment of all related fees, costs, charges, advances and expenses of the Trustee (including, without limitation, attorneys' fees and expenses), whether or not so stated, unless the context clearly indicates otherwise.

Section 803. Notice to the Bondowners if Default Occurs. If a Default occurs of which the Trustee is by Section 801(h) required to take notice or if notice of Default be given as in said Section provided, then the Trustee shall give written notice thereof by mail, within 30 days of the receipt of notice by the Trustee of such Default, to the Issuer, the District, the Developer, the City and to the Owners of all Bonds then Outstanding as shown by the Bond Register in the same manner as required by Section 1202.

Section 804. Intervention by the Trustee. In any judicial proceeding to which the Issuer is party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Bonds, the Trustee may intervene on behalf of Bondowners and shall do so if requested in writing by Owners of at least 25% in the aggregate principal amount of Bonds then Outstanding, and if provided with indemnity satisfactory to it.

Section 805. Successor Trustee Upon Merger, Consolidation or Sale. Any corporation or association with or into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which the Trustee may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 806. Trustee Required; Eligibility. There shall at all times be a Trustee hereunder which shall be a trust institution or bank with an office in the State and qualified to accept such trust that either (i) has at the time of appointment capital and surplus of not less than \$50,000,000, (ii) is owned by a company that has at the time of appointment capital and surplus of not less than \$50,000,000, or (iii) has assets under corporate trust management of not less than \$500,000,000. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section the capital, surplus and undivided profits of such institution shall be deemed to be its capital, surplus and undivided profits as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner provided in Section 807. No resignation or removal of the Trustee and no appointment of a successor Trustee shall become effective until the successor Trustee has accepted its appointment under Section 809.

Section 807. Resignation of Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the Issuer, the City and the Bondowners, and such resignation shall take effect at the end of such 30 days, or upon the earlier appointment of a successor Trustee by the Issuer or by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding in accordance with Section 809 provided, however, that in no event shall the resignation of a Trustee or successor Trustee become effective until such time as a successor Trustee has been appointed and has accepted appointment.

Section 808. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Issuer, the City and the Trustee signed by the Owners of a majority in principal amount of the Outstanding Bonds, or by the City, provided, however, that in no event shall the removal of a Trustee or successor Trustee become effective until such time as a successor Trustee has been appointed and has accepted appointment. The Issuer, the City or any Owner may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee.

Section 809. Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or shall otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed by (i) the Issuer (provided no Default, Event of Default or condition which, with the giving of notice, the passage of time or both, would constitute a Default or an Event of Default has occurred and is continuing), (ii), the City (provided no Default, Event of Default or condition which, with the giving of notice, the passage of time or both, would constitute a Default or an Event of Default by the City has occurred and is continuing), or (iii) the Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing. In case of such vacancy the Issuer or the City may appoint a temporary Trustee, to fill such vacancy, until a successor Trustee shall be appointed in the manner above provided. If no successor has been appointed within 60 days after notice of the resignation or removal is given, the Trustee may petition a court of competent jurisdiction to appoint a successor; and any such temporary Trustee so appointed by the Issuer, the City or a court shall immediately and without further acts be superseded by the successor Trustee so appointed. Any successor Trustee or temporary Trustee must have the qualifications provided for in Section 806.

Section 810. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the City an instrument in writing accepting such appointment under this Indenture, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer or its successor, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys and documents held by it as Trustee hereunder to its successor. The duties and obligations of the predecessor under this Indenture will then cease and terminate. Should any instrument in writing from the Issuer be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Section 811. Trust Estate May be Vested in Co-Trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation

under this Indenture, and in particular in case of the enforcement of any on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee appoint an individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee, with the written consent of the Issuer and the City.

(b) In the event that the Trustee appoints an additional individual or institution as co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, indemnity, protection, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(c) Should any deed, conveyance or instrument in writing from the Issuer be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

(d) In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

Section 812. Accounting. The Trustee shall render a monthly accounting, for each calendar month, to the District, the City and any Bondowner requesting the same at the cost of such Bondowner, and, to the Issuer upon its written request, an annual accounting, for each calendar year ended December 31, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

Section 813. Paying Agent; Bond Registrar; Appointment and Acceptance of Duties. The Trustee is hereby designated and agrees to act as Paying Agent and as Bond Registrar for and in respect of the Bonds.

Section 815. Right of Trustee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge upon any part of the Projects is not paid as required herein or in the Bond Documents, the Trustee may pay such tax, assessment or governmental charge or rebate amount, without prejudice, however, to any rights of the Trustee or the Bondowners hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at the Default Rate, shall become an additional obligation owing to the Trustee and payable as provided in this Indenture.

## ARTICLE IX

### SUPPLEMENTAL INDENTURES

Section 901. Supplemental Indentures Not Requiring Consent of Bondowners. The Issuer and the Trustee may from time to time, without the consent of or notice to any of the Bondowners, but with the consent of the City, enter into a Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) to cure any ambiguity, formal defect or omission in this Indenture;
- (b) to grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners or the Trustee or either of them;
- (c) to subject to this Indenture additional revenues, properties or collateral;
- (d) to modify, amend or supplement this Indenture or any indenture supplemental thereto in such manner as to permit the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or any state of the United States of America;
- (e) to evidence the appointment of a co-trustee or successor Trustee;
- (f) to make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the security for the Bondowners; in exercising such judgment the Trustee may rely on an Opinion of Counsel; and
- (g) to more precisely identify the Projects or to add additional property thereto.

Section 902. Supplemental Indentures Requiring Consent of Bondowners.

(a) Exclusive of Supplemental Indentures covered by Section 901 and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding, together with the consent of the City, shall have the right from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of any Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section contained shall permit or be construed as permitting without the consent of the Owners of 100% in aggregate principal amount of the Bonds Outstanding, the Issuer, the City and the Trustee, (i) an extension of the maturity of the principal of or the scheduled date of payment of interest on any Bond issued hereunder, or the redemption date of any Bonds, or (ii) a reduction in the principal amount, redemption premium or any interest payable on any Bond, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

(b) If at any time the Issuer shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section and if the Trustee is provided with sufficient indemnity

for its expenses, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to the Issuer and each Bondowner. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Administrative Office of the Trustee for inspection by all Bondowners. If within 60 days or such longer period as shall be prescribed by the Issuer following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

Section 903. Opinion of Bond Counsel. Notwithstanding anything to the contrary in Sections 901 or 902, before the Issuer and the Trustee enter into any Supplemental Indenture pursuant to Section 901 or 902, there shall have been delivered to the Issuer and the Trustee an Opinion of Bond Counsel addressed to them stating that such Supplemental Indenture is authorized or permitted by this Indenture and the Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Issuer in accordance with its terms and will not cause any Bonds then Outstanding and exempt from taxation for federal income tax purposes to become subject to federal income taxes then in effect.

## ARTICLE X

### AMENDMENT OF BOND DOCUMENTS OTHER THAN THE INDENTURE

Section 1001. Amendments, Changes or Modifications to Bond Documents Not Requiring Consent of Bondowners. The Trustee and the Issuer (if the Issuer is a party to the Bond Document), may, without the consent of or notice to the Bondowners, but with the consent of the City, consent to any amendment, change or modification of the Bond Documents (exclusive of the Indenture which shall be governed by Article IX), as may be required or deemed advisable:

- (i) by the provisions of such documents and this Indenture;
- (ii) for the purpose of curing any ambiguity or formal defect or omission in such documents;
- (iii) so as to more precisely identify the Projects or add additional property thereto; or
- (iv) in connection with any other change therein which, in the sole judgment of the Trustee, does not materially adversely affect the security for the Bondowners (in exercising such judgment, the Trustee may rely on an Opinion of Counsel).

Section 1002. Amendments, Changes or Modifications to the Bond Documents Requiring Consent of Bondowners. Except as provided for in Section 1001, the Trustee and the Issuer (if the Issuer is a party to the Bond Document) shall not consent to any amendment, change or modification of the Bond Documents (exclusive of the Indenture which shall be governed by Article IX) without the mailing of notice and the obtaining of the written consent of the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding and the consent of the City. If at any time the Issuer or the City shall request the consent of the Trustee to any such proposed amendment, change or modification to such documents, the Trustee shall cause notice of such proposed amendment, change or modification to

such documents to be mailed to the Issuer and each Bondowner. Such notice shall briefly set forth the nature of such proposed amendment, change or modification to such documents and shall state that copies of the same are on file at the Administrative Office of the Trustee for inspection by all Bondowners and a copy of such proposed amendment, change or modification to such document shall be mailed with such notice to the Issuer and the Developer. The Trustee shall not be obligated to consent to any amendment, change or modification that, in the reasonable judgment of the Trustee, is prejudicial to the rights of the Trustee.

Section 1003. Opinion of Bond Counsel. Anything to the contrary in Sections 1001 or 1002 notwithstanding, before the Trustee shall consent to any amendment of the Bond Documents other than the Indenture which shall be governed by Article IX there shall have been delivered to the Issuer and the Trustee an Opinion of Bond Counsel addressed to them stating that such amendment is authorized or permitted by this Indenture, the Act and the applicable Bond Document, complies with the respective terms of the Bond Document being amended, will, upon the execution and delivery thereof, be valid and binding upon the Issuer (if the Issuer is a party thereto) in accordance with its terms, and will not cause any Bonds then Outstanding and exempt from taxation for federal income tax purposes to become subject to federal income taxes then in effect.

## ARTICLE XI

### SATISFACTION AND DISCHARGE OF INDENTURE

#### Section 1101. Defeasance.

(a) If the Issuer shall pay or provide for the payment of any Outstanding Bond in any one or more of the following ways:

(1) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on such Bonds, as and when the same become due and payable;

(2) by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, at or before maturity, moneys in an amount sufficient to pay or redeem (when redeemable) Bonds (including the payment of redemption premium, if any, and interest payable on such Bonds to the maturity or redemption date thereof), provided that such moneys, if invested, shall be invested in Government Securities which are not subject to redemption and payment prior to maturity except at the option of the holder thereof ("Non-Callable Government Securities") in an amount and with maturities, without consideration of any income or increment to accrue thereon, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity dates, to pay the interest thereon as it comes due;

(3) by delivering to the Trustee, for cancellation by it, such Bonds; or

(4) if the Bonds are to be refunded and defeased more than 90 days prior to the redemption date, by depositing with the Trustee, in trust, Non-Callable Government Securities in such amounts as are certified to the Trustee by a written report of an independent certified public accountant to be fully sufficient, together with other moneys deposited therein and together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity dates, to pay the interest thereon as it comes due;

then such Bond or Bonds shall be deemed to be paid within the meaning of this Article and shall cease to be entitled to any lien, benefit or security under this Indenture, except for the purposes of any such payment from such moneys or Government Securities and except for the purposes of registration, transfer and exchange of such Bonds. If all the Bonds are not to be redeemed within 30 days, the Trustee shall mail, as soon as practicable, in the manner prescribed by Article III, a notice to the Owners of such Bonds that the deposit required by (2) or (4) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of or redemption price, if applicable, on said Bonds as specified in (2) or (4) above.

(b) Notwithstanding the foregoing, in the case of the Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (a)(2) or (4) shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities, proper notice of such redemption shall have been given in accordance with Article III or irrevocable instructions shall have been given to the Trustee to give such notice at the time when such notice may be given pursuant to the provisions of this Indenture and the Trustee shall have received an opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such deposit for payment of the Bonds will not result in the interest on any Bonds then Outstanding and exempt from taxation for federal income tax purposes becoming subject to federal income taxes then in effect and that all conditions precedent to the satisfaction of this Indenture have been met.

(c) Notwithstanding any provisions of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Non-Callable Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds (including redemption premium thereon, if any, and interest) shall be applied to and used solely for the payment of the particular Bonds (including redemption premium thereon, if any, and interest) with respect to which such moneys and Non-Callable Government Securities have been so set aside in trust.

(d) The Issuer may at any time surrender to the Trustee for cancellation by it any Bond previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

#### Section 1102. Satisfaction and Discharge of Indenture.

(a) If the Issuer shall pay the principal of, redemption premium, if any, and interest on all of the Bonds Outstanding in accordance with their terms, or shall provide for such payment as provided in Section 1101, and if the Issuer shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then and in that case this Indenture and the estate and rights granted hereunder shall cease, terminate and become null and void, and thereupon the Trustee shall, upon written request of the Issuer, and an Opinion of Counsel, each stating that in the opinion of the signers all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, forthwith execute proper instruments acknowledging satisfaction of and discharging this Indenture and the lien hereof; provided that, with respect to Bonds for which payment has been provided at the time but which has not in fact been paid, the liability of the Issuer in respect of such Bonds shall continue provided that the Owners thereof shall thereafter be entitled to payment only out of the moneys or Government Securities deposited with the Trustee as provided in this Article. The satisfaction and discharge of this Indenture shall be without prejudice to the rights of the Trustee to charge and be reimbursed by the Developer for any expenditures that it may thereafter incur in connection herewith.

(b) Notwithstanding the release and discharge of the lien of this Indenture as provided above, those provisions of this Indenture relating to the maturity of the Bonds, interest payments and dates thereof, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, the holding of moneys in trust, redemption of Bonds and the duties of the Trustee, the Bond Registrar and the Paying Agent in connection with all of the foregoing and the rights of the Trustee under Article VIII, remain in effect and shall be binding upon the Trustee and the Bondowners.

(c) The Issuer is hereby authorized to accept a certificate by the Trustee that the whole amount of the principal, redemption premium, if any, and interest so due and payable upon all of the Bonds then Outstanding has been paid or such payment provided for in accordance with Section 1101 as evidence of satisfaction of this Indenture, and upon receipt thereof shall cancel and erase the inscription of this Indenture from its records.

(d) All moneys, funds, securities or other property remaining on deposit in all Funds or Accounts established under this Indenture (other than said moneys or Government Securities or other investments deposited in trust as above provided) shall, upon the full satisfaction of this Indenture, forthwith be transferred, paid over and distributed to the City, the District or the Developer in the manner provided in Section 408.

## ARTICLE XII

### MISCELLANEOUS PROVISIONS

#### Section 1201. Consents and Other Instruments by Bondowners.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (except for assignment of ownership of a Bond), if made in the following manner, shall be sufficient for any of the purposes of this Indenture except for the assignment of the ownership of any Bond which proof shall be made by signature guaranty in form satisfactory to the Trustee, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(1) the fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or by affidavit of any witness to such execution; and

(2) the fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the Bond Register.

(b) In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by, or held by or for the account of, the Issuer, shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver,



only Bonds for which the Trustee has received written notice of such ownership shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 1202. Notices.

(a) All notices, certificates or other communications under this Indenture shall be in writing (except as otherwise expressly provided herein), shall be deemed to have been properly given when delivered by hand delivery, telegram or facsimile or served by depositing the same with the United States Postal Service, or any official successor thereto, designated as registered or certified mail, return receipt requested, bearing adequate postage, or delivery by reputable private carrier such as Federal Express, United Parcel Service, Airborne, DHL or similar overnight delivery service, and addressed as hereinafter provided. Notices, except to the Trustee, shall be deemed given when mailed or delivered to the private carrier as provided herein. Notices to the Trustee shall be deemed given only when received by the Trustee. All parties listed below may, by written notice given to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Indenture. Any notice, certificate, report, financial statement or other communication properly provided by legal counsel on behalf of any party hereunder shall be deemed properly provided by the party represented by such counsel. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

(1) To the Issuer:

The Industrial Development Authority of  
the City of Grain Valley, Missouri  
Grain Valley City Hall  
711 Main Street  
Grain Valley, Missouri 64085

(2) To the Trustee:

UMB Bank, N.A.  
1010 Grand Blvd., 4th Floor  
Kansas City, Missouri 64106  
Attention: Corporate Trust Department  
Telephone: (816) 860-3027  
Facsimile: (816) 860-3029

(3) To the District:

The Grain Valley Marketplace Community Improvement District

with a copy to:

(4) To the Developer:

with a copy to:

(5) To the City:

City of Grain Valley, Missouri  
City Hall  
711 Main Street  
Grain Valley, Missouri 64085  
Attn: City Administrator  
Telephone: (816) 847-6200  
Facsimile: (816) 847-6209

Notice to Bondowners will be given by first class mail, postage prepaid, to the addresses then shown on the Bond Register.

(b) All notices given by first-class mail, certified or registered mail, postage prepaid, or delivered by courier or overnight delivery service as aforesaid shall be deemed duly given as of the date they are so mailed, delivered or sent by telegram, telecopy or telex or other similar communication; provided that notices to the Trustee shall be deemed given as of the date they are received by the Trustee. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Trustee to the other shall also be given to the District, the Developer and the City. In the event of notice to any party other than the Issuer or the Trustee, a copy of the notice shall be provided to the Issuer, the Trustee, the District, the Developer and the District. In addition, the Trustee shall send to the Issuer, the District, the Developer and the City a copy of each notice sent to the Bondowners.

(c) The Issuer, the Trustee, the District, the Developer and the City may from time to time designate, by notice given hereunder to the others, such other address to which subsequent notices, certificates or other communications shall be sent.

Section 1203. Limitation of Rights Under Indenture; No Pecuniary Liability.

(a) Except as otherwise provided in this Section, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give any person other than the parties hereto, the City, the District and the Owners of the Bonds, any right, remedy or claim under or in respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are, except as otherwise provided in this Section, intended to be and are for the sole and exclusive benefit of the parties hereto and the Owners of the Bonds as herein provided.

(b) The Trustee and the Issuer acknowledge and agree that each of the District and the City is a third-party beneficiary of those provisions herein which relate to the making of payments or giving of notice to or consents by or following the directions of or the performance of other acts to benefit it, and all such provisions shall be enforceable by such parties.

(c) No provision, representation, covenant or agreement contained in this Indenture or the Tax Compliance Agreement, the Purchase Agreement, the Bonds, or any obligation herein or therein

imposed upon the Issuer, or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability. No provision hereof shall be construed to impose a charge against the general credit of the Issuer or any personal or pecuniary liability upon any present or future director, officer, agent or employee of the Issuer, and all such liability is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of the Bonds. With respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Issuer nor any of its directors, trustees, officers, officials, employees or agents shall be liable for any action taken by the Issuer, or for any failure to take action under this Indenture, the Financing Agreement, the Tax Compliance Agreement, the Purchase Agreement, or the Bonds.

(d) Anything in this Indenture to the contrary notwithstanding, it is expressly understood by the Trustee that (i) the Issuer may rely exclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Issuer by the Trustee or the Bondowners as to the existence of any fact or state of affairs; (ii) the Issuer shall not be under any obligation under this Indenture to perform any record keeping or to provide any legal services; and (iii) none of the provisions of this Indenture shall require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under this Indenture unless the Issuer has first been adequately indemnified to its satisfaction against the costs, expenses and liability which may be incurred thereby.

Section 1204. Suspension of Mail Service. If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient notice.

Section 1205. Business Days. If any date for the payment of principal of, or redemption premium, if any, or interest on the Bonds or the taking of any other action hereunder is not a Business Day, then such payment shall be due, or such action shall be taken, on the first Business Day thereafter with the same force and effect as if made on the date fixed for payment or performance.

Section 1206. Immunity of Officers, Employees and Members of Issuer. No recourse shall be had for the payment of the principal of or redemption premium, if any, or interest on any of the Bonds, or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture or any other document to which the Issuer is a party, against any past, present or future officer, member, employee or agent of the Issuer, or of any successor public corporation or political subdivision, as such, either directly or through the Issuer or any successor public corporation or political subdivision, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees or agents as such is hereby expressly and conclusively waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Bonds.

Section 1207. Severability. If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Indenture contained shall not affect the remaining portions of this Indenture, or any part thereof.

Section 1208. Execution in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1209. Governing Law. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1210. Electronic Transaction. The parties agree that the transaction described herein may be conducted and related documents may be sent, received and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF**, the Issuer has caused this Indenture to be signed in its name and behalf and its corporate seal to be hereunto affixed and attested by its duly authorized officers, and to evidence its acceptance of the trusts hereby created, the Trustee, has caused this Indenture to be signed in its name and behalf by its duly authorized signatory, all as of the day and year first above written.

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GRAIN VALLEY, MISSOURI**

[SEAL]

By \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

**UMB BANK, N.A.**, as Trustee

By \_\_\_\_\_  
Title: Vice President

EXHIBIT A

BOND FORM

[The following paragraph shall be used as a heading on the Bonds during the period that the provisions of Section 208(a) and (b) are applicable to the Bonds]

**THIS BOND OR ANY PORTION HEREOF MAY BE TRANSFERRED ONLY (1) IN DENOMINATIONS OF \$100,000 OR INTEGRAL MULTIPLES OF \$1,000 IN EXCESS THEREOF, (2) TO AN APPROVED INVESTOR, AND (3) IN ACCORDANCE WITH THE TRANSFER RESTRICTIONS SET FORTH IN THE TRUST INDENTURE.**

REGISTERED  
NO. R-

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF MISSOURI

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE CITY OF GRAIN VALLEY, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BOND  
(GRAIN VALLEY MARKETPLACE REDEVELOPMENT PROJECT #2)  
SERIES 2020

Interest Rate:                      Maturity Date:                      Dated Date:                      CUSIP:  
%

Registered Owner:

Principal Amount: \_\_\_\_\_ Dollars

The Industrial Development Authority of the City of Grain Valley, Missouri (the “Issuer”), a public corporation organized and existing under the laws of the State of Missouri, for value received hereby acknowledges itself obligated to, and promises to pay, the Registered Owner identified above, or registered assigns, but only out of the sources pledged for that purpose as hereinafter provided, and not otherwise, on the Maturity Date set forth above, or upon prior redemption, the Principal Amount set forth above and interest thereon from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or for which due provision has been made or, if no interest has been paid since the Dated Date, from the Dated Date, at the Interest Rate per annum set forth above, until the Issuer’s obligation with respect to payment of said Principal Amount is discharged. Interest shall be payable semiannually on April 15 and October 15 in each year (each, an “Interest Payment Date”), beginning on April 15, 2021. Interest shall be computed on the basis of a year of 360 days and twelve 30-day months.

Principal of, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and such principal and premium, if any, on this Bond shall be payable by check or draft or electronic transfer at the payment office of UMB Bank, N.A., as trustee (the “Trustee”), in Kansas City, Missouri. Payment of interest on this Bond will be made by check or draft or electronic transfer of the Trustee mailed to the person in whose name this Bond is registered on the Bond

Register as of the close of business of the Trustee on the Record Date for such Interest Payment Date, except that interest not duly paid or provided for when due will be payable to the person in whose name this Bond is registered at the close of business on the Business Day immediately preceding the date of payment of such defaulted interest as provided for in the hereinafter referred to Indenture. The principal, premium, if any, and interest on each Bond payable on Principal Payment Date and Interest Payment Date can be paid to the Owner by electronic transfer upon written notice signed by such Bondowner given to the Paying Agent not less than 5 days prior to the Record Date. The electronic transfer instructions must include the name, address and ABA routing number of the bank (located in the continental United States) and the account name and account number to which payment is to be credited and acknowledge an electronic transfer fee payable by the Owner.

This Bond is one of a series of Bonds of the Issuer designated as Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 (the “Bonds”) issued in the original principal amount of \$[Principal Amount]. The Bonds are issued under a Trust Indenture dated as of October 1, 2020 (the “Indenture”), between the Issuer and the Trustee, for the purpose of (a) current refunding the outstanding principal amount of the City’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 (the “Refunded Bonds”), (b) funding a deposit to the Bond Reserve Fund, and (c) paying the costs of issuance of the Bonds and the incidental costs of refunding the Refunded Bonds, all by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State of Missouri, including particularly Chapter 349 of the Revised Statutes of Missouri, as amended, and pursuant to proceedings duly had by the Issuer. Capitalized terms not otherwise defined in this Bond have the meanings set forth in the Indenture.

**The Bonds and the interest thereon are limited obligations of the Issuer payable solely out of the Revenues and other moneys pledged thereto and held by the Trustee as provided in the Indenture. The Bonds are equally and ratably secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in the Indenture. The Bonds are not an indebtedness of the City, the District, the State of Missouri or any political subdivision thereof within the meaning of any provision of the Constitution or laws of the State of Missouri. The Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction. The issuance of the bonds shall not, directly, indirectly or contingently, obligate the Issuer, the City, the District, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Issuer has no taxing power. In issuing this Bond, the Issuer has relied only upon financial information supplied by all of the other parties to the Bond Documents, and has performed no due diligence on its own as to the adequacy of the Revenues and any other money pledged under the Indenture to pay this Bond.**

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in the Indenture, against any past, present or future director, trustee, officer, official, employee or agent of the Issuer, or any director, trustee, officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such director, trustee, officer, official, employee or agent as such is, by the purchase and acceptance of this Bond, expressly and conclusively waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of this Bond.



Counterparts or copies of the Indenture and the other documents referred to herein are on file at the Administrative Office of the Trustee, and reference is hereby made thereto and to the documents referred to therein for the provisions thereof, including the provisions with respect to the rights, obligations, duties and immunities of the Issuer, the City, the District, the Trustee, the Developer and the Registered Owners of the Bonds under such documents, to all of which the Registered Owner hereof, by acceptance of this Bond, assents. The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. The Indenture and other documents referred to therein may be modified or amended to the extent permitted by and as provided therein. Upon the occurrence of certain Events of Default (as defined in the Indenture), all Bonds may be declared immediately due and payable as provided in the Indenture. Subject to the limitations provided for in the Indenture, this Bond may be exchanged for a like aggregate principal amount of Bonds in Authorized Denominations. Bonds are transferable by the Registered Owner thereof in person or by such Owner's attorney or legal representative duly authorized in writing at the Payment Office of the Bond Registrar, but only in the manner and subject to the limitations provided for in the Indenture and upon surrender and cancellation of this Bond.

Upon transfer a new Bond or Bonds in Authorized Denominations for the same aggregate principal amount will be issued to the transferee in exchange. The Bond Registrar may require a Registered Owner, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture in connection with the exchange or transfer. The Issuer and the Trustee may treat the Registered Owner of this Bond as the absolute Owner for the purpose of receiving payment as herein provided and for all other purposes and none of them shall be affected by any notice to the contrary.

The Bonds may be transferred only in any Authorized Denomination. Bonds shall be transferable by the Purchaser or subsequent transferees to an Approved Investor. Subsequent transferees of the Purchaser shall be deemed to have represented that, (i) the transferee is purchasing the Bonds for its own account for investment and with no present intention of selling or transferring the Bonds; provided that the transferee reserves the right to sell or distribute the Bonds subject to the restrictions set forth in the Indenture, (ii) the transferee has been provided with or given access to all financial and other information requested relating to the Bonds or which it deems material in connection with the purchase of Bonds, (iii) the transferee has such knowledge and experience in financial and business matters, including the purchase of tax-exempt obligations, as to be independently capable of evaluating the merits and risks of investment in the Bonds and to make an informed decision with respect thereto, and (iv) the transferee understands that the Bonds are subject to all terms and conditions of the Indenture.

#### REDEMPTION PROVISIONS

The Bonds are subject to redemption prior to maturity as provided in the Indenture, which redemption provisions are summarized as follows:

Optional Redemption. The Bonds are subject to redemption and payment prior to maturity, at the option of and upon written instructions from the City, on and after April 15, 20\_\_, in whole or in part on any date in Authorized Denominations, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, without premium.

Mandatory Redemption. The Bonds are subject to mandatory sinking fund redemption and payment prior to stated maturity on April 15 in each of the years specified in the Indenture, at 100% of the principal amount thereof. To the extent that the Bonds have been previously called for redemption or purchased and retired otherwise than pursuant to the sinking fund installments of this paragraph, the

Bonds so previously redeemed or retired shall be credited against the mandatory sinking fund redemptions required by this paragraph in chronological order or such other order as the City may designate, and the principal amount of Bonds to be redeemed on such future mandatory redemption dates by operation of the requirements of this paragraph shall be reduced accordingly.

The Trustee shall select Bonds for redemption as provided in the Indenture. No Bond may be redeemed in part if the principal amount thereof to remain Outstanding following partial redemption is not an Authorized Denomination. The Trustee shall cause notice of any such redemption to be given as provided in the Indenture to the Registered Owner of the Bonds designated for redemption in whole or in part, at its address as shown on the Bond Register by mailing a copy of the redemption notice by first-class mail, postage prepaid, at least 10 days prior to the redemption date. The failure of the Trustee to give notice to any Bondowner or any defect of such notice shall not affect the validity of the redemption of Bonds. On the date fixed for redemption by notice given as provided in the Indenture, the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date.

THIS BOND shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been manually signed by an authorized signatory of the Trustee.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due form, time and manner as required by law.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed and attested by the manual or facsimile signatures of its duly authorized officers as of the Dated Date shown above.

THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GRAIN VALLEY, MISSOURI

By \_\_\_\_\_  
President

ATTEST:

By \_\_\_\_\_  
Secretary

AUTHENTICATION CERTIFICATE

The undersigned hereby certifies that this is one of the Bonds described in the within-mentioned Indenture.

Date of Authentication: \_\_\_\_\_

UMB Bank, N.A., as Trustee

By \_\_\_\_\_  
Authorized Signatory

=====

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(Please Print or Type Name, Address and Social Security Number or Taxpayer Identification Number of Transferee) the within Bond and all rights therein, and hereby irrevocably constitutes and appoints \_\_\_\_\_ Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Certificate in every particular and must be guaranteed by an eligible guarantor.

Medallion Signature Guarantee:

EXHIBIT B

FORM OF INVESTMENT LETTER

\_\_\_\_\_, [YEAR]

Industrial Development Authority of the City of Grain Valley, Missouri  
City of Grain Valley, Missouri  
Stifel, Nicolaus & Company, Incorporated

Re: **Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 (the “Bonds”)**

Ladies and Gentlemen:

The undersigned (the “**Purchaser**”) hereby acknowledges that it is purchasing \$2,425,000 aggregate principal amount of The Industrial Development Authority of the City of Grain Valley, Missouri (the “**Authority**”) Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “**Bonds**”) pursuant to a resolution (the “**Authority Bond Resolution**”) of the Board of Directors of the Authority, adopted on [\_\_\_\_\_] and the Trust Indenture dated as of [October 1], 2020 (the “**Indenture**”) entered into by and between the Authority and UMB Bank, N.A. (the “**Trustee**”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Authority Bond Resolution, the Indenture and the Placement Materials (defined herein).

This letter is being provided pursuant to a Placement Agent Agreement, dated [\_\_\_\_\_] 2020 (the “**Placement Agreement**”), between the Authority and Stifel Nicolaus & Company, Incorporated (the “**Placement Agent**”) and pursuant to the Bond Purchase Agreement dated [\_\_\_\_\_] 2020 between the Purchaser and the Authority.

The Purchaser acknowledges that the proceeds of the Bonds will be used for purpose of providing funds to (a) refund the Authority’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) (the “**Refunded Bonds**”), (b) fund a reserve fund for the Bonds and (c) pay the costs of issuance of the Bonds. The Bonds, together with interest thereon, are limited obligations of the Authority, payable solely from Bond proceeds, Revenues and other moneys pledged thereto, as provided in the Indenture.

In connection with the sale of the Bonds to the Purchaser, the Purchaser hereby makes the following representations upon which the Authority and the Placement Agent may rely:

1. The Purchaser has the authority and is duly authorized to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with its purchase of the Bonds.

2. The Purchaser is (a) “qualified institutional buyer,” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended or (b) an “institutional accredited investor”<sup>1</sup> (“**Qualified Investors**”).

3. The Purchaser is purchasing the Bonds as an investment for (i) its own account and not with a present view to resell or to make other distribution to the public or (ii) the accounts of other Qualified Investors. Although the Purchaser retains the right to transfer the Bonds in the future, the Purchaser agrees to do so only in strict compliance with the transfer restrictions contained in the Indenture. The Purchaser understands that the Bonds may not be readily tradable. Any such sale, transfer or distribution of a Bond by the Purchaser and any Bond transferred to the transferee shall be in Authorized Denominations, and such transferee shall be a Qualified Investor.

4. The Purchaser understands that the Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) will be delivered in a form that may not be readily marketable.

5. The Purchaser acknowledges that it has either been supplied with or been given access to information, including the Private Placement Memorandum and other legal documents used in connection with the Placement (together with all supplements, modifications and additions thereto prior to the Closing Date, the “**Placement Materials**”), which it has requested from the Authority and to which a reasonable investor would attach significance in making investment decisions, and the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Authority and the Bonds and the security therefor so that, as a reasonable investor, the Purchaser has been able to make a decision to purchase the Bonds. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds.

6. The Purchaser acknowledges that the obligations of the Authority under the Authority Bond Resolution, the Indenture and the Placement Materials are special, limited obligations of the Authority, payable solely from and secured by the Trust Estate pledged under the Indenture, consisting of all right, title and interest of the Authority in the Revenues, and other moneys pledged thereto, as provided in the Indenture. Subject to the limitations contained in the Indenture, the Authority will pledge and assign moneys in the Revenue Fund, the Debt Service Fund and the Bond Reserve Fund to the Bondowners as security for the payment of the Bonds and the interest thereon. The Bonds are not secured by a mortgage on any property.

7. The Bonds do not constitute an indebtedness of the Authority, the State, the City, the District or any political subdivision thereof within the meaning of any constitutional, statutory or charter debt provision or limitation. The issuance of the Bonds shall not, directly, indirectly or contingently,

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<sup>1</sup> For purposes of this letter, an “institutional accredited investor” means an “accredited investor” as defined in Rule 501(a) of Regulation D under the Securities Act, but excluding the categories of accredited investors provided under such rule which are (1) any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of purchase exceeds \$1,000,000 (calculated in accordance with such rule), (2) any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year, and (3) any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer.

obligate the Authority, the State, the City, the District or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Authority has no taxing power.

8. The Purchaser has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Purchaser is aware that there are certain economic and regulatory variables and risks that could adversely affect the security for the Bonds. The Purchaser has reviewed the documents executed in conjunction with the issuance of Bonds, or summaries thereof, including, without limitation, the Authority Bond Resolution, the Indenture and the Placement Materials.

9. The Purchaser acknowledges and agrees that the Placement Agent and the Authority take no responsibility for, and make no representation to the Purchaser, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Authority Bond Resolution, or any securities law or income tax law consequences thereof. The Purchaser also acknowledges that, with respect to the Authority's obligations and liabilities, the Purchaser is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of the Bonds made by the Purchaser.

10. The Purchaser agrees that it is bound by and will abide by the provisions of the Authority Bond Resolution and the Indenture relating to transfer, the restrictions noted on the face of the Bonds and this Investor Letter. The Purchaser also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Bonds by the Purchaser.

11. The Purchaser acknowledges that the sale of the Bonds to the Purchaser is made in reliance upon the certifications, representations, and warranties herein by the addressees hereto.

12. The interpretation of the provisions hereof shall be governed and construed in accordance with Idaho law without regard to principles of conflicts of laws.

13. All representations of the Purchaser contained in this letter shall survive the execution and delivery of the Bonds to the Purchaser as representations of fact existing as of the date of execution and delivery of this Investor Letter.

14. This Investor Letter may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument. This Investor Letter may be distributed and may be sent, received and stored by electronic means. Copies, PDFs, facsimiles, electronic files and other reproductions of this Investor Letter shall be deemed to be authentic and valid counterparts of such letter for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Very truly yours,

[Name of Investor]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT C

FORM OF REQUISITION

Request No. \_\_\_\_\_

Date: \_\_\_\_\_

**WRITTEN REQUEST FOR DISBURSEMENT FROM THE COSTS OF ISSUANCE FUND –  
INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GRAIN VALLEY, MISSOURI,  
TAX INCREMENT REFUNDING REVENUE BONDS (GRAIN VALLEY MARKETPLACE  
REDEVELOPMENT PROJECT #2), SERIES 2020**

To: UMB Bank, N.A., as Trustee  
1010 Grand Boulevard, 4th Floor  
Kansas City, MO 64106  
Attention: Corporate Trust Department

as Trustee under the Trust Indenture dated as of October 1, 2020, between The Industrial Authority of the City of Grain Valley, Missouri and said Trustee (the “Indenture”)

Pursuant to **Section 403** of the Indenture, the Industrial Authority of the City of Grain Valley, Missouri (the “Authority”) requests payment from the Costs of Issuance Fund in accordance with this request and said **Section 403** and hereby states and certifies as follows:

1. The date and number of this request are as set forth above.
2. All terms in this request shall have and are used with the meanings specified in the Indenture.
3. The names of the persons, firms or corporations to whom the payments requested hereby are due, the amounts to be paid and the general classification and description of the costs for which each obligation requested to be paid hereby was incurred are as set forth on **Attachment I** hereto.
4. These costs have been incurred and are presently due and payable or reimbursable and are reasonable costs that are payable or reimbursable under the Indenture and each item thereof is a proper charge against the Costs of Issuance Fund.
5. Each item listed above has not previously been paid or reimbursed from moneys in the Costs of Issuance Fund and no part thereof has been included in any other Disbursement Request previously filed with the Trustee under the provisions of the Indenture or reimbursed from Bond proceeds.

**CITY OF GRAIN VALLEY, MISSOURI**

By: \_\_\_\_\_  
Authorized City Representative



ATTACHMENT I

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE CITY OF GRAIN VALLEY, MISSOURI

\_\_\_\_\_  
COSTS OF ISSUANCE FUND  
GRAIN VALLEY MARKETPLACE PROJECT

REQUEST NO. \_\_\_\_\_

DATED: \_\_\_\_\_

\_\_\_\_\_  
SCHEDULE OF PAYMENTS REQUESTED

Payee <sup>(1)</sup>

Amount

General classification and  
description of the Costs of Issuance  
for which the  
obligation to be paid was incurred

## **APPENDIX B**

### **FORM OF FINANCING AGREEMENT**

The following is a form of the Financing Agreement to be executed by the District, the Issuer and the City. A copy of the executed Financing Agreement will be available from the Trustee after its execution and delivery and upon request to the Trustee.

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**FINANCING AGREEMENT**

**AMONG**

**GRAIN VALLEY MARKETPLACE COMMUNITY IMPROVEMENT DISTRICT,**

**CITY OF GRAIN VALLEY, MISSOURI**

**AND**

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE CITY OF GRAIN VALLEY, MISSOURI**

**DATED AS OF OCTOBER 1, 2020**

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# **FINANCING AGREEMENT**

## **Table of Contents**

	<u><b>Page</b></u>
Parties.....	1
Recitals.....	1

### **ARTICLE I**

#### **DEFINITIONS**

Section 1.1.	Definitions of Words and Terms .....	2
--------------	--------------------------------------	---

### **ARTICLE II**

#### **THE DISTRICT**

Section 2.1.	Representations by the District .....	2
Section 2.2.	Collection and Application of District Sales Tax .....	3
Section 2.3.	Appropriation; Budget .....	3
Section 2.4.	Records of the District .....	4
Section 2.5.	Budget and Reporting Requirements .....	4
Section 2.6.	Notice to Trustee of Operating Expenses.....	4
Section 2.7.	Restriction on Transfer of District's Interests .....	4
Section 2.8.	Compliance with Cooperative Agreement .....	5
Section 2.9.	Indemnification .....	5
Section 2.10.	Audit .....	5
Section 2.11.	Enforcement of Cooperative Agreement.....	5

### **ARTICLE III**

#### **THE ISSUER**

Section 3.1.	Representations by the Issuer.....	5
Section 3.2.	Application of Proceeds .....	6
Section 3.3.	Assignment by the Issuer .....	6
Section 3.4.	Restriction on Transfer of Issuer's Interests.....	6
Section 3.5.	Fees, Charges and Expenses of the Issuer.....	6

### **ARTICLE IV**

#### **THE CITY**

Section 4.1.	Representations by the City .....	6
Section 4.2.	Application of Proceeds .....	7
Section 4.3.	Covenant to Request Appropriations .....	7
Section 4.4.	Enforcement of Agreements.....	8
Section 4.5.	Monthly Report .....	8

## **ARTICLE V**

### **EVENTS OF DEFAULT AND REMEDIES**

Section 5.1.	Events of Default Defined.....	8
Section 5.2.	Remedies on an Event of Default .....	9
Section 5.3.	No Remedy Exclusive.....	9
Section 5.4.	Agreement to Pay Attorneys' Fees and Expenses .....	10
Section 5.5.	Issuer, City and District to Give Notice of an Event of Default .....	10
Section 5.6.	Performance of the Issuer's, the City and the District's Obligations .....	10
Section 5.7.	Remedial Rights Assigned to the Trustee .....	10

## **ARTICLE VI**

### **MISCELLANEOUS**

Section 6.1.	Terms of Financing Agreement.....	10
Section 6.2.	Notices .....	10
Section 6.3.	Performance Date Not a Business Day .....	11
Section 6.4.	Binding Effect.....	11
Section 6.5.	Amendments, Changes and Modifications .....	11
Section 6.6.	Execution in Counterparts.....	11
Section 6.7.	No Pecuniary Liability .....	11
Section 6.8.	Entire Agreement .....	11
Section 6.9.	Severability .....	11
Section 6.10.	Governing Law .....	12
Section 6.11.	Electronic Transactions.....	11
Signatures.....		S-1

## **FINANCING AGREEMENT**

This **FINANCING AGREEMENT** ("Financing Agreement") is dated as of October 1, 2020 among the **GRAIN VALLEY MARKETPLACE COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision of the State of Missouri (the "District"), the **CITY OF GRAIN VALLEY, MISSOURI**, a fourth-class city and political subdivision of the State of Missouri (the "City"), and **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GRAIN VALLEY, MISSOURI**, a public corporation organized and existing under the laws of the State of Missouri (the "Issuer").

### RECITALS:

1. The Issuer is a public corporation duly organized under the laws of the State of Missouri and empowered under the provisions of Chapter 349 of the Missouri Revised Statutes, as amended (the "Act"), to purchase, construct, extend and improve certain projects (as defined in the Act) for the purposes set forth in the Act and to issue revenue bonds for the purpose of providing funds to pay the costs of such projects upon such terms and conditions as the Issuer shall deem advisable.

2. The District is a political subdivision of the State of Missouri, created and existing under the Missouri Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the "CID Act").

3. On August 1, 2011, the District approved Resolution No. 2011-14 approving a one percent sales tax for the District and authorizing the one percent sales tax to be presented to the qualified voters of the District for their approval (the "District Sales Tax").

4. On October 25, 2011, the majority of the qualified voters in the District voting on the proposition approved the imposition of a sales tax within the District in the amount of one percent on all transactions which are taxable pursuant to the CID Act.

5. The Issuer issued its Tax Increment Financing Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 for the purposes of financing the costs of constructing certain projects (the "Refunded Bonds").

6. The Issuer has now determined that it is in the best interests to (a) current refund the outstanding Refunded Bonds and (b) issue its Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the "Bonds") for the purpose of (i) refunding the Refunded Bonds, (ii) funding a deposit to the Bond Reserve Fund for the Bonds, and (iii) paying costs of issuance of the Bonds and the incidental costs of refunding the Refunded Bonds.

7. The Issuer and the Trustee have entered into a Trust Indenture dated as of October 1, 2020 (the "Indenture") in order to set forth the terms of the Bonds as of the Bond Issuance Date.

8. On October 19, 2020, the Issuer adopted a resolution authorizing the Issuer to enter into this Financing Agreement.

9. On October \_\_, 2020, the Board of Directors of the District adopted a resolution authorizing the District to enter into this Financing Agreement.

**10.** On October 26, 2020, the Board of Aldermen of the City adopted an ordinance authorizing the City to enter into this Financing Agreement.

**11.** The parties to this Financing Agreement desire to set forth their agreements regarding the funding of the repayment of the Bonds.

**AGREEMENT:**

NOW THEREFORE, for and in consideration of the premises and the mutual representations, covenants and agreements contained herein, the District, the City and the Issuer do hereby represent, covenant and agree as follows:

**ARTICLE I**

**DEFINITIONS**

**Section 1.1. Definitions of Words and Terms.** Unless the context requires otherwise, capitalized terms used in this Financing Agreement but not defined herein shall have the same meanings as set forth in **Section 101** of the Indenture.

**ARTICLE II**

**THE DISTRICT**

**Section 2.1. Representations by the District.** The District represents and warrants to the Issuer and the City as follows:

(a) The District is a community improvement district and political subdivision, duly organized and existing under the laws of the State of Missouri, including particularly the CID Act.

(b) The District has lawful power and authority to enter into, execute and deliver this Financing Agreement and to carry out its obligations hereunder. By proper action of its Board of Directors, the District has been duly authorized to execute and deliver this Financing Agreement, acting by and through its duly authorized officers.

(c) The execution and delivery of this Financing Agreement, the consummation of the transactions contemplated by this Financing Agreement and the performance of or compliance with the terms and conditions of this Financing Agreement by the District will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the District is a party or by which it or any of its property is bound, or by any of the constitutional or statutory laws, rules, regulations or orders applicable to the District or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District under the terms of any instrument or agreement to which the District is a party.

(d) There is no litigation or proceeding pending or threatened against the District or any other person affecting the right of the District to execute or deliver this Financing Agreement or the ability of the District to otherwise comply with the obligations under this Financing Agreement. Neither the execution and delivery of this Financing Agreement by the District, nor compliance by the District with

its obligations under this Financing Agreement, require the approval of any regulatory body or any other entity, which approval has not been obtained.

(e) The District has duly completed all required proceedings and approvals in connection with the establishment of the District, the District Sales Tax and the Projects, all in accordance with the CID Act.

## **Section 2.2. Collection and Application of District Sales Tax.**

(a) The District hereby ratifies and confirms the establishment of its CID Revenue Fund with the City pursuant to the Cooperative Agreement and agrees that it will impose the District Sales Taxes at the rate of 1% of retail sales. In no event while Bonds are Outstanding under the Indenture shall the District take any action to amend, repeal or reduce the amount of District Sales Taxes imposed.

(b) The District agrees to perform all functions incident to the administration, collection, enforcement and operation of its District Sales Tax or to provide for the performance of such functions by the Missouri Department of Revenue. The District shall direct the deposit of all proceeds of its District Sales Tax that may lawfully be collected to the City for deposit into the CID Revenue Fund, subject to the provisions in **Section 2.3** below. The District's Board of Directors may, in its sole discretion, direct the City in making investments of any or all of the moneys deposited into its CID Revenue Fund in accordance with applicable laws relating to investment of the District's funds. In the absence of any direction for investments by the District, the City may invest moneys in the CID Revenue Fund in accordance with applicable laws relating to the investment of the District's funds. All interest earned upon the balance in its CID Revenue Fund shall be credited to its CID Revenue Fund.

(c) The District shall keep accurate records of the amount of District Sales Taxes collected and such records shall be open to the inspection of officers of the Issuer, the Trustee, the City, the Bondholders and the general public to the extent allowed under Missouri law.

(d) Subject to appropriation, on the 25th day (and if such day is not a Business Day, the next succeeding Business Day) of each calendar month during the term of this Agreement, the District hereby directs the payment by the City to the Trustee of the proceeds of the District Sales Tax on deposit in the CID Revenue Fund.

(e) The District covenants that it will keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to deposits and payments of its District Sales Tax in accordance with accounting principles generally accepted in the United States of America, and will furnish to the Trustee annually by each February 1 a certificate of the Authorized District Representative to the effect that during the preceding Fiscal Year the District complied with the terms, covenants and provisions of the Agreement and such information as either may reasonably request concerning the District Sales Tax, including such statistical and other operating information requested, in order to enable such parties to determine whether the covenants, terms and provisions of this Agreement have been complied with. For that purpose all pertinent books, documents and vouchers relating to the Projects, the District and its District Sales Tax shall at all times during regular business hours be open to the inspection of such accountant or other agent (who may make copies of all or any part thereof) as shall from time to time be designated and compensated by the District.

**Section 2.3. Appropriation; Budget.** The District has adopted a budget for the 2020 Fiscal Year which appropriates the District Sales Tax collected during such Fiscal Year for application as provided in **Section 2.2(d)**. The District hereby covenants and agrees that the officer of the District at any



time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposal submitted to the District's Board of Directors for each Fiscal Year a request for an appropriation of the District Sales Tax collected during such Fiscal Year for deposit in the Revenue Fund under the Indenture. The District shall deliver written notice to the Trustee no later than 15 days after the commencement of its Fiscal Year if the Board of Directors of the District has not appropriated funds in an amount equal to the District Sales Tax received during such Fiscal Year. The parties hereto acknowledge and agree that the payment of District Sales Tax to the Trustee shall constitute currently budgeted expenditures of the District and shall not in any way be construed or interpreted as creating a liability or a general obligation or debt of the District in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the District, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the District. The District's obligations under this Agreement shall be from year to year only, and shall not constitute a mandatory payment obligation of the District in any ensuing Fiscal Year beyond the then current Fiscal Year. If in any Fiscal Year the Board of Directors of the District fails to adopt a budget, the budget for the prior Fiscal Year shall continue. Any District Sales Tax so appropriated are pledged by the District to payment of the Bonds and shall be transferred by the City to the Revenue Fund at the times and in the manner provided in **Section 2.2(d)**.

**Section 2.4. Records of the District.** The District shall keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to its business affairs in accordance with accounting principles generally accepted in the United States of America, and will furnish to the Issuer such information as it may reasonably request concerning the District, including such statistical and other operating information requested on a periodic basis, in order to determine whether the covenants, terms and provisions of this Financing Agreement have been met.

**Section 2.5. Budget and Reporting Requirements.** The District shall comply with the budgetary and reporting requirements contained in the Revised Statutes of Missouri, including without limitation the following:

(a) The Board of Directors of the District shall prepare and submit a proposed annual budget to the City in accordance with Section 67.1481.2 of the Revised Statutes of Missouri, as amended.

(b) The District shall submit an annual report to the City Clerk and the Missouri Department of Economic Development in accordance with Section 67.1471.4 of the Revised Statutes of Missouri, as amended.

(c) The District shall submit an annual financial report to the Missouri State Auditor in accordance with Section 105.145 of the Revised Statutes of Missouri, as amended.

**Section 2.6. Notice to Trustee of Operating Expenses.** Promptly following the adoption of each annual budget by the Board of Directors of the District, the District shall provide written notice to the Trustee of the amount of operating expenses of the District included in such budget so that the Trustee can determine the Operating Expenses for such fiscal year that can be paid by the Trustee in accordance with the provisions of the Indenture.

**Section 2.7. Restriction on Transfer of District's Interests.** The District will not sell, assign, transfer or convey its interests in the District Sales Taxes or this Financing Agreement except pursuant to this Financing Agreement. Other than the Cooperative Agreement, the District will not enter into any tax-sharing agreement or other similar arrangement with respect to the District Sales Taxes and agrees that any additional financing of the costs of the Project for the District will be financed by the Issuer, or other issuer approved by the City.

**Section 2.8. Compliance with Cooperative Agreement.** The District will comply with, or cause to be complied with, all of the terms, provisions, covenants and agreements applicable to District under the Cooperative Agreement.

**Section 2.9. Indemnification.** The District agrees to indemnify the Issuer and any past, present or future director, trustee, officer, official, employee or agent of the Issuer for and to hold them harmless against all liabilities, claims, costs and expenses incurred without negligence or willful misconduct on the part of the Issuer or such past, present or future director, trustee, officer, official, employee or agent of the Issuer, on account of any action taken or omitted to be taken by the Issuer in accordance with the terms of this Financing Agreement, the Bonds or the Indenture or any action taken at the request of or with the consent of the District, including the costs and expenses of the Issuer in defending itself against any such claim, action or proceeding brought in connection with the exercise or performance of any of its powers or duties under this Financing Agreement, the Bonds or the Indenture.

**Section 2.10. Audit.** The District will cause, at its expense, an annual audit of the District to be completed by a firm of certified public accountants and will, within six months of the end of the District's Fiscal Year (i) present such audit at a regular or special meeting at the District for approval by the District and (ii) cause to be delivered to the Trustee a certificate of the firm of certified public accountants performing the audit to the effect that in the performance of its examination it discovered no failure on the part of the District to comply with the requirements of this Financing Agreement, or, if such failure to comply was noted, specifying the nature thereof.

**Section 2.11. Enforcement of Cooperative Agreement.** The District shall enforce the provisions of the Cooperative Agreement in such manner as the District deems prudent and advisable in its good faith discretion. The District may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Cooperative Agreement, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

### ARTICLE III

#### THE ISSUER

**Section 3.1. Representations by the Issuer.** The Issuer represents and warrants to the District and the City as follows:

(a) The Issuer (i) is a public corporation duly organized and validly existing under the laws of the State of Missouri, (ii) has lawful power and authority to enter into, execute and deliver this Financing Agreement and to carry out its obligations hereunder, and (iii) by all necessary action has been duly authorized to execute and deliver this Financing Agreement, acting by and through its duly authorized officers.

(b) The execution and delivery of this Financing Agreement by the Issuer will not conflict with or result in a breach of any of the terms of, or constitute a default under, any agreement or instrument to which the Issuer is a party, or by any of the constitutional or statutory laws, rules or regulations applicable to the Issuer.

(c) There is no litigation or proceeding pending or, to the knowledge of the Issuer, threatened against the Issuer or any other person affecting the right of the Issuer to execute this Financing Agreement

or to otherwise comply with the obligations under this Financing Agreement. Neither the execution and delivery of this Financing Agreement by the Issuer, nor compliance by the Issuer with its obligations under this Financing Agreement, require the approval of any regulatory body or any other entity, which approval has not been obtained.

(d) No director, officer or employee of the Issuer has any significant or conflicting interest, financial or otherwise, in the Projects or in the transactions contemplated hereby.

**Section 3.2. Application of Proceeds.** The Issuer covenants and agrees to cause the proceeds of the Bonds and the Revenues to be applied in accordance with the Indenture and this Financing Agreement.

**Section 3.3. Assignment by the Issuer.** The Issuer, by means of the Indenture and as security for the payment of the principal of, and redemption premium, if any, and interest on the Bonds, will assign, pledge and grant a security interest in all of its rights, title and interests in, to and under this Financing Agreement to the Trustee for the benefit of the Owners (reserving its rights to payments owed to the Issuer for its benefit).

**Section 3.4. Restriction on Transfer of Issuer's Interests.** The Issuer will not sell, assign, transfer or convey its interests in this Financing Agreement except pursuant to the Indenture and this Financing Agreement.

**Section 3.5. Fees, Charges and Expenses of the Issuer.** The Issuer shall be entitled to payment by the District of and reimbursement for reasonable fees for the Issuer's ordinary services rendered hereunder and all advances, agent and counsel fees and expenses and other ordinary expenses reasonably and necessarily made or incurred by the Issuer in connection with such ordinary services and, in the event that it should become necessary that the Issuer perform extraordinary services, it shall be entitled to payment by the District of reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Issuer it shall not be entitled to compensation or reimbursement therefor. Each provision of this Financing Agreement or the Indenture that provides for compensation, reimbursement or indemnification of the Issuer is deemed to provide for the payment by the District of all related fees, costs, charges, advances and expenses of the Issuer (including, without limitation, attorneys' fees and expenses), whether or not so stated, unless the context clearly indicates otherwise.

## ARTICLE IV

### THE CITY

**Section 4.1. Representations by the City.** The City represents and warrants to the District and the Issuer as follows:

(a) The City (i) is a fourth-class city duly organized and validly existing under the laws of the State of Missouri, (ii) has lawful power and authority to enter into, execute and deliver this Financing Agreement and to carry out its obligations hereunder, and (iii) by all necessary action has been duly authorized to execute and deliver this Financing Agreement, acting by and through its duly authorized officers.

(b) The execution and delivery of this Financing Agreement by the City will not conflict with or result in a breach of any of the terms of, or constitute a default under, any agreement or instrument to

which the City is a party, or by any of the constitutional or statutory laws, rules or regulations applicable to the City.

(c) There is no litigation or proceeding pending or, to the knowledge of the City, threatened against the City or any other person affecting the right of the City to execute this Financing Agreement or to otherwise comply with the obligations under this Financing Agreement. Neither the execution and delivery of this Financing Agreement by the City, nor compliance by the City with its obligations under this Financing Agreement, require the approval of any regulatory body or any other entity, which approval has not been obtained.

(d) No director, officer or employee of the City has any significant or conflicting interest, financial or otherwise, in the Projects or in the transactions contemplated hereby.

**Section 4.2. Application of Proceeds.** The City covenants and agrees to cause the proceeds of the Bonds and the Revenues that it may receive to be applied in accordance with the Indenture and this Financing Agreement. The City agrees that it will pay to the Trustee any of the District Sales Tax, the Economic Activity Tax Revenues (subject to the limitations of **Section 4.4**) and the Payments in Lieu of Taxes it has received on or before the 25th day of each month.

**Section 4.3. Covenant to Request Appropriations.**

**Annual Appropriation.** The City intends, on or before the last day of each Fiscal Year, to budget and appropriate moneys sufficient to pay the Economic Activity Tax Revenues. The City hereby covenants and agrees that the officer of the City at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposal submitted to the City's Board of Aldermen for each Fiscal Year a request for an appropriation of the Economic Activity Tax Revenues and any other amounts owing by the City during such Fiscal Year for deposit in the Revenue Fund under the Indenture or as otherwise provided in this Financing Agreement. The City shall deliver written notice to the Trustee no later than 15 days after the commencement of its Fiscal Year stating whether or not the Board of Aldermen has appropriated funds sufficient for such purposes during such Fiscal Year. If the Board of Aldermen shall have made the appropriation necessary to make such payments, the failure of the City to deliver the foregoing notice on or before the 15th day after the commencement of its Fiscal Year shall not constitute an event of default and, on failure to receive such notice 15 days after the commencement of the City's Fiscal Year, the Trustee shall make independent inquiry of the fact of whether or not such appropriation has been made.

**Payments to Constitute Current Expenses of the City.** The City acknowledges that the Economic Activity Tax Revenues shall constitute currently budgeted expenditures of the City, and shall not in any way be construed or interpreted as creating a liability or a general obligation or debt of the City in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by the City, nor shall anything contained in this Financing Agreement constitute a pledge of the general credit, tax revenues, funds or moneys of the City. The City's obligations to pay Economic Activity Tax Revenues under this Financing Agreement shall be from year to year only, and shall not constitute a mandatory payment obligation of the City in any ensuing Fiscal Year beyond the then current Fiscal Year. Neither this Financing Agreement nor the issuance of the Bonds shall directly or indirectly obligate the City to levy or pledge any form of taxation or make any appropriation or make any payments beyond those appropriated for the City's then current Fiscal Year in contravention of any applicable constitutional or statutory debt limitation or restriction concerning the creation of indebtedness by the City, but in each Fiscal Year Economic Activity Tax Revenues shall be payable solely from the amounts budgeted or appropriated therefor by the City for such year; provided, however, that nothing in

this Financing Agreement shall be construed to limit the rights of the owners of the Bonds or the Trustee to receive any amounts which may be realized from the Trust Estate pursuant to the Indenture.

#### **Section 4.4. Enforcement of Agreements.**

(a) The City shall enforce the provisions of the Bond Documents in such manner as the City deems prudent and advisable in its good faith discretion. The City may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Bond Documents, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

(b) The City shall notify the Trustee in writing as to any material failure of performance under the Bond Documents, and at the time of such notification the City shall also advise the Trustee what action the City proposes to take in enforcing available remedies. If, in the sole judgment of the Trustee, such action is less likely to be effective than some other or additional action, the Trustee may, or at the request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, shall so advise the City promptly in writing. If, within 30 days following advice by the Trustee that some additional or other action would be more effective, the City has not taken such other or additional action, and the Trustee has not, after consultation with the City, withdrawn such advice, upon receipt of indemnification satisfactory to it, the Trustee is hereby authorized to take such action, whether the action was suggested by the Trustee or otherwise, as the Trustee may deem most expedient and in the interest of the Owners of the Bonds. In furtherance of the rights granted to the Trustee by this Section, the City hereby assigns to the Trustee all of the rights it may have in the enforcement of the Bond Documents, further authorizing the Trustee in its own name or in the name of the City to bring such actions, employ such counsel, execute such documents and do such other things as may in the judgment of the Trustee be necessary or appropriate under the circumstance at the expense of the Trust Estate.

(c) The City shall not modify, amend or waive any provision of the Bond Documents without the prior written consent of the Trustee, whose consent shall not be unreasonably withheld or delayed. The Trustee may withhold its consent to any such proposed modification, amendment or waiver of the Bond Documents if the proposed modification, amendment or waiver may adversely affect the security for the Bonds or the interests of the Owners thereof or may adversely affect the exclusion of interest on any Bonds from gross income of the Owners thereof for federal income tax purposes for Bonds that were exempt from taxation for federal income tax purposes or as may impose additional duties on the Trustee that were not contemplated upon the original execution of this Indenture.

**Section 4.5. Monthly Report.** The City shall provide to the Trustee and the Purchaser, no later than the twenty-fifth day of each month, commencing November 25, 2020, a report of the District Sales Tax, the Economic Activity Tax Revenues and Payments in Lieu of Taxes received by the City and transferred to the Trustee, which report shall be substantially in the form attached hereto as **Exhibit A**.

### **ARTICLE V**

#### **EVENTS OF DEFAULT AND REMEDIES**

**Section 5.1. Events of Default Defined.** The term “Event of Default” shall mean any one or more of the following events:

(a) Failure by the District to timely transfer any Revenues to the City or the Trustee as provided herein.

(b) Failure to make any payment on the Bonds when due.

(c) Failure by the Issuer, the City or the District to observe and perform any covenant, condition or agreement on the part of the Issuer, the City or the District under this Financing Agreement, the Indenture or any other document entered into in connection with the financing of the Projects (other than the Continuing Disclosure Agreement), other than as referred to in the preceding subparagraphs (a) and (b) of this Section, for a period of 30 days after written notice of such default has been given to the District, the City or the Issuer, during which time such default is neither cured by the Issuer, the City or the District nor waived in writing by the Trustee, provided that, if the failure stated in the notice cannot be corrected within said 30-day period, the Trustee may consent in writing to an extension of such time prior to its expiration if corrective action is instituted by the Issuer, the City or the District within the 30-day period and diligently pursued to completion and if such consent, in the judgment of the Trustee, does not materially adversely affect the security of the Owners of the Bonds.

(d) Any representation or warranty by the Issuer, the City or the District herein or in any certificate or other instrument delivered under or pursuant to this Financing Agreement or the Indenture or in connection with the financing of the Projects shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Trustee or cured by the Issuer, the City or the District within 30 days after notice thereof has been given to the Issuer, the City or the District.

**Section 5.2. Remedies on an Event of Default.** Whenever any Event of Default shall have occurred and be continuing, the Trustee, as the assignee of the Issuer, shall give written notice to the District and the City of such Event of Default and after five (5) Business Days after such notice, the Trustee may immediately proceed to take whatever other action at law or in equity is necessary and appropriate to exercise or to cause the exercise of the rights and powers set forth herein or in the Indenture, as may appear necessary or desirable to collect the amounts payable pursuant to this Financing Agreement then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the Issuer or the District under this Financing Agreement or the Indenture.

Any amount collected pursuant to action taken under this Section shall be paid to the Trustee and applied, first, to the payment of any reasonable costs, expenses and fees incurred by the Trustee as a result of taking such action and, next, any balance shall be transferred to the Revenue Fund and applied in accordance with the Indenture and, then, to cure any other Event of Default.

Notwithstanding the foregoing, the Trustee shall not be obligated to take any step that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until indemnity satisfactory to it has been furnished to the Trustee at no cost or expense to the Trustee, except as otherwise provided in **Section 901(I)** of the Indenture.

**Section 5.3. No Remedy Exclusive.** No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Financing Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

**Section 5.4. Agreement to Pay Attorneys' Fees and Expenses.** In connection with any Event of Default by the Issuer, the City or the District, if the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Issuer, the City or the District herein contained, the City and the District agree that they will, to the extent they are the defaulting party or caused the Issuer to be the defaulting party, on demand therefor, pay to the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Trustee. In connection with any Event of Default by the District or the City, if the Issuer employs attorneys or incurs other expenses for the enforcement of the performance or observance of any covenants or agreements on the part of the District or the City herein contained, the District and the City agree that they will, to the extent they are the defaulting party or caused the Issuer to be the defaulting party, on demand therefor, pay to the Issuer the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer.

**Section 5.5. Issuer, City and District to Give Notice of an Event of Default.** The Issuer, the City and the District shall each, promptly give to the Trustee written notice of any Event of Default of which the Issuer, the City or the District, as the case may be, shall have actual knowledge or written notice, but the Issuer, the City or the District shall not be liable for failing to give such notice.

**Section 5.6. Performance of the Issuer's, the City's and the District's Obligations.** If the Issuer, the City or the District shall fail to keep or perform any of their obligations as provided in this Financing Agreement, then the Trustee, may (but shall not be obligated so to do) upon the continuance of such failure on the part of the Issuer, the City or the District for 15 days after notice of such failure is given to the Issuer, the City and the District by the Trustee, and without waiving or releasing the Issuer, the City or the District from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by the Trustee and all necessary incidental costs and expenses incurred by the Trustee in performing such obligations shall be paid to the Trustee on demand.

**Section 5.7. Remedial Rights Assigned to the Trustee.** Upon the execution and delivery of the Indenture, the Issuer will thereby have assigned to the Trustee all rights and remedies conferred upon or reserved to the Issuer by this Financing Agreement, reserving only the Issuer's rights to payments for its own benefit. The Trustee shall have the exclusive right to exercise such rights and remedies conferred upon or reserved to the Issuer by this Financing Agreement in the same manner and to the same extent, but under the limitations and conditions imposed thereby and hereby. The Owners of the Bonds shall be deemed third party creditor beneficiaries of all representations, warranties, covenants and agreements contained herein.

## **ARTICLE VI**

### **MISCELLANEOUS**

**Section 6.1. Terms of Financing Agreement.** This Financing Agreement shall be effective from and after its execution and delivery and shall continue in full force and effect until all of the principal of, redemption premium, if any, and interest on all the Bonds shall have been paid in accordance with their terms or provision has been made for such payment, as provided in the Indenture, and provision shall also be made for paying all other sums payable under the Indenture, including the fees, costs and expenses of the Trustee and the Paying Agent to the date of retirement of the Bonds.

**Section 6.2. Notices.** All written notices required by this Financing Agreement shall be in writing and shall be served either personally or by certified mail, or by any other delivery service which

obtains a receipt for delivery unless any such notice required by law and such law provides a different form of delivery or service. Any such notice or demand served personally shall be delivered to the party being served (provided that such notice may be delivered to the receptionist or any other person apparently in charge of such party's office at its address hereinafter set forth), and shall be deemed complete upon the day of actual or attempted delivery. Any notice so served by certified mail shall be deposited in the United States mail with postage thereon fully prepaid and addressed to the party or parties so to be served at its address hereinafter stated, and service of any such notice by certified mail shall be deemed complete on the date of actual or attempted delivery as shown by the certified mail receipt. Service of any such notice by another delivery service shall be deemed complete upon the date of actual or attempted delivery as shown on the receipt obtained by such delivery service. Notices shall be sent to the address provided in the Indenture.

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

**Section 6.3. Performance Date Not a Business Day.** If any date for the taking of any action hereunder is on a Saturday, Sunday or business holiday of the State of Missouri, then such action shall be taken on the first Business Day thereafter with the same force and effect as if made on the date fixed for payment or performance.

**Section 6.4. Binding Effect.** This Financing Agreement shall inure to the benefit of and shall be binding upon the District and the Issuer, and their respective successors and assigns.

**Section 6.5. Amendments, Changes and Modifications.** This Financing Agreement may not be effectively amended, changed, modified, altered or terminated without the prior concurring written consent of all the parties hereto and compliance with the requirements of **Article XI** of the Indenture.

**Section 6.6. Execution in Counterparts.** This Financing Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 6.7. No Pecuniary Liability.** All covenants, obligations and agreements of the District, the City and the Issuer contained in this Financing Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future director, officer, agent or employee of the District, the City or the Issuer in other than their official capacity. No provision hereof shall be construed to impose any personal or pecuniary liability upon any present or future director, officer, agent or employee of the Issuer, the City or the District, and all such liability is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement and the issuance of the Bonds. With respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Issuer nor any of its directors, trustees, officers, officials, employees or agents shall be liable for any action taken by the Issuer, or for any failure to take action, in accordance with the terms of this Financing Agreement.

**Section 6.8. Entire Agreement.** This Financing Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersedes and replaces any and all prior oral agreements or written agreements, arrangements, and understandings related thereto.

**Section 6.9. Severability.** If any provision of this Financing Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken



thereunder, or any application of such provision, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Financing Agreement or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Such illegality or invalidity of any application thereof shall not affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

**Section 6.10. Governing Law.** This Financing Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

**Section 6.11 Electronic Transactions.** The parties agree that the transaction described herein may be conducted and related documents may be sent, received and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**THE INDUSTRIAL DEVELOPMENT  
AUTHORITY OF THE CITY OF GRAIN  
VALLEY, MISSOURI**

By: \_\_\_\_\_  
President

(Seal)

ATTEST:

By: \_\_\_\_\_  
Secretary

**GRAIN VALLEY MARKETPLACE  
COMMUNITY IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Chairman

(Seal)

ATTEST:

By: \_\_\_\_\_  
Secretary

**CITY OF GRAIN VALLEY, MISSOURI**

By: \_\_\_\_\_  
Mayor

(Seal)

ATTEST:

By: \_\_\_\_\_  
City Clerk

## EXHIBIT A

[Date]

UMB Bank, N.A.

Re: The Industrial Development Authority of the City of Grain Valley, Missouri Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020

Ladies and Gentlemen:

Please be advised that during the month of \_\_\_\_\_, [year], the City of Grain Valley, Missouri received the following Economic Activity Tax Revenues and District Sales Taxes attributable to the following sources:

		<u>Percentage of Total</u>
Jackson County		
General	\$ _____	_____ %
CJCFPD	\$ _____	_____ %
Zoo	\$ _____	_____ %
COMBAT	\$ _____	_____ %
City		
General	\$ _____	_____ %
Capital Improvements	\$ _____	_____ %
Transportation	\$ _____	_____ %
Park	\$ _____	_____ %
CID (EATS)	\$ _____	_____ %
CID (Non-Captured)	\$ _____	_____ %
Total EATS:	\$ _____	

During such period, the City received the following Payments in Lieu of Taxes from property owners within the Redevelopment Area:

<u>Taxpayer</u>	<u>Payments in Lieu of Taxes</u>	<u>Percentage of Total</u>
	\$ _____	_____ %
Total PILOTS:	\$ _____	

All moneys so received, totaling \$ \_\_\_\_\_, have been transferred to UMB Bank, N.A., as Trustee (the “Trustee”) under the Trust Indenture dated as of October 1, 2020 between the Trustee and the Issuer. All capitalized terms not defined herein shall have the meanings ascribed for them in said Indenture.

CITY OF GRAIN VALLEY, MISSOURI

By: \_\_\_\_\_

The City shall also provide each month a certificate to the Placement Agent indicating the total amount of PILOTs and EATs transferred to UMB Bank, N.A. without any breakdown of the amount of sales taxes transferred.

**APPENDIX C**  
**FORM OF OPINION OF BOND COUNSEL**



2405 Grand Boulevard, Suite 1100  
Kansas City, Missouri 64108-2521

(816) 221-1000 / (816) 221-1018 FAX / gilmorebell.com

October \_\_, 2020

The Industrial Development Authority  
of the City of Grain Valley, Missouri  
Grain Valley, Missouri

City of Grain Valley, Missouri  
Grain Valley, Missouri

UMB Bank, N.A., as Trustee  
Kansas City, Missouri

[Purchaser]

Re: \$2,385,000 The Industrial Development Authority of the City of Grain Valley, Missouri,  
Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment  
Project #2) Series 2020

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The Industrial Development Authority of the City of Grain Valley, Missouri (the "Authority") of the above-captioned revenue bonds (the "Bonds"), pursuant to Chapter 349 of the Missouri Revised Statutes, as amended (the "Act"), and a Trust Indenture dated as of October 1, 2020 (the "Indenture") between the Authority and UMB Bank, N.A., as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Indenture.

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the Authority, the City of Grain Valley, Missouri (the "City"), and the Grain Valley Marketplace Community Improvement District (the "District") contained in the Indenture, the Financing Agreement dated as of October 1, 2020 (the "Financing Agreement") among the Authority, the City, and the District, and the Tax Compliance Agreement dated as of October 1, 2020 (the "Tax Compliance Agreement") among the Authority, the City and the District, and the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Reference is made to an opinion of even date herewith of Lauber Municipal Law, LLC, City Attorney to the City, with respect to, among other matters, (a) the power of the City to enter into and perform its obligations under the Financing Agreement, and (b) the due authorization, execution and



delivery of the Financing Agreement by the City and the binding effect and enforceability thereof against the City.

Reference is made to an opinion of even date herewith of Polsinelli PC, counsel to the District, with respect to, among other matters, (a) the power of the District to enter into and perform its obligations under the Financing Agreement, and (b) the due authorization, execution and delivery of the Financing Agreement by the District and the binding effect and enforceability thereof against the District.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Authority and are valid and legally binding special, limited obligations of the Authority, payable solely from the payments made by the City and the District under the Financing Agreement, and from certain other funds held by the Trustee under the Indenture. The Bonds and the interest thereon are not a debt or general obligation of the Authority, the City or the District, are not payable in any manner from taxation and do not constitute an indebtedness of the Authority, the City or the District within the meaning of any constitutional debt provision or statutory limitation. The Authority has no taxing power.

2. The Indenture and the Financing Agreement have been duly authorized, executed and delivered by the Authority and are valid and legally binding agreements of the Authority, enforceable against the Authority.

3. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal and Missouri income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Authority, the City and the District comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal and Missouri income tax purposes. The Authority, the City and the District have covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

We express no opinion herein regarding the accuracy, completeness or sufficiency of the Limited Offering Memorandum or other offering material relating to the Bonds. Further, we express no opinion regarding the tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the holders of the Bonds and the enforceability of the Bonds, the Indenture, and the Financing Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Very truly yours,

## **APPENDIX D**

### **FORM OF CONTINUING DISCLOSURE AGREEMENT**

## CONTINUING DISCLOSURE AGREEMENT

This CONTINUING DISCLOSURE AGREEMENT dated as of October 1, 2020 (the “**Disclosure Agreement**”), is executed and delivered by the City of Grain Valley, Missouri (the “**City**”), the Grain Valley Marketplace Community Improvement District (the “**District**”), and UMB Bank, N.A., as dissemination agent (the “**Dissemination Agent**”).

### RECITALS

1. This Disclosure Agreement is executed and delivered in connection with the issuance by the Industrial Development Authority of the City of Grain Valley, Missouri (the “**Authority**”) of its \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “**Bonds**”), pursuant to a Trust Indenture dated as of October 1, 2020 between the Authority and UMB Bank, N.A., as trustee (the “**Indenture**”).

2. The City, the District and the Dissemination Agent are entering into this Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds. The City and the District are the only “obligated persons” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the City, the District and the Dissemination Agent covenant and agree as follows:

**Section 1. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report filed pursuant to, and as described in, Section 2(a) of this Disclosure Agreement.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Developer**” means Star Acquisitions, Inc. or its successor or transferee, as provided in the Acknowledgment of Developer attached as Exhibit D hereto.

“**Dissemination Agent**” means UMB Bank, N.A. acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City and the District.

“**District Semi-Annual Information**” means the information related to the District and its revenue necessary to complete the applicable Semi-Annual Report.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org).

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not

include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**“Fiscal Year”** means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

**“Material Events”** means any of the events listed in Section 3(a), 3(b), 3(c) or 3(d) of this Disclosure Agreement.

**“MSRB”** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

**“Rule”** means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**“Semi-Annual Report”** means any Semi-Annual Report filed pursuant to, and as described in, Section 2 of this Disclosure Agreement and containing the information set forth in Exhibit A hereto.

**“Semi-Annual Report Date”** means each March 1 and September 1, commencing March 1, 2021.

## **Section 2. Provision of Annual Reports and Semi-Annual Reports.**

### **(a) Annual Report.**

(1) The City shall, or shall cause the Dissemination Agent to, not later than the last calendar day of the sixth month following the end of each of the City’s Fiscal Years (initially, each June 30), commencing with the Fiscal Year ending December 31, 2020, file with the MSRB, through EMMA, the audited financial statements of the City for the prior Fiscal Year (the **“Annual Report”**). If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Private Placement Memorandum relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an “obligated person” (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The City shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section. If the City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under Section 3.

(2) Not later than **5** Business Days before the date specified in subsection (1) for providing the Annual Report to the MSRB, the City shall either (i) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (1), or (ii) provide written notice to the Dissemination Agent that the City has filed the Annual Report with the MSRB (or will do so prior to the deadline specified in subsection (1)).

(3) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the City that it has filed an Annual Report with the MSRB by the date required in subsection (1), the Dissemination Agent shall send a notice in a timely manner to the MSRB in substantially the form attached as Exhibit B.

(4) The Dissemination Agent shall, unless the City has filed the Annual Report with the MSRB, promptly following receipt of the Annual Report and instructions required in subsection (2) above, file the Annual Report with the MSRB and file a report with the City certifying that the Annual Report has been filed pursuant to this Disclosure Agreement, stating the date it was filed with the MSRB.

(b) Semi-Annual Report.

(1) The District shall provide, or shall cause the Trustee to provide (if the Trustee is not the Dissemination Agent), the District Semi-Annual Information to the Dissemination Agent not later than **5** Business Days before the applicable Semi-Annual Report Date. The Dissemination Agent shall provide the Semi-Annual Report to the MSRB within **5** Business Days after receipt of all the information necessary to complete the applicable Semi-Annual Report.

(2) The Dissemination Agent shall send notice to the District, no later than 30 days prior to each Semi-Annual Report Date each year, of the District's obligation to provide to the Dissemination Agent the District Semi-Annual Information.

(3) If the Dissemination Agent shall not have received the District Semi-Annual Information by the Semi-Annual Report Date, the Dissemination Agent shall so notify the MSRB within **5** Business Days following the Semi-Annual Report Date. Such notice shall be in substantially the form attached hereto as Exhibit C.

(c) Dissemination Agent Obligations.

(1) Following receipt of the applicable information set forth in subsections (a) and (b) above, and to the extent that the City has received the necessary information required by Section 5 of the Semi-Annual Report from the Developer (and if the Developer has not provided the necessary information, the Semi-Annual Report shall include a statement indicating that such information has been requested and that the Semi-Annual Report will be supplemented if and when such information is received), the Dissemination Agent shall file the Annual Report, and shall receive and compile the District Semi-Annual Information, and file each Semi-Annual Report, with the MSRB on or prior to each Semi-Annual Report Date.

(2) The Dissemination Agent shall provide the City, the District and the

Trustee (if the Trustee is not the Dissemination Agent) written confirmation that the Semi-Annual Report was provided to the MSRB in accordance with subsection (1).

(3) The Annual Reports and the Semi-Annual Reports shall each be provided to the MSRB in such manner and format as prescribed by the MSRB.

### **Section 3. Reporting of Material Events.**

- (a) No later than **10 Business Days** after the occurrence of any of the following events, the City shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds:
- (1) principal and interest payment delinquencies;
  - (2) non-payment related defaults, if material;
  - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (5) substitution of credit or liquidity providers, or their failure to perform;
  - (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
  - (7) modifications to rights of bondholders, if material;
  - (8) bond calls, if material, and tender offers;
  - (9) defeasances;
  - (10) release, substitution or sale of property securing repayment of the Bonds, if material;
  - (11) rating changes;
  - (12) bankruptcy, insolvency, receivership or similar event of the City;
  - (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
  - (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
  - (15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; or
  - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.
- (b) No later than 10 Business Days after the occurrence of such event, the District shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of the bankruptcy, insolvency, receivership or similar event of the District.
- (c) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact such

person as the City shall designate in writing to the Dissemination Agent from time to time, and request that the City promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (e). If in response to a request under this subsection (c), the City determines that the event does not constitute a Material Event, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (e).

- (d) Whenever the City or the District obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (c) or otherwise, the City or the District, as applicable, shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (e).
- (e) If the Dissemination Agent receives written instructions from the City or the District to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the City and the District. If the Indenture provides that notice of the Material Event described in subsection (a)(8) be provided to the registered owners of affected Bonds, then notwithstanding the foregoing requirements of this subsection, notice of the Material Event need not be given under this subsection any earlier than the notice of the underlying event provided under the Indenture.

**Section 4. Termination of Reporting Obligation.** Except as otherwise provided herein, the obligations of the City and the District under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the obligations of the City or the District under this Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the City or the District, as applicable, and the City or the District, as applicable, shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the City or the District, as applicable, shall give notice of such termination or substitution in the same manner as for a Material Event under Section 3.

**Section 5. Dissemination Agents.** The City and the District shall, from time to time, jointly appoint or engage a Dissemination Agent to assist it in carrying out their obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, but only if a successor Dissemination Agent is appointed by the City. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the City and the District, and the City shall appoint a successor. If no successor is appointed by the effective date of resignation, the Dissemination Agent, at the cost of the City, may petition a court of competent jurisdiction for the appointment of a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report or the Semi-Annual Report) prepared by, or based on information provided by, the City or the District pursuant to this Disclosure Agreement. The initial Dissemination Agent is UMB Bank, N.A..

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the City, the District and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the City, the District and the Dissemination Agent with its written opinion that the undertakings of the City and the District contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Disclosure Agreement.



In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under Section 3, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the City or the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report, Semi-Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Agreement. If the City or the District chooses to include any information in any annual report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Agreement, neither the City nor the District shall have any obligation under this Disclosure Agreement to update such information or include it in any future annual report or notice of occurrence of a Material Event. Notwithstanding the foregoing, the District may not disseminate any additional information without the consent of the City.

**Section 8. Default.** If the City, the District or the Dissemination Agent fails to comply with any provision of this Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City, the District or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Indenture or the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the City, the District or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

**Section 9. Duties and Liabilities of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The obligations of the City and the District under this Disclosure Agreement shall survive the resignation or removal of the Dissemination Agent and payment of the Bonds. The City and the District or their respective successors or assigns shall pay or cause to be timely paid, the fees, charges and expenses of the Dissemination Agent in connection with the performance of its duties under this Disclosure Agreement, and, to the extent permitted by law, the City and the District agree to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall not be responsible for the City's or the District's failure to submit a complete Annual Report or Semi-Annual Report, as applicable, to the MSRB. The Dissemination Agent is not responsible for ensuring the compliance with any rule or regulation of the City the District or the Participating Underwriter in connection with the filing of information herein but is merely responsible for the filing of any such information provided to the Dissemination Agent by the City or the District.

**Section 10. Notices.** Any notices or communications to or among any of the parties to this Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed facsimile, or by confirmed electronic mail, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

**To the City:** City of Grain Valley, Missouri  
City Hall  
711 Main Street  
Grain Valley, Missouri 64085  
Attention: City Administrator  
E-mail: \_\_\_\_\_

**To the District:** Grain Valley Marketplace Community Improvement District  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
E-mail: \_\_\_\_\_

**To the Dissemination Agent:** UMB Bank, N.A.  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
E-mail: \_\_\_\_\_

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

**Section 11. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the City, the District, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 12. Severability.** If any provision in this Disclosure Agreement, the Indenture or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 13. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 14. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 15. Governing Law.** This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

*Signatures appear on the following pages*

**IN WITNESS WHEREOF**, the City, the District and the Dissemination Agent have caused this Disclosure Agreement to be executed as of the day and year first above written.

**CITY OF GRAIN VALLEY, MISSOURI**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**THE GRAIN VALLEY MARKETPLACE  
COMMUNITY IMPROVEMENT  
DISTRICT**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**UMB BANK, N.A.,** as Dissemination Agent

By: \_\_\_\_\_  
Title: Authorized Officer

## EXHIBIT A

### FORM OF SEMI-ANNUAL REPORT

This report is prepared and delivered pursuant to the Continuing Disclosure Agreement (the “Agreement”) dated as of October 1, 2020 among the City of Grain Valley, Missouri (the “City”), the Grain Valley Marketplace Community Improvement District (the “District”), and UMB Bank, N.A., as dissemination agent, entered into in connection the issuance of the Industrial Development Authority of the City of Grain Valley, Missouri’s \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “Bonds”). The Bonds were offered pursuant to a Private Placement Memorandum dated October 9, 2020 (the “Private Placement Memorandum”). Capitalized words used in this Semi-Annual Report and not defined herein have the meanings given such terms in the Private Placement Memorandum.

Date of Semi-Annual Report: \_\_\_\_\_, 20\_\_.

Semi-Annual Reporting Period from [January 1] [July 1], 20\_\_ [date of issuance of the Bonds] to [June 30] [December 31], 20\_\_

1. The principal amount of Bonds redeemed since the last Semi-Annual Report is: \$\_\_\_\_\_
2. The aggregate principal amount of Bonds redeemed since the date of issuance of the Bonds is: \$\_\_\_\_\_
3. The amount on deposit in the Bond Reserve Fund is \$\_\_\_\_\_.
4. The following are the amounts by month of Revenues deposited into the Revenue Fund since the last Semi-Annual Report, or in the case of the first Semi-Annual Report, the date of issuance of the Bonds. The Monthly Total includes EATs Revenue, CID Revenue and PILOTS.:

Month	Monthly Total
[Month]	\$
[Month]	
[Month]	
[Month]	
[Month]	
[Month]	
<b>Total</b>	\$

5. The table under the heading “THE PROJECTS – Occupants and Lease Information” in the Private Placement Memorandum is updated as of [December 31 / June 30], \_\_\_\_\_ as follows: [if there is no change to the tenant information from that contained in the Private Placement Memorandum or the prior Semi-Annual Report, can insert “unchanged”]

**EXHIBIT B**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

**Name of Issuer:** The Industrial Development Authority of the City of Grain Valley,  
Missouri

**Name of Bond Issue:** \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley  
Marketplace Redevelopment Project #2), Series 2020

**Name of Obligated Person:** City of Grain Valley, Missouri (the "City")

**Date of Issuance:** \_\_\_\_\_, 2020

**NOTICE IS HEREBY GIVEN** that the City has not filed an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of October 1, 2020, among the City, the District and UMB Bank, N.A., as Dissemination Agent. The City has informed the Dissemination Agent that the City anticipates that the Annual Report will be filed by \_\_\_\_\_.

**Dated:** \_\_\_\_\_, \_\_\_\_\_

UMB Bank, N.A., as Dissemination Agent on behalf of  
the City of Grain Valley, Missouri

cc: City of Grain Valley, Missouri

**EXHIBIT C**

**NOTICE OF FAILURE TO FILE SEMI-ANNUAL REPORT**

**Name of Issuer:** The Industrial Development Authority of the City of Grain Valley,  
Missouri

**Name of Bond Issue:** \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley  
Marketplace Redevelopment Project #2), Series 2020

**Name of Obligated Person:** The Grain Valley Marketplace Community Improvement District (the  
“District”),

**Date of Issuance:** \_\_\_\_\_, 2020

**NOTICE IS HEREBY GIVEN** that the District has not filed a Semi-Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of October 1, 2020, among the City, the District and UMB Bank, N.A., as Dissemination Agent. The District has informed the Dissemination Agent that the District anticipates that the Semi-Annual Report will be filed by \_\_\_\_\_.

**Dated:** \_\_\_\_\_, \_\_\_\_\_

UMB Bank, N.A., as Dissemination Agent on behalf of  
the District

cc: City of Grain Valley, Missouri  
The Grain Valley Marketplace Community Improvement District



## **EXHIBIT D**

### **ACKNOWLEDGEMENT OF DEVELOPER**

Star Acquisitions, Inc., as developer of the property comprising the Grain Valley Marketplace in Grain Valley, Missouri (the “Developer”), acknowledges receipt of a copy of this Continuing Disclosure Agreement and agrees to provide the necessary information to complete item 5 of the Semi-Annual Report to the Dissemination Agent no later than 30 days prior to each Semi-Annual Report Date each year, which information will allow the Dissemination Agent to complete the Semi-Annual Report; provided, however, the Developer’s obligations hereunder shall terminate upon the sale or other conveyance of all of its interest in the property comprising the Grain Valley Marketplace. The Developer agrees to cause all purchaser(s) or transferee(s) of all or a portion of its interest in the Grain Valley Marketplace to execute and deliver to the Dissemination Agent a written acknowledgement and agreement to provide the necessary information to complete item 5 of the Semi-Annual Report to the Dissemination Agent on or before the date which is no later than 30 days prior to each Semi-Annual Report Date each year, which certification will allow the Dissemination Agent to complete the Semi-Annual Report, which acknowledgment and agreement shall be in form and substance similar to this Acknowledgment of Developer. In the event the Developer (or any successor in ownership) fails to perform its obligations under this Acknowledgment of Developer, the sole remedy of the obligated persons (as defined in the Continuing Disclosure Agreement) shall be an action to compel performance.

Dated as of \_\_\_\_\_, 2020.

**STAR ACQUISITIONS, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## APPENDIX E

### FORM OF INVESTOR LETTER

\_\_\_\_\_, 2020

Industrial Development Authority of the City of Grain Valley, Missouri  
City of Grain Valley, Missouri  
Stifel, Nicolaus & Company, Incorporated

Re: **Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 (the “Bonds”)**

Ladies and Gentlemen:

The undersigned (the “**Purchaser**”) hereby acknowledges that it is purchasing \$\_\_\_\_\_ aggregate principal amount of The Industrial Development Authority of the City of Grain Valley, Missouri (the “**Authority**”) Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “**Bonds**”) pursuant to a resolution (the “**Authority Bond Resolution**”) of the Board of Directors of the Authority, adopted on [\_\_\_\_\_] and the Trust Indenture dated as of [October 1], 2020 (the “**Indenture**”) entered into by and between the Authority and UMB Bank, N.A. (the “**Trustee**”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Authority Bond Resolution, the Indenture and the Placement Materials (defined herein).

This letter is being provided pursuant to a Placement Agent Agreement, dated [\_\_\_\_\_] 2020 (the “**Placement Agreement**”), between the Authority and Stifel Nicolaus & Company, Incorporated (the “**Placement Agent**”) and pursuant to the Bond Purchase Agreement dated [\_\_\_\_\_] 2020 between the Purchaser and the Authority.

The Purchaser acknowledges that the proceeds of the Bonds will be used for purpose of providing funds to (a) refund the Authority’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) (the “**Refunded Bonds**”), (b) fund a reserve fund for the Bonds and (c) pay the costs of issuance of the Bonds. The Bonds, together with interest thereon, are limited obligations of the Authority, payable solely from Bond proceeds, Revenues and other moneys pledged thereto, as provided in the Indenture.

In connection with the sale of the Bonds to the Purchaser, the Purchaser hereby makes the following representations upon which the Authority and the Placement Agent may rely:

1. The Purchaser has the authority and is duly authorized to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with its purchase of the Bonds.

2. The Purchaser is (a) “qualified institutional buyer,” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended or (b) an “institutional accredited investor”<sup>1</sup> (“**Approved Investors**”).

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<sup>1</sup> For purposes of this letter, an “institutional accredited investor” means an “accredited investor” as defined in Rule 501(a) of Regulation D under the Securities Act, but excluding the categories of accredited investors provided under such rule which are (1) any natural person whose individual net worth, or joint net worth with that

3. The Purchaser is purchasing the Bonds as an investment for (i) its own account and not with a present view to resell or to make other distribution to the public or (ii) the accounts of other Approved Investors. Although the Purchaser retains the right to transfer the Bonds in the future, the Purchaser agrees to do so only in strict compliance with the transfer restrictions contained in the Indenture. The Purchaser understands that the Bonds may not be readily tradable. Any such sale, transfer or distribution of a Bond by the Purchaser and any Bond transferred to the transferee shall be in Authorized Denominations, and such transferee shall be an Approved Investor.

4. The Purchaser understands that the Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) will be delivered in a form that may not be readily marketable.

5. The Purchaser acknowledges that it has either been supplied with or been given access to information, including the Private Placement Memorandum and other legal documents used in connection with the Placement (together with all supplements, modifications and additions thereto prior to the Closing Date, the “**Placement Materials**”), which it has requested from the Authority and to which a reasonable investor would attach significance in making investment decisions, and the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Authority and the Bonds and the security therefor so that, as a reasonable investor, the Purchaser has been able to make a decision to purchase the Bonds. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds.

6. The Purchaser acknowledges that the obligations of the Authority under the Authority Bond Resolution and the other Placement Materials are special, limited obligations of the Authority, payable solely from and secured by the Trust Estate pledged under the Indenture, consisting of all right, title and interest of the Authority in the Revenues, and other moneys pledged thereto, as provided in the Indenture. Subject to the limitations contained in the Indenture, the Authority will pledge and assign moneys in the Revenue Fund, the Debt Service Fund and the Bond Reserve Fund to the Bondowners as security for the payment of the Bonds and the interest thereon. The Bonds are not secured by a mortgage on any property.

7. The Bonds do not constitute an indebtedness of the Authority, the City, the State, the District or any political subdivision thereof within the meaning of any constitutional, statutory or charter debt provision or limitation. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Authority, the State, the City, the District or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Authority has no taxing power.

8. The Purchaser has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Purchaser is aware that there are certain economic and regulatory variables and risks that could adversely affect the

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person’s spouse, at the time of purchase exceeds \$1,000,000 (calculated in accordance with such rule), (2) any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year, and (3) any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer.

security for the Bonds. The Purchaser has reviewed the documents executed in conjunction with the issuance of Bonds, or summaries thereof, including, without limitation, the Authority Bond Resolution, the Indenture and the Financing Agreement.

9. The Purchaser acknowledges and agrees that the Placement Agent and the Authority take no responsibility for, and make no representation to the Purchaser, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Authority Bond Resolution or the Indenture, or any securities law or income tax law consequences thereof. The Purchaser also acknowledges that, with respect to the Authority's obligations and liabilities, the Purchaser is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of the Bonds made by the Purchaser.

10. The Purchaser agrees that it is bound by and will abide by the provisions of the Authority Bond Resolution and the Indenture relating to transfer, the restrictions noted on the face of the Bonds and this Investor Letter. The Purchaser also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Bonds by the Purchaser.

11. The Purchaser acknowledges that the sale of the Bonds to the Purchaser is made in reliance upon the certifications, representations, and warranties herein by the addressees hereto.

12. The interpretation of the provisions hereof shall be governed and construed in accordance with Missouri law without regard to principles of conflicts of laws.

13. All representations of the Purchaser contained in this letter shall survive the execution and delivery of the Bonds to the Purchaser as representations of fact existing as of the date of execution and delivery of this Investor Letter.

14. This Investor Letter may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument. This Investor Letter may be distributed and may be sent, received and stored by electronic means. Copies, PDFs, facsimiles, electronic files and other reproductions of this Investor Letter shall be deemed to be authentic and valid counterparts of such letter for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Very truly yours,

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## **APPENDIX F**

### **PROVISIONS REGARDING BOOK-ENTRY SYSTEM**

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with or for the benefit of DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has S&P Global's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

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**FINANCING AGREEMENT**

**AMONG**

**GRAIN VALLEY MARKETPLACE COMMUNITY IMPROVEMENT DISTRICT,**

**CITY OF GRAIN VALLEY, MISSOURI**

**AND**

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE CITY OF GRAIN VALLEY, MISSOURI**

**DATED AS OF OCTOBER 1, 2020**

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# **FINANCING AGREEMENT**

## **Table of Contents**

	<u><b>Page</b></u>
Parties .....	1
Recitals.....	1

### **ARTICLE I**

#### **DEFINITIONS**

Section 1.1.	Definitions of Words and Terms .....	2
--------------	--------------------------------------	---

### **ARTICLE II**

#### **THE DISTRICT**

Section 2.1.	Representations by the District .....	2
Section 2.2.	Collection and Application of District Sales Tax .....	3
Section 2.3.	Appropriation; Budget .....	3
Section 2.4.	Records of the District .....	4
Section 2.5.	Budget and Reporting Requirements .....	4
Section 2.6.	Notice to Trustee of Operating Expenses.....	4
Section 2.7.	Restriction on Transfer of District's Interests .....	4
Section 2.8.	Compliance with Cooperative Agreement .....	5
Section 2.9.	Indemnification .....	5
Section 2.10.	Audit .....	5
Section 2.11.	Enforcement of Cooperative Agreement .....	5

### **ARTICLE III**

#### **THE ISSUER**

Section 3.1.	Representations by the Issuer.....	5
Section 3.2.	Application of Proceeds .....	6
Section 3.3.	Assignment by the Issuer .....	6
Section 3.4.	Restriction on Transfer of Issuer's Interests .....	6
Section 3.5.	Fees, Charges and Expenses of the Issuer.....	6

### **ARTICLE IV**

#### **THE CITY**

Section 4.1.	Representations by the City .....	6
Section 4.2.	Application of Proceeds .....	7
Section 4.3.	Covenant to Request Appropriations .....	7
Section 4.4.	Enforcement of Agreements .....	8
Section 4.5.	Monthly Report.....	8



## **ARTICLE V**

### **EVENTS OF DEFAULT AND REMEDIES**

Section 5.1.	Events of Default Defined .....	8
Section 5.2.	Remedies on an Event of Default .....	9
Section 5.3.	No Remedy Exclusive .....	9
Section 5.4.	Agreement to Pay Attorneys' Fees and Expenses .....	10
Section 5.5.	Issuer, City and District to Give Notice of an Event of Default .....	10
Section 5.6.	Performance of the Issuer's, the City and the District's Obligations .....	10
Section 5.7.	Remedial Rights Assigned to the Trustee .....	10

## **ARTICLE VI**

### **MISCELLANEOUS**

Section 6.1.	Terms of Financing Agreement .....	10
Section 6.2.	Notices .....	10
Section 6.3.	Performance Date Not a Business Day .....	11
Section 6.4.	Binding Effect .....	11
Section 6.5.	Amendments, Changes and Modifications .....	11
Section 6.6.	Execution in Counterparts .....	11
Section 6.7.	No Pecuniary Liability .....	11
Section 6.8.	Entire Agreement .....	11
Section 6.9.	Severability .....	11
Section 6.10.	Governing Law .....	12
Section 6.11.	Electronic Transactions .....	11

Signatures .....	S-1
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## **FINANCING AGREEMENT**

This **FINANCING AGREEMENT** ("Financing Agreement") is dated as of October 1, 2020 among the **GRAIN VALLEY MARKETPLACE COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision of the State of Missouri (the "District"), the **CITY OF GRAIN VALLEY, MISSOURI**, a fourth-class city and political subdivision of the State of Missouri (the "City"), and **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GRAIN VALLEY, MISSOURI**, a public corporation organized and existing under the laws of the State of Missouri (the "Issuer").

### RECITALS:

1. The Issuer is a public corporation duly organized under the laws of the State of Missouri and empowered under the provisions of Chapter 349 of the Missouri Revised Statutes, as amended (the "Act"), to purchase, construct, extend and improve certain projects (as defined in the Act) for the purposes set forth in the Act and to issue revenue bonds for the purpose of providing funds to pay the costs of such projects upon such terms and conditions as the Issuer shall deem advisable.

2. The District is a political subdivision of the State of Missouri, created and existing under the Missouri Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the "CID Act").

3. On August 1, 2011, the District approved Resolution No. 2011-14 approving a one percent sales tax for the District and authorizing the one percent sales tax to be presented to the qualified voters of the District for their approval (the "District Sales Tax").

4. On October 25, 2011, the majority of the qualified voters in the District voting on the proposition approved the imposition of a sales tax within the District in the amount of one percent on all transactions which are taxable pursuant to the CID Act.

5. The Issuer issued its Tax Increment Financing Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 for the purposes of financing the costs of constructing certain projects (the "Refunded Bonds").

6. The Issuer has now determined that it is in the best interests to (a) current refund the outstanding Refunded Bonds and (b) issue its Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the "Bonds") for the purpose of (i) refunding the Refunded Bonds, (ii) funding a deposit to the Bond Reserve Fund for the Bonds, and (iii) paying costs of issuance of the Bonds and the incidental costs of refunding the Refunded Bonds.

7. The Issuer and the Trustee have entered into a Trust Indenture dated as of October 1, 2020 (the "Indenture") in order to set forth the terms of the Bonds as of the Bond Issuance Date.

8. On October 19, 2020, the Issuer adopted a resolution authorizing the Issuer to enter into this Financing Agreement.

9. On October \_\_, 2020, the Board of Directors of the District adopted a resolution authorizing the District to enter into this Financing Agreement.

**10.** On October 26, 2020, the Board of Aldermen of the City adopted an ordinance authorizing the City to enter into this Financing Agreement.

**11.** The parties to this Financing Agreement desire to set forth their agreements regarding the funding of the repayment of the Bonds.

#### AGREEMENT:

NOW THEREFORE, for and in consideration of the premises and the mutual representations, covenants and agreements contained herein, the District, the City and the Issuer do hereby represent, covenant and agree as follows:

### **ARTICLE I**

#### **DEFINITIONS**

**Section 1.1. Definitions of Words and Terms.** Unless the context requires otherwise, capitalized terms used in this Financing Agreement but not defined herein shall have the same meanings as set forth in **Section 101** of the Indenture.

### **ARTICLE II**

#### **THE DISTRICT**

**Section 2.1. Representations by the District.** The District represents and warrants to the Issuer and the City as follows:

(a) The District is a community improvement district and political subdivision, duly organized and existing under the laws of the State of Missouri, including particularly the CID Act.

(b) The District has lawful power and authority to enter into, execute and deliver this Financing Agreement and to carry out its obligations hereunder. By proper action of its Board of Directors, the District has been duly authorized to execute and deliver this Financing Agreement, acting by and through its duly authorized officers.

(c) The execution and delivery of this Financing Agreement, the consummation of the transactions contemplated by this Financing Agreement and the performance of or compliance with the terms and conditions of this Financing Agreement by the District will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the District is a party or by which it or any of its property is bound, or by any of the constitutional or statutory laws, rules, regulations or orders applicable to the District or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District under the terms of any instrument or agreement to which the District is a party.

(d) There is no litigation or proceeding pending or threatened against the District or any other person affecting the right of the District to execute or deliver this Financing Agreement or the ability of the District to otherwise comply with the obligations under this Financing Agreement. Neither the execution and delivery of this Financing Agreement by the District, nor compliance by the District with

its obligations under this Financing Agreement, require the approval of any regulatory body or any other entity, which approval has not been obtained.

(e) The District has duly completed all required proceedings and approvals in connection with the establishment of the District, the District Sales Tax and the Projects, all in accordance with the CID Act.

## **Section 2.2. Collection and Application of District Sales Tax.**

(a) The District hereby ratifies and confirms the establishment of its CID Revenue Fund with the City pursuant to the Cooperative Agreement and agrees that it will impose the District Sales Taxes at the rate of 1% of retail sales. In no event while Bonds are Outstanding under the Indenture shall the District take any action to amend, repeal or reduce the amount of District Sales Taxes imposed.

(b) The District agrees to perform all functions incident to the administration, collection, enforcement and operation of its District Sales Tax or to provide for the performance of such functions by the Missouri Department of Revenue. The District shall direct the deposit of all proceeds of its District Sales Tax that may lawfully be collected to the City for deposit into the CID Revenue Fund, subject to the provisions in **Section 2.3** below. The District's Board of Directors may, in its sole discretion, direct the City in making investments of any or all of the moneys deposited into its CID Revenue Fund in accordance with applicable laws relating to investment of the District's funds. In the absence of any direction for investments by the District, the City may invest moneys in the CID Revenue Fund in accordance with applicable laws relating to the investment of the District's funds. All interest earned upon the balance in its CID Revenue Fund shall be credited to its CID Revenue Fund.

(c) The District shall keep accurate records of the amount of District Sales Taxes collected and such records shall be open to the inspection of officers of the Issuer, the Trustee, the City, the Bondholders and the general public to the extent allowed under Missouri law.

(d) Subject to appropriation, on the 25th day (and if such day is not a Business Day, the next succeeding Business Day) of each calendar month during the term of this Agreement, the District hereby directs the payment by the City to the Trustee of the proceeds of the District Sales Tax on deposit in the CID Revenue Fund.

(e) The District covenants that it will keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to deposits and payments of its District Sales Tax in accordance with accounting principles generally accepted in the United States of America, and will furnish to the Trustee annually by each February 1 a certificate of the Authorized District Representative to the effect that during the preceding Fiscal Year the District complied with the terms, covenants and provisions of the Agreement and such information as either may reasonably request concerning the District Sales Tax, including such statistical and other operating information requested, in order to enable such parties to determine whether the covenants, terms and provisions of this Agreement have been complied with. For that purpose all pertinent books, documents and vouchers relating to the Projects, the District and its District Sales Tax shall at all times during regular business hours be open to the inspection of such accountant or other agent (who may make copies of all or any part thereof) as shall from time to time be designated and compensated by the District.

**Section 2.3. Appropriation; Budget.** The District has adopted a budget for the 2020 Fiscal Year which appropriates the District Sales Tax collected during such Fiscal Year for application as provided in **Section 2.2(d)**. The District hereby covenants and agrees that the officer of the District at any

time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposal submitted to the District's Board of Directors for each Fiscal Year a request for an appropriation of the District Sales Tax collected during such Fiscal Year for deposit in the Revenue Fund under the Indenture. The District shall deliver written notice to the Trustee no later than 15 days after the commencement of its Fiscal Year if the Board of Directors of the District has not appropriated funds in an amount equal to the District Sales Tax received during such Fiscal Year. The parties hereto acknowledge and agree that the payment of District Sales Tax to the Trustee shall constitute currently budgeted expenditures of the District and shall not in any way be construed or interpreted as creating a liability or a general obligation or debt of the District in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the District, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the District. The District's obligations under this Agreement shall be from year to year only, and shall not constitute a mandatory payment obligation of the District in any ensuing Fiscal Year beyond the then current Fiscal Year. If in any Fiscal Year the Board of Directors of the District fails to adopt a budget, the budget for the prior Fiscal Year shall continue. Any District Sales Tax so appropriated are pledged by the District to payment of the Bonds and shall be transferred by the City to the Revenue Fund at the times and in the manner provided in **Section 2.2(d)**.

**Section 2.4. Records of the District.** The District shall keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to its business affairs in accordance with accounting principles generally accepted in the United States of America, and will furnish to the Issuer such information as it may reasonably request concerning the District, including such statistical and other operating information requested on a periodic basis, in order to determine whether the covenants, terms and provisions of this Financing Agreement have been met.

**Section 2.5. Budget and Reporting Requirements.** The District shall comply with the budgetary and reporting requirements contained in the Revised Statutes of Missouri, including without limitation the following:

(a) The Board of Directors of the District shall prepare and submit a proposed annual budget to the City in accordance with Section 67.1481.2 of the Revised Statutes of Missouri, as amended.

(b) The District shall submit an annual report to the City Clerk and the Missouri Department of Economic Development in accordance with Section 67.1471.4 of the Revised Statutes of Missouri, as amended.

(c) The District shall submit an annual financial report to the Missouri State Auditor in accordance with Section 105.145 of the Revised Statutes of Missouri, as amended.

**Section 2.6. Notice to Trustee of Operating Expenses.** Promptly following the adoption of each annual budget by the Board of Directors of the District, the District shall provide written notice to the Trustee of the amount of operating expenses of the District included in such budget so that the Trustee can determine the Operating Expenses for such fiscal year that can be paid by the Trustee in accordance with the provisions of the Indenture.

**Section 2.7. Restriction on Transfer of District's Interests.** The District will not sell, assign, transfer or convey its interests in the District Sales Taxes or this Financing Agreement except pursuant to this Financing Agreement. Other than the Cooperative Agreement, the District will not enter into any tax-sharing agreement or other similar arrangement with respect to the District Sales Taxes and agrees that any additional financing of the costs of the Project for the District will be financed by the Issuer, or other issuer approved by the City.

**Section 2.8. Compliance with Cooperative Agreement.** The District will comply with, or cause to be complied with, all of the terms, provisions, covenants and agreements applicable to District under the Cooperative Agreement.

**Section 2.9. Indemnification.** The District agrees to indemnify the Issuer and any past, present or future director, trustee, officer, official, employee or agent of the Issuer for and to hold them harmless against all liabilities, claims, costs and expenses incurred without negligence or willful misconduct on the part of the Issuer or such past, present or future director, trustee, officer, official, employee or agent of the Issuer, on account of any action taken or omitted to be taken by the Issuer in accordance with the terms of this Financing Agreement, the Bonds or the Indenture or any action taken at the request of or with the consent of the District, including the costs and expenses of the Issuer in defending itself against any such claim, action or proceeding brought in connection with the exercise or performance of any of its powers or duties under this Financing Agreement, the Bonds or the Indenture.

**Section 2.10. Audit.** The District will cause, at its expense, an annual audit of the District to be completed by a firm of certified public accountants and will, within six months of the end of the District's Fiscal Year (i) present such audit at a regular or special meeting at the District for approval by the District and (ii) cause to be delivered to the Trustee a certificate of the firm of certified public accountants performing the audit to the effect that in the performance of its examination it discovered no failure on the part of the District to comply with the requirements of this Financing Agreement, or, if such failure to comply was noted, specifying the nature thereof.

**Section 2.11. Enforcement of Cooperative Agreement.** The District shall enforce the provisions of the Cooperative Agreement in such manner as the District deems prudent and advisable in its good faith discretion. The District may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Cooperative Agreement, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

### **ARTICLE III**

#### **THE ISSUER**

**Section 3.1. Representations by the Issuer.** The Issuer represents and warrants to the District and the City as follows:

(a) The Issuer (i) is a public corporation duly organized and validly existing under the laws of the State of Missouri, (ii) has lawful power and authority to enter into, execute and deliver this Financing Agreement and to carry out its obligations hereunder, and (iii) by all necessary action has been duly authorized to execute and deliver this Financing Agreement, acting by and through its duly authorized officers.

(b) The execution and delivery of this Financing Agreement by the Issuer will not conflict with or result in a breach of any of the terms of, or constitute a default under, any agreement or instrument to which the Issuer is a party, or by any of the constitutional or statutory laws, rules or regulations applicable to the Issuer.

(c) There is no litigation or proceeding pending or, to the knowledge of the Issuer, threatened against the Issuer or any other person affecting the right of the Issuer to execute this Financing Agreement

or to otherwise comply with the obligations under this Financing Agreement. Neither the execution and delivery of this Financing Agreement by the Issuer, nor compliance by the Issuer with its obligations under this Financing Agreement, require the approval of any regulatory body or any other entity, which approval has not been obtained.

(d) No director, officer or employee of the Issuer has any significant or conflicting interest, financial or otherwise, in the Projects or in the transactions contemplated hereby.

**Section 3.2. Application of Proceeds.** The Issuer covenants and agrees to cause the proceeds of the Bonds and the Revenues to be applied in accordance with the Indenture and this Financing Agreement.

**Section 3.3. Assignment by the Issuer.** The Issuer, by means of the Indenture and as security for the payment of the principal of, and redemption premium, if any, and interest on the Bonds, will assign, pledge and grant a security interest in all of its rights, title and interests in, to and under this Financing Agreement to the Trustee for the benefit of the Owners (reserving its rights to payments owed to the Issuer for its benefit).

**Section 3.4. Restriction on Transfer of Issuer's Interests.** The Issuer will not sell, assign, transfer or convey its interests in this Financing Agreement except pursuant to the Indenture and this Financing Agreement.

**Section 3.5. Fees, Charges and Expenses of the Issuer.** The Issuer shall be entitled to payment by the District of and reimbursement for reasonable fees for the Issuer's ordinary services rendered hereunder and all advances, agent and counsel fees and expenses and other ordinary expenses reasonably and necessarily made or incurred by the Issuer in connection with such ordinary services and, in the event that it should become necessary that the Issuer perform extraordinary services, it shall be entitled to payment by the District of reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Issuer it shall not be entitled to compensation or reimbursement therefor. Each provision of this Financing Agreement or the Indenture that provides for compensation, reimbursement or indemnification of the Issuer is deemed to provide for the payment by the District of all related fees, costs, charges, advances and expenses of the Issuer (including, without limitation, attorneys' fees and expenses), whether or not so stated, unless the context clearly indicates otherwise.

## ARTICLE IV

### THE CITY

**Section 4.1. Representations by the City.** The City represents and warrants to the District and the Issuer as follows:

(a) The City (i) is a fourth-class city duly organized and validly existing under the laws of the State of Missouri, (ii) has lawful power and authority to enter into, execute and deliver this Financing Agreement and to carry out its obligations hereunder, and (iii) by all necessary action has been duly authorized to execute and deliver this Financing Agreement, acting by and through its duly authorized officers.

(b) The execution and delivery of this Financing Agreement by the City will not conflict with or result in a breach of any of the terms of, or constitute a default under, any agreement or instrument to

which the City is a party, or by any of the constitutional or statutory laws, rules or regulations applicable to the City.

(c) There is no litigation or proceeding pending or, to the knowledge of the City, threatened against the City or any other person affecting the right of the City to execute this Financing Agreement or to otherwise comply with the obligations under this Financing Agreement. Neither the execution and delivery of this Financing Agreement by the City, nor compliance by the City with its obligations under this Financing Agreement, require the approval of any regulatory body or any other entity, which approval has not been obtained.

(d) No director, officer or employee of the City has any significant or conflicting interest, financial or otherwise, in the Projects or in the transactions contemplated hereby.

**Section 4.2. Application of Proceeds.** The City covenants and agrees to cause the proceeds of the Bonds and the Revenues that it may receive to be applied in accordance with the Indenture and this Financing Agreement. The City agrees that it will pay to the Trustee any of the District Sales Tax, the Economic Activity Tax Revenues (subject to the limitations of **Section 4.4**) and the Payments in Lieu of Taxes it has received on or before the 25th day of each month.

**Section 4.3. Covenant to Request Appropriations.**

**Annual Appropriation.** The City intends, on or before the last day of each Fiscal Year, to budget and appropriate moneys sufficient to pay the Economic Activity Tax Revenues. The City hereby covenants and agrees that the officer of the City at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposal submitted to the City's Board of Aldermen for each Fiscal Year a request for an appropriation of the Economic Activity Tax Revenues and any other amounts owing by the City during such Fiscal Year for deposit in the Revenue Fund under the Indenture or as otherwise provided in this Financing Agreement. The City shall deliver written notice to the Trustee no later than 15 days after the commencement of its Fiscal Year stating whether or not the Board of Aldermen has appropriated funds sufficient for such purposes during such Fiscal Year. If the Board of Aldermen shall have made the appropriation necessary to make such payments, the failure of the City to deliver the foregoing notice on or before the 15th day after the commencement of its Fiscal Year shall not constitute an event of default and, on failure to receive such notice 15 days after the commencement of the City's Fiscal Year, the Trustee shall make independent inquiry of the fact of whether or not such appropriation has been made.

**Payments to Constitute Current Expenses of the City.** The City acknowledges that the Economic Activity Tax Revenues shall constitute currently budgeted expenditures of the City, and shall not in any way be construed or interpreted as creating a liability or a general obligation or debt of the City in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by the City, nor shall anything contained in this Financing Agreement constitute a pledge of the general credit, tax revenues, funds or moneys of the City. The City's obligations to pay Economic Activity Tax Revenues under this Financing Agreement shall be from year to year only, and shall not constitute a mandatory payment obligation of the City in any ensuing Fiscal Year beyond the then current Fiscal Year. Neither this Financing Agreement nor the issuance of the Bonds shall directly or indirectly obligate the City to levy or pledge any form of taxation or make any appropriation or make any payments beyond those appropriated for the City's then current Fiscal Year in contravention of any applicable constitutional or statutory debt limitation or restriction concerning the creation of indebtedness by the City, but in each Fiscal Year Economic Activity Tax Revenues shall be payable solely from the amounts budgeted or appropriated therefor by the City for such year; provided, however, that nothing in



this Financing Agreement shall be construed to limit the rights of the owners of the Bonds or the Trustee to receive any amounts which may be realized from the Trust Estate pursuant to the Indenture.

#### **Section 4.4. Enforcement of Agreements.**

(a) The City shall enforce the provisions of the Bond Documents in such manner as the City deems prudent and advisable in its good faith discretion. The City may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Bond Documents, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

(b) The City shall notify the Trustee in writing as to any material failure of performance under the Bond Documents, and at the time of such notification the City shall also advise the Trustee what action the City proposes to take in enforcing available remedies. If, in the sole judgment of the Trustee, such action is less likely to be effective than some other or additional action, the Trustee may, or at the request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, shall so advise the City promptly in writing. If, within 30 days following advice by the Trustee that some additional or other action would be more effective, the City has not taken such other or additional action, and the Trustee has not, after consultation with the City, withdrawn such advice, upon receipt of indemnification satisfactory to it, the Trustee is hereby authorized to take such action, whether the action was suggested by the Trustee or otherwise, as the Trustee may deem most expedient and in the interest of the Owners of the Bonds. In furtherance of the rights granted to the Trustee by this Section, the City hereby assigns to the Trustee all of the rights it may have in the enforcement of the Bond Documents, further authorizing the Trustee in its own name or in the name of the City to bring such actions, employ such counsel, execute such documents and do such other things as may in the judgment of the Trustee be necessary or appropriate under the circumstance at the expense of the Trust Estate.

(c) The City shall not modify, amend or waive any provision of the Bond Documents without the prior written consent of the Trustee, whose consent shall not be unreasonably withheld or delayed. The Trustee may withhold its consent to any such proposed modification, amendment or waiver of the Bond Documents if the proposed modification, amendment or waiver may adversely affect the security for the Bonds or the interests of the Owners thereof or may adversely affect the exclusion of interest on any Bonds from gross income of the Owners thereof for federal income tax purposes for Bonds that were exempt from taxation for federal income tax purposes or as may impose additional duties on the Trustee that were not contemplated upon the original execution of this Indenture.

**Section 4.5. Monthly Report.** The City shall provide to the Trustee and the Purchaser, no later than the twenty-fifth day of each month, commencing November 25, 2020, a report of the District Sales Tax, the Economic Activity Tax Revenues and Payments in Lieu of Taxes received by the City and transferred to the Trustee, which report shall be substantially in the form attached hereto as **Exhibit A**.

### **ARTICLE V**

#### **EVENTS OF DEFAULT AND REMEDIES**

**Section 5.1. Events of Default Defined.** The term “Event of Default” shall mean any one or more of the following events:

(a) Failure by the District to timely transfer any Revenues to the City or the Trustee as provided herein.

(b) Failure to make any payment on the Bonds when due.

(c) Failure by the Issuer, the City or the District to observe and perform any covenant, condition or agreement on the part of the Issuer, the City or the District under this Financing Agreement, the Indenture or any other document entered into in connection with the financing of the Projects (other than the Continuing Disclosure Agreement), other than as referred to in the preceding subparagraphs (a) and (b) of this Section, for a period of 30 days after written notice of such default has been given to the District, the City or the Issuer, during which time such default is neither cured by the Issuer, the City or the District nor waived in writing by the Trustee, provided that, if the failure stated in the notice cannot be corrected within said 30-day period, the Trustee may consent in writing to an extension of such time prior to its expiration if corrective action is instituted by the Issuer, the City or the District within the 30-day period and diligently pursued to completion and if such consent, in the judgment of the Trustee, does not materially adversely affect the security of the Owners of the Bonds.

(d) Any representation or warranty by the Issuer, the City or the District herein or in any certificate or other instrument delivered under or pursuant to this Financing Agreement or the Indenture or in connection with the financing of the Projects shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Trustee or cured by the Issuer, the City or the District within 30 days after notice thereof has been given to the Issuer, the City or the District.

**Section 5.2. Remedies on an Event of Default.** Whenever any Event of Default shall have occurred and be continuing, the Trustee, as the assignee of the Issuer, shall give written notice to the District and the City of such Event of Default and after five (5) Business Days after such notice, the Trustee may immediately proceed to take whatever other action at law or in equity is necessary and appropriate to exercise or to cause the exercise of the rights and powers set forth herein or in the Indenture, as may appear necessary or desirable to collect the amounts payable pursuant to this Financing Agreement then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the Issuer or the District under this Financing Agreement or the Indenture.

Any amount collected pursuant to action taken under this Section shall be paid to the Trustee and applied, first, to the payment of any reasonable costs, expenses and fees incurred by the Trustee as a result of taking such action and, next, any balance shall be transferred to the Revenue Fund and applied in accordance with the Indenture and, then, to cure any other Event of Default.

Notwithstanding the foregoing, the Trustee shall not be obligated to take any step that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until indemnity satisfactory to it has been furnished to the Trustee at no cost or expense to the Trustee, except as otherwise provided in **Section 901(I)** of the Indenture.

**Section 5.3. No Remedy Exclusive.** No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Financing Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

**Section 5.4. Agreement to Pay Attorneys' Fees and Expenses.** In connection with any Event of Default by the Issuer, the City or the District, if the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Issuer, the City or the District herein contained, the City and the District agree that they will, to the extent they are the defaulting party or caused the Issuer to be the defaulting party, on demand therefor, pay to the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Trustee. In connection with any Event of Default by the District or the City, if the Issuer employs attorneys or incurs other expenses for the enforcement of the performance or observance of any covenants or agreements on the part of the District or the City herein contained, the District and the City agree that they will, to the extent they are the defaulting party or caused the Issuer to be the defaulting party, on demand therefor, pay to the Issuer the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer.

**Section 5.5. Issuer, City and District to Give Notice of an Event of Default.** The Issuer, the City and the District shall each, promptly give to the Trustee written notice of any Event of Default of which the Issuer, the City or the District, as the case may be, shall have actual knowledge or written notice, but the Issuer, the City or the District shall not be liable for failing to give such notice.

**Section 5.6. Performance of the Issuer's, the City's and the District's Obligations.** If the Issuer, the City or the District shall fail to keep or perform any of their obligations as provided in this Financing Agreement, then the Trustee, may (but shall not be obligated so to do) upon the continuance of such failure on the part of the Issuer, the City or the District for 15 days after notice of such failure is given to the Issuer, the City and the District by the Trustee, and without waiving or releasing the Issuer, the City or the District from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by the Trustee and all necessary incidental costs and expenses incurred by the Trustee in performing such obligations shall be paid to the Trustee on demand.

**Section 5.7. Remedial Rights Assigned to the Trustee.** Upon the execution and delivery of the Indenture, the Issuer will thereby have assigned to the Trustee all rights and remedies conferred upon or reserved to the Issuer by this Financing Agreement, reserving only the Issuer's rights to payments for its own benefit. The Trustee shall have the exclusive right to exercise such rights and remedies conferred upon or reserved to the Issuer by this Financing Agreement in the same manner and to the same extent, but under the limitations and conditions imposed thereby and hereby. The Owners of the Bonds shall be deemed third party creditor beneficiaries of all representations, warranties, covenants and agreements contained herein.

## **ARTICLE VI**

### **MISCELLANEOUS**

**Section 6.1. Terms of Financing Agreement.** This Financing Agreement shall be effective from and after its execution and delivery and shall continue in full force and effect until all of the principal of, redemption premium, if any, and interest on all the Bonds shall have been paid in accordance with their terms or provision has been made for such payment, as provided in the Indenture, and provision shall also be made for paying all other sums payable under the Indenture, including the fees, costs and expenses of the Trustee and the Paying Agent to the date of retirement of the Bonds.

**Section 6.2. Notices.** All written notices required by this Financing Agreement shall be in writing and shall be served either personally or by certified mail, or by any other delivery service which

obtains a receipt for delivery unless any such notice required by law and such law provides a different form of delivery or service. Any such notice or demand served personally shall be delivered to the party being served (provided that such notice may be delivered to the receptionist or any other person apparently in charge of such party's office at its address hereinafter set forth), and shall be deemed complete upon the day of actual or attempted delivery. Any notice so served by certified mail shall be deposited in the United States mail with postage thereon fully prepaid and addressed to the party or parties so to be served at its address hereinafter stated, and service of any such notice by certified mail shall be deemed complete on the date of actual or attempted delivery as shown by the certified mail receipt. Service of any such notice by another delivery service shall be deemed complete upon the date of actual or attempted delivery as shown on the receipt obtained by such delivery service. Notices shall be sent to the address provided in the Indenture.

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

**Section 6.3. Performance Date Not a Business Day.** If any date for the taking of any action hereunder is on a Saturday, Sunday or business holiday of the State of Missouri, then such action shall be taken on the first Business Day thereafter with the same force and effect as if made on the date fixed for payment or performance.

**Section 6.4. Binding Effect.** This Financing Agreement shall inure to the benefit of and shall be binding upon the District and the Issuer, and their respective successors and assigns.

**Section 6.5. Amendments, Changes and Modifications.** This Financing Agreement may not be effectively amended, changed, modified, altered or terminated without the prior concurring written consent of all the parties hereto and compliance with the requirements of **Article XI** of the Indenture.

**Section 6.6. Execution in Counterparts.** This Financing Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 6.7. No Pecuniary Liability.** All covenants, obligations and agreements of the District, the City and the Issuer contained in this Financing Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future director, officer, agent or employee of the District, the City or the Issuer in other than their official capacity. No provision hereof shall be construed to impose any personal or pecuniary liability upon any present or future director, officer, agent or employee of the Issuer, the City or the District, and all such liability is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement and the issuance of the Bonds. With respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Issuer nor any of its directors, trustees, officers, officials, employees or agents shall be liable for any action taken by the Issuer, or for any failure to take action, in accordance with the terms of this Financing Agreement.

**Section 6.8. Entire Agreement.** This Financing Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersedes and replaces any and all prior oral agreements or written agreements, arrangements, and understandings related thereto.

**Section 6.9. Severability.** If any provision of this Financing Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken

thereunder, or any application of such provision, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Financing Agreement or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Such illegality or invalidity of any application thereof shall not affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

**Section 6.10. Governing Law.** This Financing Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

**Section 6.11 Electronic Transactions.** The parties agree that the transaction described herein may be conducted and related documents may be sent, received and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**THE INDUSTRIAL DEVELOPMENT  
AUTHORITY OF THE CITY OF GRAIN  
VALLEY, MISSOURI**

By: \_\_\_\_\_  
President

(Seal)

ATTEST:

By: \_\_\_\_\_  
Secretary

**GRAIN VALLEY MARKETPLACE  
COMMUNITY IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Chairman

(Seal)

ATTEST:

By: \_\_\_\_\_  
Secretary

**CITY OF GRAIN VALLEY, MISSOURI**

By: \_\_\_\_\_  
Mayor

(Seal)

ATTEST:

By: \_\_\_\_\_  
City Clerk



## EXHIBIT A

[Date]

UMB Bank, N.A.

Re: The Industrial Development Authority of the City of Grain Valley, Missouri Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020

Ladies and Gentlemen:

Please be advised that during the month of \_\_\_\_\_, [year], the City of Grain Valley, Missouri received the following Economic Activity Tax Revenues and District Sales Taxes attributable to the following sources:

		<u>Percentage of Total</u>
Jackson County		
General	\$ _____	_____ %
CJCFPD	\$ _____	_____ %
Zoo	\$ _____	_____ %
COMBAT	\$ _____	_____ %
City		
General	\$ _____	_____ %
Capital Improvements	\$ _____	_____ %
Transportation	\$ _____	_____ %
Park	\$ _____	_____ %
CID (EATS)	\$ _____	_____ %
CID (Non-Captured)	\$ _____	_____ %
Total EATS:	\$ _____	

During such period, the City received the following Payments in Lieu of Taxes from property owners within the Redevelopment Area:

<u>Taxpayer</u>	<u>Payments in Lieu of Taxes</u>	<u>Percentage of Total</u>
	\$ _____	_____ %
Total PILOTS:	\$ _____	

All moneys so received, totaling \$\_\_\_\_\_, have been transferred to UMB Bank, N.A., as Trustee (the “Trustee”) under the Trust Indenture dated as of October 1, 2020 between the Trustee and the Issuer. All capitalized terms not defined herein shall have the meanings ascribed for them in said Indenture.

CITY OF GRAIN VALLEY, MISSOURI

By: \_\_\_\_\_

The City shall also provide each month a certificate to the Placement Agent indicating the total amount of PILOTs and EATs transferred to UMB Bank, N.A. without any breakdown of the amount of sales taxes transferred.

\$ \_\_\_\_\_  
**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GRAIN VALLEY, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS  
(GRAIN VALLEY MARKETPLACE REDEVELOPMENT PROJECT #2)  
SERIES 2020**

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2020

The Industrial Development Authority of the City of Grain Valley, Missouri  
Grain Valley City Hall  
711 Main Street  
Grain Valley, Missouri 64085  
Attention: President

City of Grain Valley, Missouri  
City Hall  
711 Main Street  
Grain Valley, Missouri 64085  
Attn: City Administrator

Grain Valley Marketplace Community Improvement District

\_\_\_\_\_  
\_\_\_\_\_

Ladies and Gentlemen:

The undersigned [\_\_\_\_\_] (the “**Purchaser**”), hereby offers to purchase from The Industrial Development Authority of the City of Grain Valley, Missouri (the “**Authority**”) \$\_\_\_\_\_ aggregate principal amount of Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “**Bonds**”), to be issued by the Authority under and pursuant to a Trust Indenture dated as of October 1, 2020 (the “**Indenture**”) by and between the Authority and UMB Bank, N.A., as trustee (the “**Trustee**”). *Capitalized words and terms used herein shall have the respective meanings ascribed to them in the Indenture unless some other meaning is plainly indicated.*

The Bonds are to be issued by the Authority pursuant to and in accordance with the provisions of the Constitution and laws of the State of Missouri (the “**State**”), including particularly the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended (the “**Act**”), the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the “**CID Act**”), and the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri, as amended (the “**TIF Act**”). The Bonds are being issued for the purpose of providing funds, to (a) refund the Authority’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 and

(b) pay the costs of issuance of the Bonds. The Bonds and the interest thereon are limited obligations of the Authority, payable solely from Bond proceeds and the Revenues, as provided in the Indenture, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in the Indenture.

The Bonds do not constitute an indebtedness of the Authority, the State or any political subdivision thereof within the meaning of any constitutional, statutory or charter provision or limitation. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Authority, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Authority has no taxing power.

The Bonds shall mature and shall bear interest as set forth in the Indenture.

This offer is made subject to acceptance of this Bond Purchase Agreement on or before 11:59 p.m., central time, on [\_\_\_\_\_], 2020. Upon execution and delivery of this Bond Purchase Agreement by the Authority, the City of Grain Valley, Missouri (the “*City*”), and the Grain Valley Marketplace Community Improvement District (the “*District*”), the following agreement will be binding upon each of you and the Purchaser.

The words “*Transaction Documents*” when used herein shall mean, individually and collectively, the following: the Bonds; the Bond Resolution; the Indenture; the Placement Agent Agreement dated [\_\_\_\_\_], 2020 (the “*Placement Agreement*”), between the Authority and Stifel, Nicolaus & Company, Incorporated, as Placement Agent (the “*Placement Agent*”); the Continuing Disclosure Agreement dated as of October 1, 2020 (the “*Continuing Disclosure Agreement*”) among the City, the District and UMB Bank, N.A. (the “*Dissemination Agent*”); the Financing Agreement dated as of October 1, 2020 (the “*Financing Agreement*”) among the City, the District and the Authority; the Preliminary Private Placement Memorandum (defined below); the Private Placement Memorandum (defined below); this Bond Purchase Agreement; and any and all other documents or instruments that evidence or are a part of the transactions referred to herein or contemplated hereby; provided, however, that when the words “*Transaction Documents*” are used in the context of the authorization, execution, delivery, approval or performance of Transaction Documents by a party hereto, the same shall mean only those Transaction Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

1. **Purchase of Bonds.** Upon the terms and conditions and upon the basis of the respective representations, warranties and covenants hereinafter set forth, the Purchaser hereby agrees to purchase from the Authority, and the Authority hereby agrees to sell to the Purchaser, all (but not less than all) of the Bonds at a purchase price of \$[\_\_\_\_\_] (which is equal to the aggregate principal amount of the Bonds), plus accrued interest, if any.

2. **Private Placement; Establishment of Issue Price.** The Purchaser is purchasing the Bonds for its own account for investment (and not on behalf of another) and has no present intention of reselling the Bonds or dividing its interest therein; but the undersigned reserves the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Bonds at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the Bonds as set forth in the Indenture.

The Purchaser agrees to assist the Authority and Bond Counsel (defined below) in establishing the issue price of the Bonds and shall execute and deliver at Closing an “issue price” or similar certificate (the “*Issue Price Certificate*”), substantially in the form attached hereto as Exhibit A, with such modifications

as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the Authority and Bond Counsel.

3. **Authority's Representations and Warranties.** The Authority hereby represents and warrants to the Purchaser, the City and the District that:

(a) The Authority is and will be on the Closing Date an independent public body corporate and politic created and existing under the laws of the State, with the power and authority set forth in the Act.

(b) The Authority has duly adopted the Bond Resolution at a meeting duly called and held in accordance with applicable law and procedures of the Authority, and since that time the Bond Resolution has not been rescinded, amended or modified. At the time of its adoption, the Authority had all necessary power and authority to adopt the Bond Resolution.

(c) The Authority is authorized by the laws of the State, including particularly the Act, to enter into and perform its obligations under the Transaction Documents.

(d) The Authority has, and as of the Closing Date will have, all necessary power and authority to consummate the transactions contemplated by this Bond Purchase Agreement and the other Transaction Documents and has duly authorized and approved the execution and delivery of this Bond Purchase Agreement and the other Transaction Documents.

(e) Prior to the Closing, the Authority shall have duly authorized all necessary action to be taken by it for the: (i) approval, execution, delivery and receipt by the Authority of this Bond Purchase Agreement and the other Transaction Documents, and any and all such other agreements and documents as may be required to be executed, delivered and received by the Authority in order to carry out, give effect to, and consummate the transactions contemplated hereby, (ii) performance by the Authority of the obligations contained in the Transaction Documents, and (iii) consummation by the Authority of all of the transactions contemplated hereby and by the Transaction Documents.

(f) The information contained in the Preliminary Private Placement Memorandum dated October 9, 2020 with respect to the Bonds (the "***Preliminary Private Placement Memorandum***") as of its date and the Private Placement Memorandum dated the date hereof with respect to the Bonds (the "***Private Placement Memorandum***") as of its date is and, as of the date of Closing, will be correct in all material respects and does not, and at the Closing, will not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in light of the circumstances under which it was made, not misleading. Notwithstanding the foregoing, the Authority makes no representation or warranty (express or implied) as to the accuracy or completeness of any financial, technical or statistical data or any estimates, projections or assumptions or as to any information contained in the Preliminary Private Placement Memorandum or the Private Placement Memorandum under the captions "INTRODUCTION – The City", "INTRODUCTION – The District", "THE CITY", "THE DISTRICT", "ABSENCE OF LITIGATION – The City", "ABSENCE OF LITIGATION – The District", "TAX MATTERS" and "PLACEMENT OF THE BONDS".

(g) Assuming the valid authorization, execution and delivery of this Bond Purchase Agreement and the other Transaction Documents by the other parties hereto and thereto, this Bond Purchase Agreement is, and the Bonds (upon authentication thereof by the Trustee) and the other Transaction Documents will be, duly authorized, executed and delivered and will constitute the

legal, valid and binding obligations of the Authority, enforceable against it in accordance with their respective terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar law or laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies).

(h) There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the Authority's knowledge, threatened against or affecting the Authority or its officials, in their respective capacities as such for which it has received service of process or other written notice, or, to the best knowledge of the Authority, any basis therefor wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated hereby, (ii) the validity or enforceability in accordance with their respective terms of the Transaction Documents or any agreement or instrument to which the Authority is a party, used or contemplated for use in the consummation of the transactions contemplated hereby, (iii) the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation, or (iv) the existence or powers of the Authority. The Authority is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

(i) The execution and delivery by the Authority of this Bond Purchase Agreement, the other Transaction Documents and the other documents contemplated hereby to be executed and delivered by the Authority, and compliance with the provisions thereof, do not conflict with or constitute on the part of the Authority a breach of or a default under any existing law or agreement, including, without limitation, the Act, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the Authority is or may be bound. No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a breach of or an event of default by the Authority under the Transaction Documents.

(j) All consents, approvals, orders or authorizations of, notices to, or filings, registrations or declarations with any court or governmental authority, board, agency, commission or body having jurisdiction which are required by or on behalf of the Authority for the execution and delivery by the Authority of this Bond Purchase Agreement or the other Transaction Documents or the consummation by the Authority of the transactions contemplated hereby or thereby, have been obtained or will be obtained prior to the Closing Date, except for the completion and filing of the IRS Form 8038-G, which will be completed and filed after the Closing Date.

(k) The proceeds of the Bonds shall be used as provided in the Transaction Documents. The Authority shall not take or omit to take any action which action or omission shall in any way cause or result in the proceeds from the sale of the Bonds being applied in a manner other than as provided in the Transaction Documents and as described in the Private Placement Memorandum.

(l) The Authority, to the best of its knowledge, has never been and is not in default in the payment of principal of, premium, if any, or interest on, or otherwise is not nor has been in default with respect to, any bonds, notes, or other obligations that it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest.

(m) Any certificate signed by an authorized officer of the Authority and delivered to the Purchaser shall be deemed a representation and warranty by the Authority to the Purchaser as to the statements made therein.

(n) If the Private Placement Memorandum is supplemented or amended pursuant to this Bond Purchase Agreement, at the time of such supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subsection) at all times subsequent thereto including the Closing, the information contained in the Private Placement Memorandum, as so supplemented or amended, shall not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(o) At no time has the Authority failed to comply in any material respect with any of the informational reporting undertakings contained in any financing documents that are intended to comply with the requirements of Rule 15c2-12.

(p) At the Closing Time, each of the representations and warranties of the Authority contained herein and in the Transaction Documents and all other documents executed by the Authority in connection with the Bonds shall be true, correct and complete.

4. **City's Representations and Warranties.** The City hereby represents and warrants to the Purchaser, the Authority and the District that:

(a) The City is and will be on the Closing Date a fourth-class city and political subdivision, duly organized and existing under the Constitution and laws of the State.

(b) The City has duly adopted the resolutions at a meeting duly called and held in accordance with applicable law and procedures of the City, which authorized the City to enter into the transactions contemplated by the Private Placement Memorandum and enter into the Transaction Documents (the "**City Resolutions**"). At the time of their adoption, the City had all necessary power and authority to adopt the City Resolutions.

(c) The City is authorized by the laws of the State to enter into and perform its obligations under the Transaction Documents.

(d) The City has, and as of the Closing Date will have, all necessary power and authority to consummate the transactions contemplated by this Bond Purchase Agreement and the other Transaction Documents and has duly authorized and approved the execution and delivery of this Bond Purchase Agreement and the other Transaction Documents.

(e) Prior to the Closing, the City shall have duly authorized all necessary action to be taken by it for the: (i) approval, execution, delivery and receipt by the City of this Bond Purchase Agreement and the other Transaction Documents to which it is a party, and any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to, and consummate the transactions contemplated hereby, (ii) performance by the City of the obligations contained in the Transaction Documents to which it is a party, and (iii) consummation by the City of all of the transactions contemplated hereby and by the Transaction Documents to which it is a party.

(f) The information contained in the Preliminary Private Placement Memorandum as of its date and the Private Placement Memorandum as of its date is and, as of the date of Closing, under the captions "INTRODUCTION – The City", "THE CITY" and "ABSENCE OF LITIGATION – The City" will be correct in all material respects and does not, and at the Closing, will not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in light of the circumstances under which it was made, not misleading.

(g) Assuming the valid authorization, execution and delivery of this Bond Purchase Agreement and the other Transaction Documents by the other parties hereto and thereto, this Bond Purchase Agreement is, and the other Transaction Documents will be, duly authorized, executed and delivered and will constitute the legal, valid and binding obligations of the City, enforceable against it in accordance with their respective terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar law or laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies).

(h) There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the City's knowledge, threatened against or affecting the City or its officials, in their respective capacities as such for which it has received service of process or other written notice, or, to the best knowledge of the City, any basis therefor wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated hereby, (ii) the validity or enforceability in accordance with their respective terms of the Transaction Documents or any agreement or instrument to which the City is a party, used or contemplated for use in the consummation of the transactions contemplated hereby, (iii) the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation, or (iv) the existence or powers of the City. The City is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

(i) The execution and delivery by the City of this Bond Purchase Agreement, the other Transaction Documents to which the City is a party and the other documents contemplated hereby to be executed and delivered by the City, and compliance with the provisions thereof, do not conflict with or constitute on the part of the City a breach of or a default under any existing law or agreement, including, without limitation, the TIF Act, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the City is or may be bound. No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a breach of or an event of default by the City under the Transaction Documents to which it is a party.

(j) All consents, approvals, orders or authorizations of, notices to, or filings, registrations or declarations with any court or governmental authority, board, agency, commission or body having jurisdiction which are required by or on behalf of the City for the execution and delivery by the City of this Bond Purchase Agreement or the other Transaction Documents or the consummation by the City of the transactions contemplated hereby or thereby, have been obtained or will be obtained prior to the Closing Date.

(k) Any certificate signed by an authorized officer of the City and delivered to the Purchaser shall be deemed a representation and warranty by the City to the Purchaser as to the statements made therein.

(l) At no time in the past five years has the City failed to comply in any material respect with any of the informational reporting undertakings contained in any financing documents that are intended to comply with the requirements of Rule 15c2-12. The City will undertake, pursuant to the Continuing Disclosure Agreement, to provide certain annual financial information. The form of Continuing Disclosure Agreement is set attached to the Preliminary Private Placement Memorandum and will be attached to the Private Placement Memorandum.



(m) At the Closing Time, each of the representations and warranties of the City contained herein and in the Transaction Documents to which the City is a party and all other documents executed by the City in connection with the Bonds shall be true, correct and complete.

5. **District's Representations and Warranties.** The District hereby represents and warrants to the Purchaser, the Authority and the City that:

(a) The District is and will be at Closing a community improvement district and a political subdivision of the State created and existing under the laws of the State, with the power and authority set forth in the CID Act, except as otherwise limited by the petition establishing the District, with the full legal right and power to enter into and perform its obligations under the Transaction Documents. The District has complied with and is in compliance with the CID Act.

(b) The board of directors of the District duly adopted resolutions at a meeting duly called and held in accordance with applicable law and procedures of the District, which resolutions authorized the District to enter into the transactions contemplated by the Private Placement Memorandum and enter into the Transaction Documents to which the District is a party (the "***District Resolutions***"). At the time of their adoption, the District had all necessary power and authority to adopt the District Resolutions.

(c) The District is authorized by the laws of the State, including particularly the CID Act, to enter into and perform its obligations under the Transaction Documents to which the District is a party.

(d) The District has, and as of the Closing Date will have, all necessary power and authority to consummate the transactions contemplated by this Bond Purchase Agreement and the other Transaction Documents and has duly authorized and approved the execution and delivery of this Bond Purchase Agreement and the other Transaction Documents to which the District is a party.

(e) Prior to the Closing, the District shall have duly authorized all necessary action to be taken by it for the: (i) approval, execution, delivery and receipt by the District of this Bond Purchase Agreement and the other Transaction Documents to which the District is a party, and any and all such other agreements and documents as may be required to be executed, delivered and received by the District in order to carry out, give effect to, and consummate the transactions contemplated hereby, (ii) performance by the District of the obligations contained in the Transaction Documents to which the District is a party, (iii) consummation by the District of all of the transactions contemplated hereby and by the Transaction Documents to which the District is a party; (iv) appropriation of District Sales Taxes to the payment of debt service on the Bonds during calendar year 2020, and (v) pledge of the District Sales Taxes to the repayment of the Bonds, subject to annual appropriation.

(f) The information contained in the Preliminary Private Placement Memorandum as of its date and the Private Placement Memorandum as of its date is and, as of the date of Closing, under the captions "INTRODUCTION – The District", "THE DISTRICT" and "ABSENCE OF LITIGATION – The District" will be correct in all material respects and does not, and at the Closing, will not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in light of the circumstances under which it was made, not misleading.

(g) Assuming the valid authorization, execution and delivery of this Bond Purchase Agreement and the other Transaction Documents by the other parties hereto and thereto, this Bond

Purchase Agreement is, and the other Transaction Documents to which the District is a party will be, duly authorized, executed and delivered and will constitute the legal, valid and binding obligations of the District, enforceable against it in accordance with their respective terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar law or laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies).

(h) There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the District's knowledge, threatened against or affecting the District or its officials, in their respective capacities as such for which it has received service of process or other written notice, or, to the best knowledge of the District, any basis therefor wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated hereby, (ii) the validity or enforceability in accordance with their respective terms of the Transaction Documents to which the District is a party or any agreement or instrument to which the District is a party, used or contemplated for use in the consummation of the transactions contemplated hereby, (iii) the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation, or (iv) the existence or powers of the District. The District is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

(i) The execution and delivery by the District of this Bond Purchase Agreement, the other Transaction Documents to which the District is a party and the other documents contemplated hereby to be executed and delivered by the District, and compliance with the provisions thereof, do not conflict with or constitute on the part of the District a breach of or a default under any existing law or agreement, including, without limitation, the CID Act, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the District is or may be bound. No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a breach of or an event of default by the District under the Transaction Documents to which the District is a party.

(j) All consents, approvals, orders or authorizations of, notices to, or filings, registrations or declarations with any court or governmental authority, board, agency, commission or body having jurisdiction which are required by or on behalf of the District for the execution and delivery by the District of this Bond Purchase Agreement or the other Transaction Documents to which the District is a party or the consummation by the District of the transactions contemplated hereby or thereby, have been obtained or will be obtained prior to the Closing Date.

(k) Any certificate signed by an authorized officer of the District and delivered to the Purchaser shall be deemed a representation and warranty by the District to the Purchaser as to the statements made therein.

(l) At no time in the past five years has the District failed to comply in any material respect with any of the informational reporting undertakings contained in any financing documents that are intended to comply with the requirements of Rule 15c2-12. The District will undertake, pursuant to the Continuing Disclosure Agreement, to provide certain semi-annual financial information. A form of the Continuing Disclosure Agreement is attached to the Preliminary Private Placement Memorandum and will be attached to the Private Placement Memorandum.

(m) At the Closing Time, each of the representations and warranties of the District contained herein and in the Transaction Documents to which the District is a party and all other

documents executed by the District in connection with the Bonds shall be true, correct and complete.

6. **Closing.** Prior to or at 12:00 noon, central time, on [\_\_\_\_\_], 2020 or at such other time or such other date as shall have been mutually agreed upon by the parties to this Bond Purchase Agreement (the “**Closing Time**” or “**Closing Date**”), the Authority will deliver, or cause to be delivered, the Bonds as described below, in definitive form duly executed and authenticated by the Trustee, together with the other documents hereinafter mentioned. The Purchaser, upon delivery of the Bonds as described below, will pay the purchase price of the Bonds by delivery to the Authority by electronic transfer of funds immediately available to the Authority in an amount equal to the purchase price.

Payment and delivery of the Bonds as aforesaid shall be made in St. Louis, Missouri upon mutually agreeable arrangement. Such payment and delivery is herein called the “**Closing**.” The Bonds will be delivered in denominations as set forth in the Indenture as definitive bonds in fully-registered form. The Bonds will be registered in such names as shall be specified by the Purchaser.

7. **Events Permitting Purchaser To Terminate.** The Purchaser may cancel its obligation to purchase the Bonds and to terminate this Bond Purchase Agreement, without liability to the Purchaser, by written notice to the Authority if, between the date of this Bond Purchase Agreement and the Closing, in the Purchaser’s sole and reasonable judgment, any of the following events occur (each, a “**Termination Event**”):

(a) (i) legislation is enacted or is actively considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or (ii) other action or events have occurred or transpired, any of the foregoing of which has the purpose or effect, directly or indirectly, of materially adversely affecting the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering price; or

(b) there exists any fact or any event has occurred that either (i) makes untrue or incorrect any statement of a material fact or material information contained in the Private Placement Memorandum as then amended or supplemented or (ii) is not reflected in the Private Placement Memorandum as then amended or supplemented but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect and the Authority declines to amend or supplement the Private Placement Memorandum; or

(c) there has occurred any outbreak or escalation of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States being such as would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering prices (it being agreed by the Purchaser that there is no outbreak or escalation of hostilities or any such national or international calamity or crisis of such a character as of the date hereof); or

(d) there is in force a general suspension of trading on the New York Stock Exchange or a general banking moratorium shall have been declared by federal, State or New York authorities, the effect of which on the financial markets of the United States is such as would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering prices; or

(e) there has occurred since the date of the Private Placement Memorandum any material adverse change in the affairs of the Authority from that contained in the Private Placement Memorandum not otherwise disclosed in the Private Placement Memorandum and the Authority declines to amend or supplement the Private Placement Memorandum; or

(f) legislation is enacted, or actively considered for enactment by the Congress, with an effective date on or prior to the date of Closing, or a decision by a court of the United States is rendered, or a ruling or regulation by the Securities and Exchange Commission (the “**SEC**”) or other governmental agency having jurisdiction of the subject matter is made, the effect of which is that (i) the Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended (the “**1933 Act**”), and as then in effect, or the Securities Exchange Act of 1934, as amended (the “**1934 Act**”), and as then in effect, or (ii) the Indenture is not exempt from the registration, qualification or other requirements of the Trust Indenture Act of 1939, as amended, and as then in effect; or

(g) a stop order, ruling or regulation by the SEC is issued or made, the effect of which is that the issuance, offering or sale of the Bonds, as contemplated herein or in the Preliminary Private Placement Memorandum or the Private Placement Memorandum, is in violation of any provision of the 1933 Act as then in effect, the 1934 Act as then in effect, or the Trust Indenture Act of 1939, as amended, and as then in effect; or

(h) the Private Placement Memorandum is not executed, approved and delivered in accordance with Section 8(b)(xii) below; or

(i) in the reasonable opinion of the Purchaser, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, might be adversely affected because: (i) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental board or by any national securities exchange, (ii) the New York Stock Exchange or other national securities exchange, or any governmental commission, imposes, as to the Bonds or similar obligations, any material restrictions that are neither now in force nor have been announced to become effective prior to the Closing, or increase materially those now in force or so announced, with respect to the extension of credit by, or the charge to the net capital requirements of, underwriters, (iii) the President of the United States of America, a member of his cabinet or the Securities and Exchange Commission, including a lesser official acting on the behalf of any of them, or a member of the Congress, has announced the intended introduction of legislation to achieve the same effect as that described in subsection (a) or (f) of this Section 7, or

(j) any litigation is instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Bonds or in any way contesting or affecting any authority for or the validity of the Bonds, the other Transaction Documents, or powers of the Authority, the City or the District or any of the transactions described herein or in the Private Placement Memorandum; or

(k) a material disruption in securities settlement, payment or clearance services has occurred.

Upon the occurrence of a Termination Event and the termination of this Bond Purchase Agreement by the Purchaser, all obligations of the parties under this Bond Purchase Agreement shall terminate, without further liability, except that obligations of the parties as set forth in Sections 11, 15 and 16 of this Bond Purchase Agreement shall not terminate and shall continue after termination of this Bond Purchase Agreement.

8. **Conditions to Closing.** The obligations hereunder of each party hereto shall be subject (i) to the performance by the other parties of their respective obligations to be performed hereunder at and prior to the Closing Time, (ii) to the accuracy in all material respects of the representations and warranties herein of the other parties as of the date hereof and as of the Closing Time, and (iii) to the following conditions, including the delivery by the appropriate party or parties hereto or other entities of such documents as are enumerated herein:

(b) At the Closing Time, (i) the representations and warranties of the Authority, the City and the District contained in this Bond Purchase Agreement shall be true, complete and correct in all material respects as if made on and as of the Closing Date, (ii) the Transaction Documents shall have been authorized, executed and delivered, and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Authority and Purchaser, the Closing in all events, however, to be deemed such approval, (iii) the proceeds of the sale of the Bonds shall have been deposited and applied as described in the Indenture, and (iv) the Authority shall have duly adopted and there shall be in full force and effect such ordinances as, in the opinion of Gilmore & Bell, P.C., Kansas City, Missouri ("**Bond Counsel**"), shall be necessary in connection with the transactions contemplated hereby.

(b) At or prior to the Closing Time, the Purchaser, the Authority, the City, the District, the Trustee and the Placement Agent shall have received counterparts, copies or certified copies (as appropriate) of the following documents, certificates and opinions:

(i) Approving Opinion. The unconditional approving opinion of Bond Counsel, in substantially the form attached as an appendix to the Private Placement Memorandum, dated the date of Closing, addressed to, or with reliance letters to, the Authority, the Trustee, the Placement Agent and the Purchaser, relating to the due authorization, execution and delivery of the Bonds, the status of the interest on the Bonds for federal and State income tax purposes and certain other matters.

(ii) Supplemental Opinion. An opinion of Bond Counsel as to the matters set forth in Exhibit B attached hereto, dated the date of Closing, addressed to the Authority, the Placement Agent and the Purchaser in form and substance satisfactory to the Authority, the Placement Agent and the Purchaser.

(iii) Authority Counsel Opinion. The opinion of counsel to the Authority as to the matters set forth in Exhibit C attached hereto, dated the date of Closing, addressed to the Authority, the Trustee, the Placement Agent and the Purchaser in form and substance satisfactory to the Placement Agent and Bond Counsel.

(iv) City Counsel Opinion. The opinion of counsel to the City as to the matters set forth in Exhibit D attached hereto, dated the date of Closing, addressed to the City, the Authority, the Trustee, the Placement Agent, Bond Counsel and the Purchaser in form and substance satisfactory to the Placement Agent and Bond Counsel.

(v) District Counsel Opinion. The opinion of counsel to the District as to the matters set forth in Exhibit E attached hereto, dated the date of Closing, addressed to the District, the Authority, the Trustee, the Placement Agent, Bond Counsel and the Purchaser in form and substance satisfactory to the Placement Agent and Bond Counsel.

(vi) Placement Agent Counsel Opinion. The opinion of counsel to the Placement Agent as to the matters set forth in Exhibit F attached hereto, dated the date of Closing, addressed to the Placement Agent in the form and substance satisfactory to the Placement Agent.

(vii) Investor Letter. The Investor Letter in the form attached as Exhibit G executed by the Purchaser.

(viii) Authority Certificate. A certificate of the Authority, dated the date of Closing, in a form approved by Bond Counsel, counsel to the Authority, counsel to the Placement Agent and counsel to the Purchaser, signed by an official of the Authority.

(ix) Trustee Certificate. A certificate of the Trustee, dated the date of Closing, in a form approved by Bond Counsel, counsel to the Authority, counsel to the Placement Agent and counsel to the Purchaser, signed by an officer of the Trustee.

(x) City Certificate. A certificate of the City, dated the date of Closing, in a form approved by Bond Counsel, counsel to the Authority, counsel to the Placement Agent and counsel to the Purchaser, signed by an officer of the City.

(xi) District Certificate. A certificate of the District, dated the date of Closing, in form approved by Bond Counsel, counsel to the Authority, counsel to the Placement Agent and counsel to the Purchaser, signed by an officer of the District.

(xii) Private Placement Memorandum. The Private Placement Memorandum authorized and approved on behalf of the Authority and executed on behalf of the Authority by a duly authorized officer of the Authority.

(xiii) Bond Resolution. The Bond Resolution duly adopted by the Authority.

(xiv) City Resolutions. The City Resolutions, together with a certificate dated the date of Closing to the effect that such resolutions have not been modified, amended or repealed.

(xv) District Resolutions. The District Resolutions, together with a certificate dated the date of Closing to the effect that such resolutions have not been modified, amended or repealed.

(xvi) Indenture. The Indenture duly executed by the Authority and the Trustee.

(xvii) Continuing Disclosure Agreement. The Continuing Disclosure Agreement duly executed by the City, the District and the Dissemination Agent.

(xviii) Other Certificates. Other certificates listed on a closing agenda to be approved by Bond Counsel and the Purchaser, including any certificates or representations of the Authority, required in order for Bond Counsel to deliver the opinion referred to in Section 8(b)(i) of this Bond Purchase Agreement.

(xix) *Authority Receipt*. A receipt of the Authority for the Purchase Price of the Bonds, which may be included in the Authority Certificate referred to in Section 8(b)(vii) of this Bond Purchase Agreement;

(xx) *Additional Documents*. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel, counsel to the Authority, counsel to the Placement Agent, counsel to the Purchaser, counsel to the City, counsel to the District or counsel to the Trustee may reasonably request to evidence compliance with all legal requirements, the truth and accuracy, as of the Closing, of the representations herein and the due performance or satisfaction of all agreements then to be performed and all conditions then to be satisfied.

Unless performance is waived by the party or parties for whose benefit a condition or obligation is intended, if any person is unable to satisfy the above conditions to the obligations of any party to this Bond Purchase Agreement, or if the obligations hereunder of any party are terminated for any reason permitted by this Bond Purchase Agreement and unless otherwise waived, this Bond Purchase Agreement shall terminate and neither the Purchaser nor the Authority shall be under further obligation hereunder, except that the obligations of the Purchaser and the Authority as provided in Sections 11, 15 and 16 hereof shall continue in full force and effect.

9. **Conditions To Authority's, City's and District's Obligations.** The respective obligations of the Authority, the City and the District hereunder are subject to the performance by the Purchaser of its obligations hereunder.

10. **Survival of Representations, Warranties and Agreements.** All representations, warranties and agreements of the Authority and the Purchaser, respectively, shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of any other party and shall survive the Closing.

11. **Expenses.** If the Bonds are sold to the Purchaser by the Authority on or prior to the Closing Time, the Authority shall pay out of the proceeds of the Bonds the following expenses incident to the performance of its obligations hereunder including, but not limited to,: (i) the cost of the preparation, printing and distribution of the Transaction Documents (for distribution on or subsequent to the date of execution of this Bond Purchase Agreement); (ii) the cost of preparation and printing of the definitive Bonds, if applicable; (iii) Trustee fees; (iv) the fees and expenses of Bond Counsel, counsel to the Authority, Purchaser's counsel (not to exceed \$\_\_\_\_\_), the Placement Agent (as set forth in the Placement Agent Agreement), Placement Agent's counsel, and any other experts or consultants retained by the Authority; and (v) the Placement Agent's charge for cost of funds, DTC, Ipreo, Lumesis report and CUSIP fees. The Purchaser shall pay all other expenses incurred by the Purchaser in connection with the purchase of the Bonds.

32. **Third-Party Beneficiaries.** The Authority, the City and the District each agrees that the parties to this Bond Purchase Agreement are and shall be third-party beneficiaries of any and all representations and warranties made by the Authority, the City and the District in the Transaction Documents, to the same effect as if such parties had made such representations and warranties to the other parties in this Bond Purchase Agreement.

13. **Notices.** Any notice or other communication to be given to the Authority, the City or the District under this Bond Purchase Agreement may be given by delivering the same in writing at their respective addresses set forth above, and any notice or other communications to be given to the Purchaser

under this Bond Purchase Agreement may be given by delivering the same in writing to the Purchaser at the following addresses:

Stifel, Nicolaus & Company, Incorporated  
One Financial Plaza  
501 North Broadway  
St. Louis, Missouri 63102  
Attention: Director of Public Finance

14. **Successors.** This Bond Purchase Agreement is made for the benefit of the Authority, the City, the District and the Purchaser (including the successors or assigns of the Purchaser) and no other person including any purchaser of the Bonds shall acquire or have any rights hereunder or by virtue hereof.

15. **Governing Law.** This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

17. **Effectiveness.** This Bond Purchase Agreement shall become effective upon the date of execution hereof.

18. **Counterparts.** This Bond Purchase Agreement may be executed in any number of counterparts, each of which so executed and delivered shall constitute an original and all together shall constitute but one and the same instrument.

19. **Captions.** The captions or headings in this Bond Purchase Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Bond Purchase Agreement.

20. **Electronic Transactions.** The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. In addition, the transaction described herein may be conducted and related documents may be stored by electronic means, copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

21. **Anti-Boycott Acknowledgment.** By entering into this Bond Purchase Agreement the Placement Agent certifies that it and its parent company, wholly or majority-owned subsidiaries, and other affiliates, if any, are not currently engaged in, or for the duration of this Bond Purchase Agreement will not engage in, a boycott of goods or services from the State of Israel; companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or persons or entities doing business in the State of Israel. The Placement Agent understands that "boycott" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations, but does not include an action made for ordinary business purposes.

*[Remainder of Page Intentionally Left Blank.]*



Very truly yours,

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By:

\_\_\_\_\_  
Authorized Officer

Accepted and agreed to as of  
the date first above written:

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE  
CITY OF GRAIN VALLEY, MISSOURI

By\_\_\_\_\_

Accepted and agreed to as of  
the date first above written:

THE CITY OF GRAIN VALLEY, MISSOURI

By\_\_\_\_\_

[Bond Purchase Agreement]

Accepted and agreed to as of  
the date first above written:

THE GRAIN VALLEY MARKETPLACE COMMUNITY  
IMPROVEMENT DISTRICT

By\_\_\_\_\_

[Bond Purchase Agreement]

## EXHIBIT A

### FORM OF PURCHASER'S RECEIPT FOR BONDS AND CLOSING CERTIFICATE

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GRAIN VALLEY, MISSOURI  
TAX INCREMENT REFUNDING REVENUE BONDS  
(GRAIN VALLEY MARKETPLACE REDEVELOPMENT PROJECT #2)  
SERIES 2020**

The undersigned, on behalf of [\_\_\_\_\_] (the "Purchaser"), the original purchaser of the above-referenced bonds (the "Bonds"), of the Industrial Development Authority of the City of Grain Valley, Missouri (the "Authority"), hereby certifies, represents, warrants and agrees as follows:

*Capitalized words and terms used in this Certificate, unless the context requires otherwise, shall have the same meanings as set forth in the Trust Indenture dated as of October 1, 2020 (the "Indenture"), between the Authority and UMB Bank, N.A., as trustee.*

1. Receipt for Bonds. We acknowledge receipt on the date hereof of the Bonds, consisting of fully-registered bonds numbered from 1 consecutively upward, in denominations of \$100,000 or any integral multiple of \$1,000 thereof.

2. Issue Price.

(a) *Purchase Price.* On the date of this Certificate, the Purchaser is purchasing the Bonds for the amount of \$[\_\_\_\_\_]. The Purchaser is not acting as an Underwriter with respect to the Bonds. The Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Bonds (or any portion of the Bonds or any interest in the Bonds); however, the Purchaser reserves the right to sell or distribute the Bonds subject to applicable laws. The Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bonds, and the Purchaser has not agreed with the Authority pursuant to a written agreement to sell the Bonds to persons other than the Purchaser or a Related Party to the Purchaser.

(b) *Defined Terms.*

(i) The term "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(ii) The term "Related Party" is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly.

(iii) The term "Underwriter" means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

3. Compliance with Bond Purchase Agreement. We further acknowledge that we have timely received in satisfactory form and manner all proceedings, certificates, opinions, letters and other documents required to be submitted to us pursuant to the Bond Purchase Agreement prior to or on the date of the delivery of and payment for the Bonds (except to the extent we have waived or consented to modification of certain provisions thereof), and that the Authority has in all respects complied with and satisfied all of its obligations to us which are required under the Bond Purchase Agreement to be complied with and satisfied on or before the date hereof.

4. Reliance. The Authority may rely on the foregoing representations in making its certification as to issue price of the Bonds under the Internal Revenue Code of 1986, as amended (the "Code"), and bond counsel may rely on the foregoing representations in rendering their opinion on the exclusion from federal gross income of the interest on the Bonds; provided, however, that nothing herein represents our interpretation of any laws, and in particular, regulations under section 148 of the Code.

DATED: [\_\_\_\_\_] 2020.

\_\_\_\_\_

By: \_\_\_\_\_  
Title: Authorized Officer

## EXHIBIT B

### SUPPLEMENTAL BOND COUNSEL OPINION MATTERS

1. The Bonds are exempt from registration under the Securities Act of 1933, as amended.
2. The Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

In providing the statement of belief set forth in the paragraph immediately below, reference is made to the Preliminary Private Placement Memorandum dated [\_\_\_\_], 2020 (the “*Preliminary Private Placement Memorandum*”) and the Private Placement Memorandum dated [\_\_\_\_], 2020 (the “*Private Placement Memorandum*”) related to the Bonds. In connection with rendering legal advice to the Authority, we reviewed the information contained in the Preliminary Private Placement Memorandum and the Private Placement Memorandum and certain other documents and have participated in conferences in which the contents of the Preliminary Private Placement Memorandum and the Private Placement Memorandum and other matters were discussed. The purpose of our professional engagement was not to establish or confirm factual matters set forth in the Preliminary Private Placement Memorandum and the Private Placement Memorandum, and we have not undertaken to verify independently any of such factual matters. We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Private Placement Memorandum and the Private Placement Memorandum and we make no representation that we have undertaken to independently verify the accuracy, completeness or fairness of such statements.

Subject to the foregoing, and on the basis of the information we gained in the course of performing the services referred to above, nothing has come to our attention which leads us to believe that the Preliminary Private Placement Memorandum, except for the offering price(s), interest rate(s), selling compensation, aggregate principal amount, delivery dates, ratings, and other terms of the Bonds depending on such matters, or the Private Placement Memorandum, as of their respective dates and as of the date hereof, under the captions “THE BONDS”, “ESTIMATED SOURCES OF PAYMENT AND USES OF FUNDS”, “SECURITY FOR THE BONDS” and “TAX MATTERS” contains any untrue statement of a material fact, or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. We express no view, however, as to (i) any financial, technical or statistical data or any estimates, projections, assumptions or expressions of opinions included in the Private Placement Memorandum or any Appendix thereto, (ii) disclosures provided by the Placement Agent, or (iii) information concerning the Depository Trust Company and the book-entry system for the Bonds.

## **EXHIBIT C**

### **AUTHORITY COUNSEL OPINION MATTERS**

1. The Authority is a public corporation, duly organized and existing under the laws of the State of Missouri.

2. The Transaction Documents to which the Authority is a party (the “Authority Documents”) have each been duly authorized, executed and delivered by, for and on behalf of the Authority. The Bonds have been duly authorized by, for and on behalf of the Authority. The Authority Documents and the Bonds constitute legal, valid and binding agreements of the Authority enforceable against the Authority in accordance with their respective terms (subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditor’s rights generally or against municipalities or state agencies or authorities such as the Authority from time to time in effect, and to applicable principles of equity if equitable remedies are sought, and subject to the qualification that the enforcement of the indemnification provisions of the Bond Purchase Agreement may be limited by federal or state securities laws as the same have been interpreted by judicial decisions).

3. There is no action, suit, proceeding or investigation, at law or in equity, before or by any court, public board or body, pending to which the Authority has been served with process or other official notice or of which I am aware, or to my knowledge, threatened against or affecting the Authority, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Private Placement Memorandum or the validity of the Bonds or the Authority Documents.

4. Nothing has come to my attention which leads me to believe that the information pertaining to the Authority contained in the Preliminary Private Placement Memorandum under the captions “INTRODUCTION – The Authority,” “THE AUTHORITY” and “ABSENCE OF LITIGATION – The Authority,” as of its date and as of the date hereof, and the information pertaining to the Authority contained in the Private Placement Memorandum under the captions “INTRODUCTION – The Authority,” “THE AUTHORITY” and “ABSENCE OF LITIGATION – The Authority,” as of its date and as of the date hereof, contains any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The Authority has approved the Preliminary Private Placement Memorandum and the Private Placement Memorandum and authorized their use and distribution.

5. The execution and delivery by the Authority of the Bonds and other Authority Documents and compliance with the provisions thereof by the Authority, do not in any material respect conflict with or constitute a breach of or default under (i) the Industrial Development Corporations Act, Chapter 349 of the Revised Statutes of Missouri, as amended, (ii) any indenture or other agreement or instrument to which the Authority is a party, or (iii) any regulation, court order or consent decree to which the Authority is subject.

6. To my knowledge (other than any approval that might be required under the securities laws of the United States of America or the securities or blue sky laws of any state, or approvals required in connection with the Project, as to which I express no opinion) (i) no approval, consent, proceeding, authorization or resolution by the Authority is required in connection with the transactions contemplated by the Transaction Documents and (ii) no consents or waivers from third parties are required in connection with the transactions contemplated by the Transaction Documents, other than, with respect to each of the matters specified in (i) and (ii) above, those which have previously been obtained or acquired.



## **EXHIBIT D**

### **CITY COUNSEL OPINION MATTERS**

1. The City is a fourth-class city, duly organized under the laws of the State of Missouri.
2. The Transaction Documents to which the City is a party have each been duly authorized, executed and delivered by, for and on behalf of the City, and constitute the legal, valid and binding agreement of the City, enforceable against it in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws affecting creditors' rights and remedies generally or against municipalities such as the City, by general equitable principles (regardless of whether considered in a proceeding in equity or at law). The use of the Preliminary Private Placement Memorandum and the Private Placement Memorandum by the Placement Agent has been duly approved by the City.
3. There is no action, suit, proceeding or investigation, at law or in equity, before or by any court, public board or body, pending to which the City has been served with process or other official notice or of which I am aware, or to my knowledge, threatened against or affecting the City, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Private Placement Memorandum or the validity of the Transaction Documents to which the City is a party.
4. The execution and delivery by the City of the Transaction Documents to which the City is a party and compliance with the provisions thereof by the City under the circumstances contemplated thereby, do not and will not conflict with or constitute a breach of or default under any indenture or other agreement or instrument to which the City is a party or any regulation, court order or consent decree to which the City is subject.
5. To my knowledge (other than any approval that might be required under the securities laws of the United States of America or the securities or blue sky laws of any state, or approvals required in connection with the Project, as to which I express no opinion) (i) no approval, consent, proceeding, authorization or resolution by the City is required in connection with the transactions contemplated by the Private Placement Memorandum and (ii) no consents or waivers from third parties are required in connection with the transactions contemplated by the Private Placement Memorandum, other than, with respect to each of the matters specified in (i) and (ii) above, those which have previously been obtained or acquired.
6. All proceedings and actions in connection with the designation of the Redevelopment Area as a "redevelopment area" within the meaning of the TIF Act, the approval of the Redevelopment Plan and Projects, the adoption of tax increment financing with respect to the Projects, and the designation of the Developer for the Projects, required to be held and taken under the TIF Act, including without limitation the giving of notice for and holding of a public hearing, have been duly held and taken by the Tax Increment Financing Commission of Grain Valley, Missouri.
7. The Redevelopment Plan meets the requirements of a "redevelopment plan" under the TIF Act, the Projects are a "redevelopment project" within the meaning of the TIF Act, and the costs to be paid with the proceeds of the Bonds are "redevelopment project costs" within the meaning of the TIF Act.

8. Nothing has come to my attention which leads me to believe that the information pertaining to the City contained in the Preliminary Private Placement Memorandum under the captions “INTRODUCTION – The City,” “THE CITY” and “ABSENCE OF LITIGATION – The City,” as of its date and as of the date hereof, and the information pertaining to the City contained in the Private Placement Memorandum under the captions “INTRODUCTION – The City,” “THE CITY” and “ABSENCE OF LITIGATION – The City,” as of its date and as of the date hereof, contains any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

## **EXHIBIT E**

### **DISTRICT COUNSEL OPINION MATTERS**

1. The District is a community improvement district and a political subdivision of the State of Missouri, formed pursuant to the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri (the “CID Act”).

2. The District Sales Taxes have been validly levied by the District and are valid and enforceable sales taxes pursuant to the CID Act and are in full force and effect.

3. The Transaction Documents to which the District is a party have each been duly authorized, executed and delivered by, for and on behalf of the District, and constitute the legal, valid and binding agreement of the District, enforceable against it in accordance with their respective terms, except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws affecting creditors’ rights and remedies generally or against municipalities such as the District, by general equitable principles (regardless of whether considered in a proceeding in equity or at law). The use of the Preliminary Private Placement Memorandum and the Private Placement Memorandum by the Placement Agent has been duly approved by the District.

4. There is no action, suit, proceeding or investigation, at law or in equity, before or by any court, public board or body, pending to which the District has been served with process or other official notice or of which I am aware, or to my knowledge, threatened against or affecting the District, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Private Placement Memorandum or the validity of the Transaction Documents to which the District is a party.

5. The execution and delivery by the District of the Transaction Documents to which the District is a party and compliance with the provisions thereof by the District under the circumstances contemplated thereby, do not and will not conflict with or constitute a breach of or default under any indenture or other agreement or instrument to which the District is a party or any regulation, court order or consent decree to which the District is subject.

6. To my knowledge (other than any approval that might be required under the securities laws of the United States of America or the securities or blue sky laws of any state, or approvals required in connection with the Project, as to which I express no opinion) (i) no approval, consent, proceeding, authorization or resolution by the District is required in connection with the transactions contemplated by the Private Placement Memorandum and (ii) no consents or waivers from third parties are required in connection with the transactions contemplated by the Private Placement Memorandum, other than, with respect to each of the matters specified in (i) and (ii) above, those which have previously been obtained or acquired.

7. Nothing has come to my attention which leads me to believe that the information pertaining to the District contained in the Preliminary Private Placement Memorandum under the captions “INTRODUCTION – The District,” “THE DISTRICT” and “ABSENCE OF LITIGATION – The District,” as of its date and as of the date hereof, and the information pertaining to the District contained in the Private Placement Memorandum under the captions “INTRODUCTION – The District,” “THE DISTRICT” and “ABSENCE OF LITIGATION – The District,” as of its date and as of the date hereof, contains any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

## **EXHIBIT F**

### **PLACEMENT AGENT'S COUNSEL OPINION MATTERS**

1. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. The Continuing Disclosure Agreement complies with the requirements of Rule 15c2-12(b)(5) promulgated pursuant to the Securities Exchange Act of 1934, as amended, in effect as of the date hereof.

In accordance with our understanding with you, we have rendered legal advice and assistance to you in the course of your investigation with respect to the Preliminary Private Placement Memorandum and the Private Placement Memorandum. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal documents and proceedings. We also participated in conferences with your representatives and those of the Authority, the City, the District and certain other persons involved in the preparation of the information contained in the Preliminary Private Placement Memorandum and the Private Placement Memorandum during which the contents of the Preliminary Private Placement Memorandum and the Private Placement Memorandum and related matters were discussed and reviewed.

Although we express no opinions regarding the Preliminary Private Placement Memorandum or Private Placement Memorandum, at your request, we advise you that, in the course of rendering such assistance, and although we have not undertaken to independently verify and assume no responsibility for the accuracy, completeness, fairness or sufficiency of the information in the Preliminary Private Placement Memorandum or the Private Placement Memorandum, nothing has come to our attention that leads us to reasonably believe that the information in the Preliminary Private Placement Memorandum as of the date thereof, or the Private Placement Memorandum as of the date thereof, contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, taken as a whole, not misleading (it being understood that we express no belief or opinion with respect to (i) any financial, numerical or statistical information included with or set forth in the Preliminary Private Placement Memorandum or the Private Placement Memorandum or omitted therefrom, (ii) any estimates, projections, assumptions or expressions of opinion set forth in the Preliminary Private Placement Memorandum or the Private Placement Memorandum, and (iii) information with respect to matters set forth in the Preliminary Private Placement Memorandum or Private Placement Memorandum under the captions "TAX MATTERS" and "APPENDIX G – Book-Entry Only System").

## EXHIBIT G

### FORM OF INVESTOR LETTER

Industrial Development Authority of the City of Grain Valley, Missouri  
City of Grain Valley, Missouri  
Stifel, Nicolaus & Company, Incorporated

Re: **Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 (the “Bonds”)**

Ladies and Gentlemen:

The undersigned (the “**Purchaser**”) hereby acknowledges that it is purchasing \$\_\_\_\_\_ aggregate principal amount of The Industrial Development Authority of the City of Grain Valley, Missouri (the “**Authority**”) Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “**Bonds**”) pursuant to a resolution (the “**Authority Bond Resolution**”) of the Board of Directors of the Authority, adopted on [\_\_\_\_\_] and the Trust Indenture dated as of [October 1], 2020 (the “**Indenture**”) entered into by and between the Authority and UMB Bank, N.A. (the “**Trustee**”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Authority Bond Resolution, the Indenture and the Placement Materials (defined herein).

This letter is being provided pursuant to a Placement Agent Agreement, dated [\_\_\_\_\_] 2020 (the “**Placement Agreement**”), between the Authority and Stifel Nicolaus & Company, Incorporated (the “**Placement Agent**”) and pursuant to the Bond Purchase Agreement dated [\_\_\_\_\_] 2020 between the Purchaser and the Authority.

The Purchaser acknowledges that the proceeds of the Bonds will be used for purpose of providing funds to (a) refund the Authority’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) (the “**Refunded Bonds**”), (b) fund a reserve fund for the Bonds and (c) pay the costs of issuance of the Bonds. The Bonds, together with interest thereon, are limited obligations of the Authority, payable solely from Bond proceeds, Revenues and other moneys pledged thereto, as provided in the Indenture.

In connection with the sale of the Bonds to the Purchaser, the Purchaser hereby makes the following representations upon which the Authority and the Placement Agent may rely:

1. The Purchaser has the authority and is duly authorized to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with its purchase of the Bonds.

2. The Purchaser is (a) “qualified institutional buyer,” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended or (b) an “institutional accredited investor”<sup>1</sup> (“**Approved Investors**”).

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<sup>1</sup> For purposes of this letter, an “institutional accredited investor” means an “accredited investor” as defined in Rule 501(a) of Regulation D under the Securities Act, but excluding the categories of accredited investors provided under such rule which are (1) any natural person whose individual net worth, or joint net worth with that person’s spouse, at

3. The Purchaser is purchasing the Bonds as an investment for (i) its own account and not with a present view to resell or to make other distribution to the public or (ii) the accounts of other Approved Investors. Although the Purchaser retains the right to transfer the Bonds in the future, the Purchaser agrees to do so only in strict compliance with the transfer restrictions contained in the Indenture. The Purchaser understands that the Bonds may not be readily tradable. Any such sale, transfer or distribution of a Bond by the Purchaser and any Bond transferred to the transferee shall be in Authorized Denominations, and such transferee shall be an Approved Investor.

4. The Purchaser understands that the Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) will be delivered in a form that may not be readily marketable.

5. The Purchaser acknowledges that it has either been supplied with or been given access to information, including the Private Placement Memorandum and other legal documents used in connection with the Placement (together with all supplements, modifications and additions thereto prior to the Closing Date, the “**Placement Materials**”), which it has requested from the Authority and to which a reasonable investor would attach significance in making investment decisions, and the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Authority and the Bonds and the security therefor so that, as a reasonable investor, the Purchaser has been able to make a decision to purchase the Bonds. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds.

6. The Purchaser acknowledges that the obligations of the Authority under the Authority Bond Resolution and the other Placement Materials are special, limited obligations of the Authority, payable solely from and secured by the Trust Estate pledged under the Indenture, consisting of all right, title and interest of the Authority in the Revenues, and other moneys pledged thereto, as provided in the Indenture. Subject to the limitations contained in the Indenture, the Authority will pledge and assign moneys in the Revenue Fund, the Debt Service Fund and the Bond Reserve Fund to the Bondowners as security for the payment of the Bonds and the interest thereon. The Bonds are not secured by a mortgage on any property.

7. The Bonds do not constitute an indebtedness of the Authority, the City, the State, the District or any political subdivision thereof within the meaning of any constitutional, statutory or charter debt provision or limitation. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Authority, the State, the City, the District or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Authority has no taxing power.

8. The Purchaser has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Purchaser is aware that there are certain economic and regulatory variables and risks that could adversely affect the security for the Bonds. The Purchaser has reviewed the documents executed in conjunction with the

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the time of purchase exceeds \$1,000,000 (calculated in accordance with such rule), (2) any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year, and (3) any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer.

issuance of Bonds, or summaries thereof, including, without limitation, the Authority Bond Resolution, the Indenture and the Financing Agreement.

9. The Purchaser acknowledges and agrees that the Placement Agent and the Authority take no responsibility for, and make no representation to the Purchaser, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Authority Bond Resolution or the Indenture, or any securities law or income tax law consequences thereof. The Purchaser also acknowledges that, with respect to the Authority's obligations and liabilities, the Purchaser is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of the Bonds made by the Purchaser.

10. The Purchaser agrees that it is bound by and will abide by the provisions of the Authority Bond Resolution and the Indenture relating to transfer, the restrictions noted on the face of the Bonds and this Investor Letter. The Purchaser also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Bonds by the Purchaser.

11. The Purchaser acknowledges that the sale of the Bonds to the Purchaser is made in reliance upon the certifications, representations, and warranties herein by the addressees hereto.

12. The interpretation of the provisions hereof shall be governed and construed in accordance with Missouri law without regard to principles of conflicts of laws.

13. All representations of the Purchaser contained in this letter shall survive the execution and delivery of the Bonds to the Purchaser as representations of fact existing as of the date of execution and delivery of this Investor Letter.

14. This Investor Letter may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument. This Investor Letter may be distributed and may be sent, received and stored by electronic means. Copies, PDFs, facsimiles, electronic files and other reproductions of this Investor Letter shall be deemed to be authentic and valid counterparts of such letter for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Very truly yours,

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## CONTINUING DISCLOSURE AGREEMENT

This CONTINUING DISCLOSURE AGREEMENT dated as of October 1, 2020 (the “**Disclosure Agreement**”), is executed and delivered by the City of Grain Valley, Missouri (the “**City**”), the Grain Valley Marketplace Community Improvement District (the “**District**”), and UMB Bank, N.A., as dissemination agent (the “**Dissemination Agent**”).

### RECITALS

1. This Disclosure Agreement is executed and delivered in connection with the issuance by the Industrial Development Authority of the City of Grain Valley, Missouri (the “**Authority**”) of its \$ \_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “**Bonds**”), pursuant to a Trust Indenture dated as of October 1, 2020 between the Authority and UMB Bank, N.A., as trustee (the “**Indenture**”).

2. The City, the District and the Dissemination Agent are entering into this Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds. The City and the District are the only “obligated persons” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the City, the District and the Dissemination Agent covenant and agree as follows:

**Section 1. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report filed pursuant to, and as described in, Section 2(a) of this Disclosure Agreement.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Developer**” means Star Acquisitions, Inc. or its successor or transferee, as provided in the Acknowledgment of Developer attached as Exhibit D hereto.

“**Dissemination Agent**” means UMB Bank, N.A. acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City and the District.

“**District Semi-Annual Information**” means the information related to the District and its revenue necessary to complete the applicable Semi-Annual Report.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org).

“**Financial Obligation**” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation;

or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**“Fiscal Year”** means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

**“Material Events”** means any of the events listed in Section 3(a), 3(b), 3(c) or 3(d) of this Disclosure Agreement.

**“MSRB”** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

**“Rule”** means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**“Semi-Annual Report”** means any Semi-Annual Report filed pursuant to, and as described in, Section 2 of this Disclosure Agreement and containing the information set forth in Exhibit A hereto.

**“Semi-Annual Report Date”** means each March 1 and September 1, commencing March 1, 2021.

## **Section 2. Provision of Annual Reports and Semi-Annual Reports.**

### **(a) Annual Report.**

(1) The City shall, or shall cause the Dissemination Agent to, not later than the last calendar day of the sixth month following the end of each of the City’s Fiscal Years (initially, each June 30), commencing with the Fiscal Year ending December 31, 2020, file with the MSRB, through EMMA, the audited financial statements of the City for the prior Fiscal Year (the **“Annual Report”**). If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Private Placement Memorandum relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an “obligated person” (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The City shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section. If the City’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under Section 3.

(2) Not later than **5 Business Days** before the date specified in subsection (1) for providing the Annual Report to the MSRB, the City shall either (i) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (1), or (ii) provide written notice to the Dissemination Agent that the City has filed the Annual Report with the MSRB (or will do so prior to the deadline specified in subsection (1)).

(3) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the City that it has filed an Annual Report with the MSRB by the date required in subsection (1), the Dissemination Agent shall send a notice in a timely manner to the MSRB in substantially the form attached as Exhibit B.

(4) The Dissemination Agent shall, unless the City has filed the Annual Report with the MSRB, promptly following receipt of the Annual Report and instructions required in subsection (2) above, file the Annual Report with the MSRB and file a report with the City certifying that the Annual Report has been filed pursuant to this Disclosure Agreement, stating the date it was filed with the MSRB.

(b) Semi-Annual Report.

(1) The District shall provide, or shall cause the Trustee to provide (if the Trustee is not the Dissemination Agent), the District Semi-Annual Information to the Dissemination Agent not later than **5 Business Days** before the applicable Semi-Annual Report Date. The Dissemination Agent shall provide the Semi-Annual Report to the MSRB within **5 Business Days** after receipt of all the information necessary to complete the applicable Semi-Annual Report.

(2) The Dissemination Agent shall send notice to the District, no later than 30 days prior to each Semi-Annual Report Date each year, of the District's obligation to provide to the Dissemination Agent the District Semi-Annual Information.

(3) If the Dissemination Agent shall not have received the District Semi-Annual Information by the Semi-Annual Report Date, the Dissemination Agent shall so notify the MSRB within **5 Business Days** following the Semi-Annual Report Date. Such notice shall be in substantially the form attached hereto as Exhibit C.

(c) Dissemination Agent Obligations.

(1) Following receipt of the applicable information set forth in subsections (a) and (b) above, and to the extent that the City has received the necessary information required by Section 5 of the Semi-Annual Report from the Developer (and if the Developer has not provided the necessary information, the Semi-Annual Report shall include a statement indicating that such information has been requested and that the Semi-Annual Report will be supplemented if and when such information is received), the Dissemination Agent shall file the Annual Report, and shall receive and compile the District Semi-Annual Information, and file each Semi-Annual Report, with the MSRB on or prior to each Semi-Annual Report Date.

(2) The Dissemination Agent shall provide the City, the District and the

Trustee (if the Trustee is not the Dissemination Agent) written confirmation that the Semi-Annual Report was provided to the MSRB in accordance with subsection (1).

(3) The Annual Reports and the Semi-Annual Reports shall each be provided to the MSRB in such manner and format as prescribed by the MSRB.

### **Section 3. Reporting of Material Events.**

- (a) No later than **10 Business Days** after the occurrence of any of the following events, the City shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds:
- (1) principal and interest payment delinquencies;
  - (2) non-payment related defaults, if material;
  - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (5) substitution of credit or liquidity providers, or their failure to perform;
  - (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
  - (7) modifications to rights of bondholders, if material;
  - (8) bond calls, if material, and tender offers;
  - (9) defeasances;
  - (10) release, substitution or sale of property securing repayment of the Bonds, if material;
  - (11) rating changes;
  - (12) bankruptcy, insolvency, receivership or similar event of the City;
  - (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
  - (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
  - (15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; or
  - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.
- (b) No later than **10 Business Days** after the occurrence of such event, the District shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of the bankruptcy, insolvency, receivership or similar event of the District.
- (c) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact such

person as the City shall designate in writing to the Dissemination Agent from time to time, and request that the City promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (e). If in response to a request under this subsection (c), the City determines that the event does not constitute a Material Event, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (e).

- (d) Whenever the City or the District obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (c) or otherwise, the City or the District, as applicable, shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (e).
- (e) If the Dissemination Agent receives written instructions from the City or the District to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the City and the District. If the Indenture provides that notice of the Material Event described in subsection (a)(8) be provided to the registered owners of affected Bonds, then notwithstanding the foregoing requirements of this subsection, notice of the Material Event need not be given under this subsection any earlier than the notice of the underlying event provided under the Indenture.

**Section 4. Termination of Reporting Obligation.** Except as otherwise provided herein, the obligations of the City and the District under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the obligations of the City or the District under this Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the City or the District, as applicable, and the City or the District, as applicable, shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the City or the District, as applicable, shall give notice of such termination or substitution in the same manner as for a Material Event under Section 3.

**Section 5. Dissemination Agents.** The City and the District shall, from time to time, jointly appoint or engage a Dissemination Agent to assist it in carrying out their obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, but only if a successor Dissemination Agent is appointed by the City. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the City and the District, and the City shall appoint a successor. If no successor is appointed by the effective date of resignation, the Dissemination Agent, at the cost of the City, may petition a court of competent jurisdiction for the appointment of a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report or the Semi-Annual Report) prepared by, or based on information provided by, the City or the District pursuant to this Disclosure Agreement. The initial Dissemination Agent is UMB Bank, N.A..

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the City, the District and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the City, the District and the Dissemination Agent with its written opinion that the undertakings of the City and the District contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under Section 3, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the City or the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report, Semi-Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Agreement. If the City or the District chooses to include any information in any annual report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Agreement, neither the City nor the District shall have any obligation under this Disclosure Agreement to update such information or include it in any future annual report or notice of occurrence of a Material Event. Notwithstanding the foregoing, the District may not disseminate any additional information without the consent of the City.

**Section 8. Default.** If the City, the District or the Dissemination Agent fails to comply with any provision of this Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City, the District or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Indenture or the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the City, the District or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

**Section 9. Duties and Liabilities of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The obligations of the City and the District under this Disclosure Agreement shall survive the resignation or removal of the Dissemination Agent and payment of the Bonds. The City and the District or their respective successors or assigns shall pay or cause to be timely paid, the fees, charges and expenses of the Dissemination Agent in connection with the performance of its duties under this Disclosure Agreement, and, to the extent permitted by law, the City and the District agree to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall not be responsible for the City's or the District's failure to submit a complete Annual Report or Semi-Annual Report, as applicable, to the MSRB. The Dissemination Agent is not responsible for ensuring the compliance with any rule or regulation of the City the District or the Participating Underwriter in connection with the filing of information herein but is merely responsible for the filing of any such information provided to the Dissemination Agent by the City or the District.

**Section 10. Notices.** Any notices or communications to or among any of the parties to this Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed facsimile, or by confirmed electronic mail, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

**To the City:** City of Grain Valley, Missouri  
City Hall  
711 Main Street  
Grain Valley, Missouri 64085  
Attention: City Administrator  
E-mail: \_\_\_\_\_

**To the District:** Grain Valley Marketplace Community Improvement District  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
E-mail: \_\_\_\_\_

**To the Dissemination Agent:** UMB Bank, N.A.  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
E-mail: \_\_\_\_\_

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

**Section 11. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the City, the District, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 12. Severability.** If any provision in this Disclosure Agreement, the Indenture or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 13. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 14. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 15. Governing Law.** This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

*Signatures appear on the following pages*

**IN WITNESS WHEREOF**, the City, the District and the Dissemination Agent have caused this Disclosure Agreement to be executed as of the day and year first above written.

**CITY OF GRAIN VALLEY, MISSOURI**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**THE GRAIN VALLEY MARKETPLACE  
COMMUNITY IMPROVEMENT  
DISTRICT**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**UMB BANK, N.A.,** as Dissemination Agent

By: \_\_\_\_\_  
Title: Authorized Officer

## EXHIBIT A

### FORM OF SEMI-ANNUAL REPORT

This report is prepared and delivered pursuant to the Continuing Disclosure Agreement (the “Agreement”) dated as of October 1, 2020 among the City of Grain Valley, Missouri (the “City”), the Grain Valley Marketplace Community Improvement District (the “District”), and UMB Bank, N.A., as dissemination agent, entered into in connection the issuance of the Industrial Development Authority of the City of Grain Valley, Missouri’s \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2020 (the “Bonds”). The Bonds were offered pursuant to a Private Placement Memorandum dated October 9, 2020 (the “Private Placement Memorandum”). Capitalized words used in this Semi-Annual Report and not defined herein have the meanings given such terms in the Private Placement Memorandum.

Date of Semi-Annual Report: \_\_\_\_\_, 20\_\_.

Semi-Annual Reporting Period from [January 1] [July 1], 20\_\_ [date of issuance of the Bonds] to [June 30] [December 31], 20\_\_

1. The principal amount of Bonds redeemed since the last Semi-Annual Report is: \$\_\_\_\_\_

2. The aggregate principal amount of Bonds redeemed since the date of issuance of the Bonds is: \$\_\_\_\_\_

3. The amount on deposit in the Bond Reserve Fund is \$\_\_\_\_\_.

4. The following are the amounts by month of Revenues deposited into the Revenue Fund since the last Semi-Annual Report, or in the case of the first Semi-Annual Report, the date of issuance of the Bonds. The Monthly Total includes EATs Revenue, CID Revenue and PILOTS.:

Month	Monthly Total
[Month]	\$
[Month]	
[Month]	
[Month]	
[Month]	
[Month]	
<b>Total</b>	\$

5. The table under the heading “THE PROJECTS – Occupants and Lease Information” in the Private Placement Memorandum is updated as of [December 31 / June 30], \_\_\_\_\_ as follows: [if there is no change to the tenant information from that contained in the Private Placement Memorandum or the prior Semi-Annual Report, can insert “unchanged”]

**EXHIBIT B**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

**Name of Issuer:** The Industrial Development Authority of the City of Grain Valley,  
Missouri

**Name of Bond Issue:** \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley  
Marketplace Redevelopment Project #2), Series 2020

**Name of Obligated Person:** City of Grain Valley, Missouri (the "City")

**Date of Issuance:** \_\_\_\_\_, 2020

**NOTICE IS HEREBY GIVEN** that the City has not filed an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of October 1, 2020, among the City, the District and UMB Bank, N.A., as Dissemination Agent. The City has informed the Dissemination Agent that the City anticipates that the Annual Report will be filed by \_\_\_\_\_.

**Dated:** \_\_\_\_\_, \_\_\_\_\_

UMB Bank, N.A., as Dissemination Agent on behalf of  
the City of Grain Valley, Missouri

cc: City of Grain Valley, Missouri

**EXHIBIT C**

**NOTICE OF FAILURE TO FILE SEMI-ANNUAL REPORT**

**Name of Issuer:** The Industrial Development Authority of the City of Grain Valley,  
Missouri

**Name of Bond Issue:** \$\_\_\_\_\_ Tax Increment Refunding Revenue Bonds (Grain Valley  
Marketplace Redevelopment Project #2), Series 2020

**Name of Obligated Person:** The Grain Valley Marketplace Community Improvement District (the  
“District”),

**Date of Issuance:** \_\_\_\_\_, 2020

**NOTICE IS HEREBY GIVEN** that the District has not filed a Semi-Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of October 1, 2020, among the City, the District and UMB Bank, N.A., as Dissemination Agent. The District has informed the Dissemination Agent that the District anticipates that the Semi-Annual Report will be filed by \_\_\_\_\_.

**Dated:** \_\_\_\_\_, \_\_\_\_\_

UMB Bank, N.A., as Dissemination Agent on behalf of  
the District

cc: City of Grain Valley, Missouri  
The Grain Valley Marketplace Community Improvement District

## **EXHIBIT D**

### **ACKNOWLEDGEMENT OF DEVELOPER**

Star Acquisitions, Inc., as developer of the property comprising the Grain Valley Marketplace in Grain Valley, Missouri (the “Developer”), acknowledges receipt of a copy of this Continuing Disclosure Agreement and agrees to provide the necessary information to complete item 5 of the Semi-Annual Report to the Dissemination Agent no later than 30 days prior to each Semi-Annual Report Date each year, which information will allow the Dissemination Agent to complete the Semi-Annual Report; provided, however, the Developer’s obligations hereunder shall terminate upon the sale or other conveyance of all of its interest in the property comprising the Grain Valley Marketplace. The Developer agrees to cause all purchaser(s) or transferee(s) of all or a portion of its interest in the Grain Valley Marketplace to execute and deliver to the Dissemination Agent a written acknowledgement and agreement to provide the necessary information to complete item 5 of the Semi-Annual Report to the Dissemination Agent on or before the date which is no later than 30 days prior to each Semi-Annual Report Date each year, which certification will allow the Dissemination Agent to complete the Semi-Annual Report, which acknowledgment and agreement shall be in form and substance similar to this Acknowledgment of Developer. In the event the Developer (or any successor in ownership) fails to perform its obligations under this Acknowledgment of Developer, the sole remedy of the obligated persons (as defined in the Continuing Disclosure Agreement) shall be an action to compel performance.

Dated as of \_\_\_\_\_, 2020.

**STAR ACQUISITIONS, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**TAX COMPLIANCE AGREEMENT**

**Dated as of October 1, 2020**

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**among**

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE CITY OF GRAIN VALLEY, MISSOURI,**

**CITY OF GRAIN VALLEY, MISSOURI,**

**GRAIN VALLEY MARKETPLACE COMMUNITY IMPROVEMENT DISTRICT**

**and**

**UMB BANK, N.A.,  
as Trustee**

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**\$2,385,000  
Tax Increment Refunding Revenue Bonds  
(Grain Valley Marketplace Redevelopment Project #2)  
Series 2020**

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# **TAX COMPLIANCE AGREEMENT**

## **TABLE OF CONTENTS**

	<u><b>Page</b></u>
PARTIES AND RECITALS .....	1
<u><b>ARTICLE I</b></u>	
<b>DEFINITIONS</b>	
Section 1.1. Definitions of Words and Terms .....	2
<u><b>ARTICLE II</b></u>	
<b>GENERAL REPRESENTATIONS AND COVENANTS</b>	
Section 2.1. Representations and Covenants of the Authority .....	6
Section 2.2. Representations and Covenants of the City .....	7
Section 2.3. Representations and Covenants of the District .....	10
Section 2.4. Representations and Covenants of the Trustee .....	12
Section 2.5. Survival of Representations and Covenants .....	12
<u><b>ARTICLE III</b></u>	
<b>ARBITRAGE CERTIFICATIONS AND COVENANTS</b>	
Section 3.1. General .....	12
Section 3.2. Reasonable Expectations .....	13
Section 3.3. Purpose of Financing .....	13
Section 3.4. Funds and Accounts .....	13
Section 3.5. Amount and Use of Bond Proceeds .....	13
Section 3.6. Multipurpose Issue .....	14
Section 3.7. No Advance Refunding .....	<b>Error! Bookmark not defined.</b>
Section 3.8. Current Refunding .....	<b>Error! Bookmark not defined.</b>
Section 3.9. Project Completion .....	14
Section 3.10. Financing Agreement/Sinking Funds .....	14
Section 3.11. Reserve, Replacement and Pledged Funds .....	14
Section 3.12. No Purpose Investment .....	15
Section 3.13. Issue Price and Yield on Bonds .....	15
Section 3.14. Miscellaneous Arbitrage Matters .....	15
Section 3.15. Conclusion .....	15
<u><b>ARTICLE IV</b></u>	
<b>POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES</b>	
Section 4.1. General .....	<b>Error! Bookmark not defined.</b>
Section 4.2. Record Keeping, Use of Bond Proceeds and Use of Financed Facility .....	17
Section 4.3. Temporary Periods/Yield Restriction .....	<b>Error! Bookmark not defined.</b>
Section 4.4. Fair Market Value .....	<b>Error! Bookmark not defined.</b>
Section 4.5. Bonds Exempt from the Rebate Requirement .....	<b>Error! Bookmark not defined.</b>



Section 4.5.	Certain Gross Proceeds Exempt from the Rebate Requirement	Error! Bookmark not defined.
Section 4.6.	Computation and Payment of Arbitrage Rebate .....	Error! Bookmark not defined.
Section 4.7.	Successor Rebate Analyst.....	Error! Bookmark not defined.
Section 4.8.	Filing Requirements .....	Error! Bookmark not defined.
Section 4.9.	Survival after Defeasance.....	Error! Bookmark not defined.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

Section 5.1.	Term of Tax Agreement .....	23
Section 5.2.	Amendments.....	24
Section 5.3.	Opinion of Bond Counsel.....	24
Section 5.4.	Reliance .....	24
Section 5.5.	Severability .....	24
Section 5.6.	Benefit of Agreement .....	24
Section 5.7.	Default; Breach and Enforcement .....	24
Section 5.8.	Execution in Counterparts .....	24
Section 5.9.	Governing Law .....	25
Section 5.10.	No Pecuniary Liability.....	25
Section 5.11.	Electronic Transactions .....	25

Signatures.....	S-1
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**Exhibit A** - Debt Service Schedule and Proof of Yield

**Exhibit B** - IRS Form 8038-G

**Exhibit C** - Description of Property Comprising the Financed Facility

**Exhibit D** - Form of Final Written Allocation

**Exhibit E** - Form of Annual Compliance Checklist

\* \* \*

## **TAX COMPLIANCE AGREEMENT**

**THIS TAX COMPLIANCE AGREEMENT** (the “Tax Agreement”), is entered into as of October 1, 2020, among **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GRAIN VALLEY, MISSOURI**, a public corporation organized and existing under the laws of the State of Missouri (the “Authority”), the **GRAIN VALLEY MARKETPLACE COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision of the State of Missouri (the “District”), the **CITY OF GRAIN VALLEY, MISSOURI**, a fourth-class city and political subdivision of the State of Missouri (the “City”), and **UMB BANK, N.A.**, a national banking association duly organized and existing under the laws of the United States of America, as Trustee (the “Trustee”);

### **RECITALS**

1. This Tax Agreement is being executed and delivered in connection with the issuance by the Authority of \$2,385,000 principal amount of Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 (the “Bonds”) under the Trust Indenture dated the date of this Tax Agreement (the “Indenture”) between the Authority and the Trustee to provide funds for the purpose of making the Bond proceeds available under the Financing Agreement dated the date of this Tax Agreement (the “Financing Agreement”) among the Authority, the District and the City, for the purposes described in this Tax Agreement, the Indenture and the Financing Agreement.

2. The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and investment of Bond proceeds and of certain other money relating to the Bonds and set forth the conditions under which the interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The Authority, the District, the City and the Trustee are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

4. The Authority adopted a Tax-Exempt Financing Compliance Policy and Procedure on October 8, 2012 (the “Tax Compliance Procedure”) for the purpose of setting out general procedures for the Authority, the District and the City to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations. This Tax Agreement is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Bonds.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the Authority, the District, the City and the Trustee represent, covenant and agree as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.1. Definitions of Words and Terms.** Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax Agreement have the same meanings as set forth in the Indenture, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Agreement have the following meanings:

**“Adjusted Gross Proceeds”** means the Gross Proceeds of the Bonds reduced by amounts (1) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (2) that as of the Issue Date are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period, and (3) representing grant repayments or sale or Investment proceeds of any purpose Investment.

**“Authority”** means The Industrial Development Authority of the City of Grain Valley, Missouri and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the Authority.

**“Bona Fide Debt Service Fund”** means a fund, which may include Bond proceeds, that (a) is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year; and (b) is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Bond Year, or (2) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year.

**“Bond”** or **“Bonds”** means \$2,385,000 aggregate principal amount of the Authority’s Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020 described in the recitals, authenticated and delivered under the Indenture.

**“Bond Compliance Officer”** means the City’s Finance Director or the person to whom the responsibilities of this position are delegated in writing.

**“Bond Counsel”** means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the Authority.

**“Bond Payment Date”** means any date on which the principal of or interest on any Tax-Exempt Bonds is payable.

**“Bond Reserve Requirement”** means \$\_\_\_\_\_.

**“Bond Year”** means each one-year period (or shorter period for the first Bond Year) ending September 1, or another one-year period selected by the City.

**“CID Sales Taxes”** means the receipts by or on behalf of the District from the sales taxes imposed on retail sales within the boundaries of the District (including a portion of the Economic Activity Tax Revenues, as such term is defined in the Indenture).

**“City”** means the City of Grain Valley, Missouri and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the City.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Computation Date”** means each date on which arbitrage rebate for the Bonds is computed. The City may treat any date as a Computation Date, subject to the following limits:

- (a) the first rebate installment payment must be made for a Computation Date not later than 5 years after the Issue Date;
- (b) each subsequent rebate installment payment must be made for a Computation Date not later than five years after the previous Computation Date for which an installment payment was made; and
- (c) the date the last Bond is discharged is the final Computation Date.

The City selects September 1, 2023 as the first Computation Date but reserves the right to select a different Computation Date consistent with the Regulations.

**“Developer”** means Star Acquisitions, Inc., a Missouri limited liability company, and its successors or assigns.

**“District”** means the Grain Valley Marketplace Community Improvement District, and its successors and assigns.

**“Final Written Allocation”** means the written allocation of expenditures of proceeds of the Original Obligations as set forth on **Exhibit D**.

**“Financed Facility”** means any portion of the Project financed or refinanced with proceeds of the Bonds, as described on **Exhibit C**.

**“Financing Agreement”** means the Financing Agreement dated as of October 1, 2020 between the Authority, the District and the City.

**“Gross Proceeds”** means (a) sale proceeds (any amounts actually or constructively received by the Authority from the sale of the Bonds, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds), (c) any amounts held in a sinking fund for the Bonds, (d) any amounts held in a pledged fund or reserve fund for the Bonds, (e) any other replacement proceeds, (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

- (1) Costs of Issuance Fund;
- (2) Bond Reserve Fund;
- (3) Revenue Fund (and therein the Revenue Account, the PILOTs Account, the EATs Account, the Sales Tax Account and the District Operating Account);
- (4) Debt Service Fund (and therein the Interest Account, the Principal Account and the Redemption Account);
- (5) Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Bonds);
- (6) Escrow Fund.

**“Guaranteed Investment Contract”** is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

**“Indenture”** means the Trust Indenture dated as of October 1, 2020, by and between the Authority and the Trustee, as further amended and supplemented in accordance with the provisions of the Indenture.

**“Investment”** means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. Such term does not include a tax-exempt bond, except for “specified private activity bonds” as such term is defined in Code § 57(a)(5)(C), but does include the investment element of most interest rate caps.

**“IRS”** means the United States Internal Revenue Service.

**“Issue Date”** means October \_\_, 2020.

**“Management Agreement”** means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed Facility or a portion of the Financed Facility. Contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing, or similar services), however, are not treated as Management Agreements.

**“Measurement Period”** means, with respect to each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, the period beginning on the later of (a) the issue date of the Original Obligations or (b) the date the property was or will be placed in service, and ending on the earlier of (1) the final maturity date of the Bonds or (2) the end of the expected economic useful life of the property.

**“Minor Portion”** means the lesser of \$100,000 or 5% of the sale proceeds of the Bonds.

**“Net Proceeds”** means the sale proceeds of the Bonds (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

**“Non-Qualified User”** means any person or entity other than a Qualified User.

**“Opinion of Bond Counsel”** means the written opinion of Gilmore & Bell, P.C. or other nationally recognized firm of bond counsel. Unless otherwise specifically noted herein an Opinion of Bond Counsel must conclude that the action or proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

**“Original Obligations”** means the Authority’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), which was the first issue of tax-exempt governmental bonds that financed or refinanced a portion of the Financed Facility.

**“Post-Issuance Tax Requirements”** means those requirements related to the use of proceeds of the Bonds and the Financed Facility and the investment of Gross Proceeds that apply after the Issue Date of the Bonds.

**“Project”** means all of the property described in the Redevelopment Agreement that has been and is being acquired, developed, constructed, renovated, and equipped by the Authority, the City and the District using proceeds of the Bonds, other debt obligations, and money contributed by the City, the District or the Developer.

**“Purchaser”** means \_\_\_\_\_, the purchaser of the Bonds.

**“Reasonable Retainage”** means Gross Proceeds retained by the Authority or the City for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed, 5% of net sale proceeds of the Bonds on the date 18 months after the Issue Date for purposes of the 18-month spending test.

**“Rebate Analyst”** means Gilmore & Bell, P.C. or any successor Rebate Analyst selected pursuant to this Tax Agreement.

**“Redevelopment Agreement”** means the Tax Increment Financing Contract dated May 10, 2016, between the City and the Developer, relating to the Grain Valley Marketplace Tax Increment Financing Plan, as amended and supplemented in accordance with the provisions thereof.

**“Refunded Obligations”** means \$\_\_\_\_\_ outstanding principal amount of the Authority’s Tax Increment Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2), Series 2012 (the “Series 2012 Bonds”).

**“Regulations”** means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bonds.

**“Series 2020 CID Sales Tax Revenues”** means that portion of the CID Sales Taxes used to pay District operating expenses or deposited to the Debt Service Fund to be used to pay principal of or interest on the Bonds.

**“Tax Agreement”** means this Tax Compliance Agreement as it may from time to time be amended and supplemented in accordance with its terms.

**“Tax Compliance Procedure”** means the Tax-Exempt Financing Compliance Procedure, dated October 8, 2012, as amended and supplemented in accordance with the provisions thereof.

**“Tax-Exempt Bonds”** means documents and records for the Bonds, the Refunded Obligations and the Original Obligations maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

**“TIF Revenues”** means (a) the Economic Activity Tax Revenues (excluding the portion derived from CID Sales Taxes) appropriated and paid by the City to the Trustee for payment of the Bonds, and (b) Payments in Lieu of Taxes appropriated and paid by the City to the Trustee for payment of the Bonds, as each term is defined in the Indenture.

**“Transcript”** means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

“**Trustee**” means UMB Bank, N.A., and its successor or successors and any other corporation or association which at any time may be substituted in its place at the time serving as trustee under the Indenture.

“**Yield**” means yield on the Bonds, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

## ARTICLE II

### GENERAL REPRESENTATIONS AND COVENANTS

**Section 2.1. Representations and Covenants of the Authority.** The Authority represents and covenants to the City, the District and the Trustee as follows:

- (a) *Organization and Authority.* The Authority (1) a public corporation organized and existing under the laws of the State of Missouri and is issuing the Bonds on behalf of the City, (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Indenture, to enter into, execute and deliver the Indenture, the Financing Agreement, the Bonds, and this Tax Agreement and to carry out its obligations under this Tax Agreement and under such documents, and (3) by all necessary action has been duly authorized to execute and deliver the Indenture, the Financing Agreement, the Bonds, and this Tax Agreement, acting by and through its duly authorized officials.
- (b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the Authority (to the extent within its power or direction) (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or Investment of, any Bond proceeds, other money held under the Indenture, or other funds of the Authority, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause any Bond to become a “private activity bond” as defined in Code § 141.
- (c) *Registered Bonds.* The Indenture requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).
- (d) *Bonds Not Federally Guaranteed.* The Authority will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).
- (e) *IRS Form 8038-G.* Bond Counsel has prepared Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the expectations, representations and covenants of the Authority, the City and the District contained in this Tax Agreement or otherwise provided by the Authority, the City or the District. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the Authority for execution and for the Authority’s records. The Authority agrees to timely execute and return to Bond Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the Form 8038-G filed with the IRS, along with proof of filing, will be included as **Exhibit B** to this Tax Agreement.

- (f) *Hedge Bonds.* At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for 4 years or more.
- (g) *Compliance with Future Tax Requirements.* The Authority understands that the Code and the Regulations may impose new or different restrictions and requirements on the Authority in the future. The Authority will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.
- (h) *Bank Qualified Tax-Exempt Obligation.* The Authority designates the Bonds as “qualified tax-exempt obligations” under Code § 265(b)(3), and with respect to this designation certifies as follows:
  - (1) the Authority reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by the Authority or by or on behalf of the City (and all subordinate entities of the City) during calendar year that the Bonds are issued, will not exceed \$10,000,000; and
  - (2) the Authority (together with other obligations issued by the Authority and the City and all subordinate entities of the City) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during calendar year that the Bonds are issued, in excess of \$10,000,000, without first obtaining an Opinion of Bond Counsel that the designation of the Bonds as a “qualified tax-exempt obligation” will not be adversely affected.
  - (3) the Authority understands that the Bonds are issued “on behalf of” the City.
- (i) *Authority Reliance on Other Parties.* The expectations, representations and covenants of the Authority concerning uses of Bond proceeds and certain other moneys described in this Tax Agreement and other matters are based in whole or in part upon covenants, representations and certifications of the City, the District, the Developer, Bond Counsel and other parties set forth in this Tax Agreement or exhibits to this Tax Agreement. Although the Authority has made no independent investigation of the expectations and representations of other parties, the Authority is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in this Tax Agreement or exhibits to this Tax Agreement.

**Section 2.2. Representations and Covenants of the City.** The City represents and covenants to the Authority, the District and the Trustee as follows:

- (a) *Organization and Authority.* The City (1) is a fourth-class city and political subdivision of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver this Tax Agreement and the Financing Agreement and to carry out its obligations under this Tax Agreement and the Financing Agreement, and (3) by all necessary action has been duly authorized to execute and deliver this Tax Agreement and the Financing Agreement, acting by and through its duly authorized officials.



- (b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the City (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or investment of, any Bond proceeds, other money held under the Indenture, or other funds of the City, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause any Bond to become a “private activity bond” as defined in Code § 141.
- (c) *Governmental Obligations—Private Security or Payment – No Impermissible Agreements.*
- (1) In General. Except as otherwise described in this subsection 2.2(c), as of the Issue Date, the City expects that none of the principal of and interest on the Bonds will be and the payment of the principal of and interest on the Refunded Obligations (under the terms of the Bonds or any underlying arrangement), directly or indirectly:
- (A) secured by (i) any interest in property used or to be used for a private business use, or (ii) any interest in payments in respect of such property; or
- (B) derived from payments (whether or not such payments are made to the Authority or the City) in respect of property, or borrowed money, used or to be used for a private business use.
- (2) Debt Service Payable from Bond Proceeds. For purposes of this subsection 2.2(c), debt service on the Bonds financed from the proceeds of the Bonds (*e.g.*, Bond proceeds deposited in the Bond Reserve Fund), including investment earnings on such proceeds, will be disregarded for purposes of measuring the private payments and private security with respect to the Bonds and for purposes of determining the debt service requirements on the Bonds.
- (3) TIF Revenues. For purposes of this subsection 2.2(c), taxes of general application, including TIF Revenues, are not treated as private payments or as private security. TIF Revenues will be the primary source of repayment of the Bonds. TIF Revenues are generally applicable taxes because they are enforced contributions exacted pursuant to legislative authority as part of the taxing power, are imposed and collected for the purpose of raising revenue to be used for governmental purposes, have a uniform rate of collection that applies to all persons of the same classification in the appropriate jurisdiction and have a generally applicable manner of collection and determination. No taxpayer has entered into any “impermissible agreement” relating to the payment of TIF Revenues. An “impermissible agreement” generally includes any agreement described in Regulations § 1.141-4(e)(4)(ii), including the following:
- (A) An agreement to be personally liable for a tax that does not impose personal liability.

- (B) An agreement to provide additional credit support such as a guaranty or to pay unanticipated shortfalls in tax collections.
  - (C) An agreement as to the minimum market value of property subject to a property tax.
  - (D) An agreement not to challenge or to seek deferral of a tax.
  - (E) Any similar agreement that causes a tax to fail to have a generally applicable manner of determination or collection.
- (4) Series 2020 CID Sales Tax Revenues. In addition to TIF Revenues, the Series 2020 CID Sales Tax Revenues will be used to pay debt service on the Tax-Exempt Bonds and to pay operating expenses of the District.
- (5) Covenant. The City will not permit any other private security or payment with respect to the Bonds without first obtaining an Opinion of Bond Counsel.
- (d) *No Private Loan*. Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User.
- (e) *Limit on Maturity of Bonds*. A list of the assets included in the Financed Facility and a computation of the “average reasonably expected economic life” is attached to this Tax Agreement as **Exhibit C**. Based on this computation, the “average maturity” of the Bonds of \_\_\_\_ years, as computed by Bond Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Facility (\_\_\_\_ years). The “average reasonably expected economic life” of the Financed Facility was determined as follows: the average economic life of the Financed Facility as of the issue date of the Original Obligations (\_\_\_\_ years) was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Issue Date (\_\_\_\_ years), resulting in a value of \_\_\_\_ years.
- (f) *Registered Bonds*. The Indenture requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).
- (g) *Bonds Not Federally Guaranteed*. The City will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).
- (h) *Reports to IRS; IRS Form 8038-G*. The City will assist the Authority in filing all appropriate returns, reports and attachments to income tax returns required by the Code, including without limitation the Information Return for Tax-Exempt Governmental Obligations (Form 8038-G). The information contained in Parts II through VI of IRS Form 8038-G, attached as **Exhibit B**, was provided to the Authority and Bond Counsel by the City and the District, and such information is true, complete and correct as of the Issue Date.
- (i) *Hedge Bonds*. At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date of the Original Obligations, and not more than 50% of the

proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for 4 years or more.

- (j) *Compliance with Future Tax Requirements.* The City understands that the Code and the Regulations may impose new or different restrictions and requirements on the City in the future. The City will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.
- (k) *Single Issue; No Other Issues.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c).
- (l) *Interest Rate Swap.* As of the Issue Date, the City has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds. The City will not enter into any such arrangement in the future without obtaining an Opinion of Bond Counsel.
- (m) *Guaranteed Investment Contract.* As of the Issue Date, the City does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The City will be responsible for complying with Section 4.3(d) if it decides to enter into a Guaranteed Investment Contract at a later date.
- (n) *Bank Qualified Tax-Exempt Obligation.* The City understands that the Authority is designating the Bonds as “qualified tax-exempt obligations” under Code § 265(b)(3), and with respect to this designation certifies as follows:
  - (1) the City reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the City (and all subordinate entities of the City) during calendar year the Bonds are issued, including the Bonds, will not exceed \$10,000,000; and
  - (2) the City (including all subordinate entities of the City) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during calendar year the Bonds are issued, including the Bonds, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Bond Counsel that the designation of the Bonds as “qualified tax-exempt obligations” will not be adversely affected; and
  - (3) the City understands and acknowledges that the Authority has designated the Bonds as “qualified tax-exempt obligations” under Code § 265(b)(3).

**Section 2.3. Representations and Covenants of the District.** The District represents and covenants to the Authority, the City and the Trustee as follows:

- (a) *Organization and Authority.* The District (1) is a community improvement district and political subdivision of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver this Tax Agreement and the Financing Agreement and to carry out its obligations under this Tax Agreement and the Financing Agreement, and (3) by all necessary action has been duly authorized to execute and deliver this Tax Agreement and the Financing Agreement, acting by and through its duly authorized officials.

- (b) *Tax-Exempt Status of Bonds—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the District (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or Investment of, any Bond proceeds, other money held under the Indenture, or other funds of the District, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause any Bond to become a “private activity bond” as defined in Code § 141.
- (c) *Governmental Obligations—Private Security or Payment – CID Sales Taxes.*
- (1) Debt Service Payable from Bond Proceeds. For purposes of this subsection 2.2(c), debt service on the Bonds financed from the proceeds of the Bonds (*e.g.*, Bond proceeds deposited in the Bond Reserve Fund), including investment earnings on such proceeds, will be disregarded for purposes of measuring the private payments and private security with respect to the Bonds and for purposes of determining the debt service requirements on the Bonds.
  - (2) Series 2020 CID Sales Tax Revenues. In addition to TIF Revenues, the Series 2020 CID Sales Tax Revenues will be used to pay debt service on the Tax-Exempt Bonds and to pay operating expenses of the District.
  - (3) Covenant. The District will not permit any other private security or payment with respect to the Bonds without first obtaining an Opinion of Bond Counsel.
- (d) *No Private Loan.* Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User.
- (e) *Limit on Maturity of Bonds.* A list of the assets included in the Financed Facility and a computation of the “average reasonably expected economic life” is attached to this Tax Agreement as **Exhibit C**. Based on this computation, the “average maturity” of the Bonds of \_\_\_\_ years, as computed by Bond Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Facility (\_\_\_\_ years). The “average reasonably expected economic life” of the Financed Facility was determined as follows: the average economic life of the Financed Facility as of the issue date of the Original Obligations (\_\_\_\_ years) was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Issue Date (\_\_\_\_ years), resulting in a value of \_\_\_\_ years.
- (f) *Bonds Not Federally Guaranteed.* The District will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b).
- (g) *Reports to IRS; IRS Form 8038-G.* The District will assist the Authority and the City in filing all appropriate returns, reports and attachments to income tax returns required by the Code, including without limitation the Information Return for Tax-Exempt Governmental Obligations (Form 8038-G). The information contained in Parts II through VI of IRS Form 8038-G, attached as **Exhibit B**, was provided to the Authority and Bond Counsel by the City and the District, and such information is true, complete and correct as of the Issue Date.

- (h) *Hedge Bonds.* At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for 4 years or more.
- (i) *Compliance with Future Tax Requirements.* The District understands that the Code and the Regulations may impose new or different restrictions and requirements on the District in the future. The District will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

**Section 2.4. Representations and Covenants of the Trustee.** The Trustee represents and covenants to the Authority, the City and the District as follows:

- (a) The Trustee will comply with the provisions of this Tax Agreement that apply to it as Trustee and any written letter or Opinion of Bond Counsel, specifically referencing the Bonds and received by the Trustee, that sets forth any action necessary to comply with any statute, regulation or ruling that may apply to it as Trustee and relating to reporting requirements or other requirements necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.
- (b) The Trustee, acting on behalf of the Authority and the City, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Trustee with such information as it may request in order to determine all matters relating to (a) the Yield on the Bonds as it relates to any data or conclusions necessary to verify that the Bonds are not “arbitrage bonds” within the meaning of Code § 148, and (b) compliance with arbitrage rebate requirements of Code § 148(f). The City will pay all costs and expenses incurred in connection with supplying the foregoing information.

**Section 2.5. Survival of Representations and Covenants.** All representations, covenants and certifications of the Authority, the City, the District and the Trustee contained in this Tax Agreement or in any certificate or other instrument delivered by the Authority, the City, the District or the Trustee under this Tax Agreement, will survive the execution and delivery of such documents and the issuance of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds.

### ARTICLE III

#### ARBITRAGE CERTIFICATIONS AND COVENANTS

**Section 3.1. General.** The purpose of this Article is to certify, under Regulations § 1.148-2(b), the Authority’s expectations as to the sources, uses and Investment of Bond proceeds and other money, in order to support the Authority’s conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Agreement on behalf of the Authority is an officer of the Authority responsible for issuing the Bonds.

**Section 3.2. Reasonable Expectations.** The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the Authority's understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the Authority's knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the Authority set forth in this Tax Agreement are reasonable. The Authority has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Agreement are unreasonable or inaccurate or may not be relied upon.

**Section 3.3. Purpose of Financing.** The Bonds are being issued for the purpose of providing funds to refund the Refunded Obligations. The purpose of the refunding of the Refunded Obligations is to provide interest savings.

**Section 3.4. Funds and Accounts.** The following funds and accounts have been established under the Indenture:

- (a) Revenue Fund, which shall contain the Revenue Account, the PILOTs Account, the EATs Account, the Sales Tax Account and the District Operating Account.
- (b) Debt Service Fund, which shall contain the Interest Account, the Principal Account and the Redemption Account.
- (c) Bond Reserve Fund.
- (d) Rebate Fund.
- (e) Costs of Issuance Fund.

In addition, the Escrow Fund is established in the custody of the Escrow Agent under the Escrow Agreement.

**Section 3.5. Amount and Use of Bond Proceeds.**

- (a) *Amount of Bond Proceeds.* The total proceeds to be received by the Authority from the sale of the Bonds will be as follows:

Principal Amount	\$2,385,000.00
Net Original Issue Premium/(Discount)	( )
Underwriting Discount	( )
Total Proceeds Received by Authority	<u>\$</u>

- (b) *Use of Bond Proceeds.* The Bond proceeds are expected to be allocated to expenditures as follows:

- (1) \$ , equal to the Bond Reserve Requirement, shall be deposited in the Bond Reserve Fund;
- (2) \$ shall be deposited in the Costs of Issuance Fund and used to pay costs of issuing the Bonds;

- (3) \$\_\_\_\_\_, representing the remaining sale proceeds of the Bonds, together with \$\_\_\_\_\_ from the funds and accounts held with respect to the Refunded Obligations and \$\_\_\_\_\_ contributed by the Authority, will be transferred to the Escrow Agent for deposit in the Escrow Fund to be applied as provided in the Escrow Agreement to accomplish a defeasance of the Refunded Obligations, and to pay the principal of, redemption premium, and interest on the Refunded Obligations on and prior to \_\_\_\_\_, 2020, the redemption date of the Refunded Obligations.

**Section 3.6. Multipurpose Issue.** The Authority is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue pursuant to Regulations § 1.148-9(h)(3).

**Section 3.7. No Advance Refunding.** No proceeds of the Bonds will be used more than 90 days following the Issue Date to pay principal or interest on any other debt obligation.

**Section 3.8. Current Refunding.**

(a) *Proceeds Used For Current Refunding.* Proceeds of the Bonds will be used to pay principal and interest on the Refunded Obligations. All such proceeds shall be spent not later than 90 days after the Issue Date.

(b) *Transferred Proceeds.* As of the Issue Date, the following unspent proceeds of the Refunded Obligations remain: approximately \$ \_\_\_\_\_ in the bond reserve fund for the Refunded Obligations. Upon discharge of any principal amount of the Refunded Obligations with proceeds of the Bonds, a ratable portion of the remaining unspent proceeds of the Refunded Obligations will become proceeds of the Bonds (determined in accordance with Regulations § 1.148-9(b)).

**Section 3.9. Project Completion.** The Financed Facility has previously been completed.

**Section 3.10. Financing Agreement/Sinking Funds.** The City and the District are required under the Financing Agreement and the Indenture to make periodic payments to the Trustee in amounts sufficient to pay the principal of and interest on the Bonds. Such payments will be applied in accordance with the Indenture and ultimately deposited into accounts within the Debt Service Fund. The City expects to use the Debt Service Fund to pay principal of and interest on the Bonds. Except for the Debt Service Fund and the Bond Reserve Fund, neither the Authority nor the City has established or expects to establish any sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds. The Debt Service Fund is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the Authority and the City expect that the Debt Service Fund will qualify as a Bona Fide Debt Service Fund.

**Section 3.11. Reserve, Replacement and Pledged Funds.**

- (a) *Debt Service Reserve Fund.* The Indenture establishes the Bond Reserve Fund to be funded at the time of issuance of the Bonds in an amount equal to the Bond Reserve Requirement (\$\_\_\_\_\_). The amount to be held in the Bond Reserve Fund will not exceed the least of (1) 10% of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirements on the Bonds (determined as of the Issue Date), or (3) 125% of the average annual principal and interest requirements on the Bonds (determined as of the Issue Date). If the aggregate initial offering price of the

Bonds to the public is less than 98% or more than 102% of par, such offering price must be used in clause (1) in lieu of the stated principal amount. Any amounts in the Bond Reserve Fund in excess of the Bond Reserve Requirement will be transferred to the Revenue Account of the Revenue Fund.

- (b) *No Other Replacement or Pledged Funds.* None of the Bond proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Facility or refund the Refunded Obligations, and that instead has been or will be used to acquire higher yielding Investments. Except for the Debt Service Fund and the Bond Reserve Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Issuer encounters financial difficulty.

**Section 3.12. No Purpose Investment.** The proceeds of the Bonds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

**Section 3.13. Offering Prices and Yield on Bonds.**

- (a) *Issue Price.* Based on the certifications of Purchaser in the Purchaser's Receipt for Bonds and Closing Certificate, the issue price of the Bonds is the price paid by such paid by such Purchaser (\$\_\_\_\_\_).
- (b) *Bond Yield.* Based on the Offering Prices, the Yield on the Bonds is \_\_\_\_\_%, as computed by Bond Counsel and shown on **Exhibit A**.

**Section 3.14. Miscellaneous Arbitrage Matters.**

- (a) *No Abusive Arbitrage Device.* The Bonds are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the Authority or the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.
- (b) *No Over-Issuance.* The sale proceeds of the Bonds, together with expected Investment earnings thereon and other money contributed by the Authority and the City, do not exceed the cost of the governmental purpose of the Bonds as described above.

**Section 3.14. Conclusion.** On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the Authority does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an "arbitrage bond" within the meaning of Code § 148 and the Regulations.

## **ARTICLE IV**

### **POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES**

**Section 4.1. General.**

- (a) *Purpose of Article.* The purpose of this Article is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The Authority, the City and the District recognize that interest on the Bonds will remain excludable from



gross income only if Post-Issuance Tax Requirements are followed after the Issue Date. The Authority, the City and the District further acknowledge that written evidence substantiating compliance with Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

- (b) *Written Policies and Procedures.* The Authority, the City and the District intend for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be the primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bonds and to supplement any other formal policies and procedures related to tax compliance that the Authority, the City or the District has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.
- (c) *City Primarily Responsible for Post-Issuance Tax Requirements.* The Authority, the City and the District acknowledge that the investment and expenditure of proceeds of the Bonds are primarily within the control of the City, and that substantially all of the Net Proceeds of the Bonds are expected to finance property that will not generate private payments or provide private security for the repayment of Bonds in excess of the limitations contained in Sections 2.2 and 2.3 above. For these reasons, the Authority and the District are relying on the City to carry out the Post-Issuance Tax Requirements as set out in this Tax Agreement, and the City agrees to undertake these obligations. The Authority and the District will cooperate with the City when necessary to enable the City to fulfill its Post-Issuance Tax Requirements.
- (d) *Bond Compliance Officer.* The Bond Compliance Officer will be responsible for working with the Authority, the District and other City officials, departments and administrators and for consulting with Bond Counsel, other legal counsel and outside experts to the extent necessary to comply with the Post-Issuance Tax Requirements.
- (e) *Authority Cooperation; Opinion of Bond Counsel.* Upon written notice given by the City (and if otherwise required or requested by the Authority, upon delivery of an Opinion of Bond Counsel addressed to the parties hereto regarding the action), the Authority will, at the expense of the City, take any action that is necessary to cause interest on the Bonds to remain excludable from gross income for federal income tax purposes, including signing Form 8038-T in connection with the payment of arbitrage rebate, participating in any Federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (“VCAP”) or remedial action procedure pursuant to Regulations § 1.141-12.
- (f) *Payment of Costs of Post-Issuance Tax Requirements.* Neither the Authority nor the Trustee is required to incur any cost in connection with any action taken related to the Post-Issuance Tax Requirements, with all such costs paid or immediately reimbursed by the City or the District. The Authority and the Trustee shall be entitled to recover from the City or the District all legal and other fees and expenses incurred in connection with compliance with this **Article IV** and the Tax Compliance Procedure. The costs and expenses incurred by the City shall be treated as a reasonable cost of administering the Bonds, and the City shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Indenture, the Financing Agreement or State law.

**Section 4.2. Record Keeping; Use of Bond Proceeds and Use of Financed Facility.**

- (a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in advice or a written Opinion of Bond Counsel or to the extent otherwise provided in this Tax Agreement, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (i) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (ii) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (iii) exhibit a high degree of legibility and readability both electronically and in hardcopy, (iv) provide support for other books and records of the City, the Authority and the District and (v) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the Issuer's premises.
- (b) *Accounting and Allocation of Bond Proceeds to Expenditures.* Proceeds of the Bonds will be used as described in **Sections 3.5, 3.7 and 3.8**. The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Bond File. The Bond Compliance Officer has prepared written substantiation records of the allocation of proceeds the Original Obligations to the Financed Facility through requisitions from the project fund established under the indentures for the Original Obligations. This allocation is summarized on **Exhibit D** and is intended to constitute the Final Written Allocation for the Original Obligations.
- (c) *Annual Compliance Checklist.* Attached as **Exhibit E** is a sample Annual Compliance Checklist for the Bonds. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Financed Facility at least annually in accordance with the Tax Compliance Procedure. If the Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Bond Compliance Officer will take the actions identified in advice of Bond Counsel or as described in the Tax Compliance Procedure to correct any deficiency.
- (d) *Opinions of Bond Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the City, the Authority, the District and the Trustee any advice or Opinion of Bond Counsel required under the provisions of this Tax Agreement, including any advice or Opinion of Bond Counsel required by this Tax Agreement or the Annual Compliance Checklist.

**Section 4.3. Temporary Periods/Yield Restrictions.** Except as described below, Gross Proceeds must not be invested at a Yield greater than the Yield on the Bonds:

- (a) *Costs of Issuance Fund.* Amounts held in the Costs of Issuance Fund may be invested without Yield restriction for 13 months.

- (b) *Escrow Fund.* Proceeds of the Bonds deposited in the Escrow Fund are being invested at a Yield less than the Yield on the Bonds. Other money in the Escrow Fund may be invested at a Yield that does not exceed the Yield on the Refunded Obligations. Since the Refunded Obligations will be redeemed within 90 days after the Issue Date, money in the Escrow Fund may be invested without Yield restrictions.
- (c) *Debt Service Fund.* To the extent that the Debt Service Fund qualifies as a Bona Fide Debt Service Fund, money in such account may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.
- (d) *Bond Reserve Fund.* Money in the Bond Reserve Fund may be invested without Yield restriction up to the least of (1) 10% of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirements on the Bonds (determined as of the Issue Date), (3) 125% of the average annual principal and interest requirements on the Bonds (determined as of the Issue Date) or (4) the Bond Reserve Requirement (\$\_\_\_\_\_).
- (d) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

#### **Section 4.4. Fair Market Value.**

- (a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with § 1.148-5 of the Regulations.
- (b) *Established Securities Market.* Except for Investments purchased for a Yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with § 1.148-5 of the Regulations.
- (c) *Certificates of Deposit.* The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD Authority to be currently available on reasonably comparable CDs offered to the public.
- (d) *Guaranteed Investment Contracts.* The Authority and the City are applying Regulations § 1.148-5(d)(6)(iii)(A), as amended by the Proposed Regulations, (relating to electronic bidding of Guaranteed Investment Contracts) to the Bonds. The purchase price of a

Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

- (1) Bona Fide Solicitation for Bids. The Authority, the City or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:
  - (A) The bid specifications are in writing and are timely forwarded to potential providers.
  - (B) The bid specifications include all “material” terms of the bid. A term is material if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.
  - (C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Authority, the Trustee, or any other person (whether or not in connection with the Bond issue), and (iii) that the bid is not being submitted solely as a courtesy to the Authority, the City, the Trustee, or any other person, for purposes of satisfying the requirements of the Regulations.
  - (D) The terms of the bid specifications are “commercially reasonable.” A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the Yield of the Guaranteed Investment Contract.
  - (E) The terms of the solicitation take into account the Authority’s or the City’s reasonably expected deposit and draw-down schedule for the amounts to be invested.
  - (F) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (*i.e.*, a last look) before providing a bid.
  - (G) At least three “reasonably competitive providers” are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of Investments being purchased.
- (2) Bids Received. The bids received must meet all of the following requirements:
  - (A) At least three bids are received from providers that were solicited as described above and that do not have a “material financial interest” in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Issue Date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are

forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

- (B) At least one of the three bids received is from a reasonably competitive provider, as defined above.
  - (C) If an agent or broker is used to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.
- (3) Winning Bid. The winning bid is the bona fide bid with the highest Yield (determined net of any broker's fees).
- (4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.
- (5) Records. The Authority, the City and the Trustee retain the following records with the Bond documents until three years after the last outstanding Bond is redeemed:
- (A) A copy of the Guaranteed Investment Contract.
  - (B) The receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Authority, the City or Trustee, and the certification as to fees paid, described in paragraph (d)(4) above.
  - (C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.
  - (D) The bid solicitation form and, if the terms of Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.
- (e) *Other Investments*. If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:
- (1) at least three bids on the Investment must be received from persons with no financial interest in the Bonds (*e.g.*, as underwriters or brokers); and
  - (2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

#### **Section 4.5. Certain Gross Proceeds Exempt from the Rebate Requirement.**

- (a) *General* A portion of the Gross Proceeds of the Bonds may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Bonds and will not otherwise affect the

application of the Investment limitations described in **Section 4.3**. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in **Section 4.6** applies even if a portion of the gross proceeds of the Bonds is exempt from the rebate requirement. To the extent all or a portion of the Bonds is exempt from rebate the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in **Section 4.6**. The Authority may defer the final rebate Computation Date and the payment of rebate for the Bonds to the extent permitted by Regulations § 1.148-7(b)(1) and § 1.148-3(e)(2), but only in accordance with specific written instructions provided by the Rebate Analyst.

- (b) *Applicable Spending Exceptions*. The following optional rebate spending exceptions can apply to the Bonds:

6-month Exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c))

In addition, the following rebate spending exceptions can apply to the transferred proceeds of the Refunded Obligations:

6, 18, or 24-month Exception (Regulations § 1.148-7(b)(1)(i))

- (c) *Special Elections Made with Respect to Spending Exception Elections*. No special elections are being made in connection with the application of the spending exceptions.
- (d) *Bona Fide Debt Service Fund*. To the extent that the Debt Service Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings in the account cannot be taken into account in computing arbitrage rebate.
- (e) *Documenting Application of Spending Exception*. At any time prior to the first Computation Date, the Authority or the City may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the Authority must continue to comply with **Section 4.4** hereof.
- (f) *General Requirements for Spending Exception*. The following general requirements apply in determining whether a spending exception is met.
- (1) Using Adjusted Gross Proceeds to pay principal of any Bonds is not taken into account as expenditure for purposes of meeting any of the spending tests.
  - (2) The six-month spending exception generally is met if all Adjusted Gross Proceeds are spent within six months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial six-month period, so long as this amount is spent within one year of the Issue Date.
  - (3) The 18-month spending exception generally is met if all Adjusted Gross Proceeds are spent in accordance with the following schedule:

<b>Time Period After the Issue Date</b>	<b>Minimum Percentage of Adjusted Gross Proceeds Spent</b>
6 months	15%
12 months	60%
18 months (Final)	100%

- (4) The 2-year spending exception generally is met if all Available Construction Proceeds are spent in accordance with the following schedule:

<b>Time Period After the Issue Date</b>	<b>Minimum Percentage of Available Construction Proceeds Spent</b>
6 months	10%
12 months	45%
18 months	75%
24 months (Final)	100%

- (5) For purposes of applying the 18-month and 2 year spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the Authority uses due diligence to complete the Financed Facility and the failure does not exceed the lesser of 3% of the aggregate issue price of the Bonds or \$250,000. **No such exception applies for any other spending period.**
- (5) For purposes of applying the 18-month and 2 year spending exceptions only, the Bonds meet the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such Reasonable Retainage is spent within 30 months after the Issue Date.

#### **Section 4.6. Computation and Payment of Arbitrage Rebate.**

- (a) *Rebate Fund.* The Trustee will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund under this Tax Agreement. Any Investment earnings derived from the Rebate Fund will be credited to the Rebate Fund, and any Investment loss will be charged to the Rebate Fund.
- (b) *Computation of Rebate Amount.* The Trustee will provide the Rebate Analyst Investment reports relating to each fund held by the Trustee that contains Gross Proceeds of the Bonds at such times as reports are provided to the Authority and the City, and not later than ten days following each Computation Date. The City will provide the Rebate Analyst with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1)

purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Bonds, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the Trustee, the City and the Authority together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals.

- (c) *Rebate Payments.* Within 60 days after each Computation Date, the Trustee must pay (but solely from money in the Rebate Fund or provided by the City) to the United States the rebate amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center  
Ogden, UT 84201

**Section 4.7. Successor Rebate Analyst.** If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if either the Authority or the City desires that a different firm act as the Rebate Analyst, then such party, by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, will engage a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder. In the event the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason and the Authority or the City fails to appoint a qualified successor Rebate Analyst within thirty (30) days following notice of such resignation then the Trustee will appoint a firm to act as the successor Rebate Analyst.

**Section 4.8. Filing Requirements.** The Trustee, the Authority and the City will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Bond Counsel.

**Section 4.9. Survival after Defeasance.** Notwithstanding anything in the Indenture to the contrary, the obligation to pay arbitrage rebate to the United States will survive the payment or defeasance of the Bonds.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 5.1. Term of Tax Agreement.** This Tax Agreement will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that, the provisions of **Article IV** of this Tax Agreement regarding payment of



arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States.

**Section 5.2. Amendments.** This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of any of the Bond Owners, but only if such amendment is in writing and is accompanied by an Opinion of Bond Counsel to the effect that, under then existing law, assuming compliance with this Tax Agreement as so amended such amendment will not cause interest on any Bond to be included in gross income for federal income tax purposes. No such amendment will become effective until the Authority, the City, the District and the Trustee receive this Opinion of Bond Counsel.

**Section 5.3. Opinion of Bond Counsel.** The Authority, the City, the District and the Trustee may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Bond Counsel addressed to each of them to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Authority, the City, the District and the Trustee will comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the exclusion from gross income of interest on the Bonds.

**Section 5.4. Reliance.** In delivering this Tax Agreement, the Authority, the City, the District and the Trustee are making only those certifications, representations and agreements as are specifically attributed to each in this Tax Agreement. None of the Authority, the City, the District or the Trustee is aware of any facts or circumstances that would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Agreement and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. Each party to this Tax Agreement understands that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

**Section 5.5. Severability.** If any provision in this Tax Agreement or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

**Section 5.6. Benefit of Agreement.** This Tax Agreement is binding upon the Authority, the City, the District and the Trustee, and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owners of the Bonds. Nothing in this Tax Agreement, the Indenture, the Financing Agreement or the Bonds, express or implied, gives to any person, other than the parties to this Tax Agreement, and their successors and assigns, and the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement.

**Section 5.7. Default; Breach and Enforcement.** Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement may be pursued by the Bond owners or the other parties to this Tax Agreement pursuant to the terms of the Indenture or any other document which references this Tax Agreement and gives remedies for a misrepresentation or breach thereof.

**Section 5.8. Execution in Counterparts.** This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

**Section 5.9. Governing Law.** This Tax Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

**Section 5.10. No Pecuniary Liability.**

(a) Notwithstanding the language or implication of any provision, representation, covenant or agreement to the contrary, no provision, representation, covenant or agreement contained in this Tax Agreement or in the Indenture, the Bonds, or any obligation herein or therein imposed upon the City, or the breach thereof, shall constitute or give rise to or impose upon the City a pecuniary liability (except to the extent of any Revenues actually received by the City and appropriated to the payment of the Bonds). No provision hereof shall be construed to impose a charge against the general credit of the City or any personal or pecuniary liability upon any director, officer, agent, councilmember or employee of the City.

(b) ANY OTHER TERM OR PROVISION OF THIS TAX AGREEMENT OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTION WHICH IS THE SUBJECT HEREOF TO THE CONTRARY NOTWITHSTANDING, NONE OF THE CITY, THE DISTRICT OR THE AUTHORITY SHALL BE REQUIRED TO TAKE OR OMIT TO TAKE, OR REQUIRE ANY OTHER PERSON OR ENTITY TO TAKE OR OMIT TO TAKE, ANY ACTION WHICH WOULD CAUSE ANY OF THEM OR ANY PERSON OR ENTITY TO BE, OR RESULT IN ANY OF THEM OR ANY PERSON OR ENTITY BEING, IN VIOLATION OF ANY LAW OF THE STATE.

**Section 5.11. Electronic Transactions.** The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be stored, by electronic means.

*[Remainder of Page Intentionally Left Blank.]*

The parties hereto have caused this Tax Compliance Agreement to be duly executed by their duly authorized officers as of the Issue Date of the Bonds.

**THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF GRAIN VALLEY, MISSOURI**

By: \_\_\_\_\_  
Title: President

**CITY OF GRAIN VALLEY, MISSOURI**

By: \_\_\_\_\_  
Title: Mayor

**GRAIN VALLEY MARKETPLACE COMMUNITY  
IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Title: Chairman

**UMB BANK, N.A., as Trustee**

By: \_\_\_\_\_  
Title:

**EXHIBIT A**

**DEBT SERVICE SCHEDULE AND PROOF OF YIELD**

**EXHIBIT B**

**IRS FORM 8038-G**



## **EXHIBIT C**

### **DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY**

## **EXHIBIT D**

### **FORM OF FINAL WRITTEN ALLOCATION**

**The Industrial Development Authority of the City of Grain Valley, Missouri**

**\$2,385,000**

**Tax Increment Refunding Revenue Bonds  
(Grain Valley Marketplace Redevelopment Project #2)  
Series 2020**

#### **Final Written Allocation**

The undersigned is the Finance Director of the City of Grain Valley, Missouri (the “City”) and in that capacity is authorized to execute federal income tax returns required to be filed by the City and to make certain elections and designations regarding federal income tax matters on behalf of the City and The Industrial Development Authority of the City of Grain Valley, Missouri (the “Authority”), as issuer of the above-referenced bonds (the “Bonds”). This allocation of the Bond proceeds is necessary for the City and the Authority to satisfy ongoing reporting and compliance requirements under federal income tax laws.

*Purpose.* This document, together with the schedules and records referred to below, is intended to memorialize allocations of Bond proceeds to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code (the “Code”). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the City or, if later, the date the Project was placed in service (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Bonds.

*Background.* The Bonds were issued by the Authority on October \_\_, 2020 (the “Issue Date”) under the Trust Indenture dated as of October 1, 2020 between the Authority and the UMB Bank, N.A., as trustee, for the purpose of making the Bond proceeds available under the Financing Agreement dated as of October 1, 2020 among the Authority, the City and the Grain Valley Marketplace Community Improvement District (the “District”) in order to provide a portion of the funds needed to construct a retail development known as the Grain Valley Marketplace (the “Project”). Proceeds of the Bonds were deposited to the following accounts: Costs of Issuance Fund and Bond Reserve Fund.

*Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs.* A portion of Project costs was paid from sale and investment proceeds of the Bonds and the remaining portions of Project costs have been or will be paid from other debt obligations of the Authority, the City or the District and other money contributed by these parties, as shown on **Exhibit A** to this Final Written Allocation.

*Identification of Financed Assets.* The portions of the Project financed from Bond proceeds (*i.e.*, the “Financed Facility” referenced in the Tax Compliance Agreement for the Bonds) are listed on page 1 of **Exhibit B** to this Final Written Allocation.

*Identification and Timing of Expenditures for Arbitrage Purposes.* For purposes of complying with the arbitrage rules, the City allocates the proceeds of the Bonds to the various expenditures described in the invoices, requisitions or other substantiation attached as **Exhibit B** to this Final Written Allocation.

In each case, the cost requisitioned was either paid directly to a third party or reimbursed the Authority, the City or the District for an amount previously paid or incurred. Amounts received from the sale of the Bonds and retained as underwriter's discount are allocated to that purpose and spent on the Issue Date, and amounts allocated to interest expense are treated as paid on the interest payment dates for the Bonds.

*Placed In Service.* Various components of the Project were "placed in service" on the dates set out on **Exhibit B** to this Final Written Allocation. For this purpose, assets are considered to be "placed in service" as of the date on which, based on all the facts and circumstances: (1) the construction and equipping of the asset has reached a degree of completion which would permit its operation at substantially its design level; and (2) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The City reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

**CITY OF GRAIN VALLEY, MISSOURI**

\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:

\_\_\_\_\_  
Date of Review: \_\_\_\_\_

**EXHIBIT E****FORM OF ANNUAL COMPLIANCE CHECKLIST**

<b>Name of tax-exempt obligations (the “Bonds”) financing Financed Asset:</b>	<b>The Industrial Development Authority of the City of Grain Valley, Missouri Tax Increment Refunding Revenue Bonds (Grain Valley Marketplace Redevelopment Project #2) Series 2020</b>
<b>Issue Date of Bonds:</b>	<b>October __, 2020</b>
<b>Name of Bond Compliance Officer:</b>	
<b>Period covered by request (“Annual Period”):</b>	

<b>Item</b>	<b>Question</b>	<b>Response</b>
<b>1. Rebate Calculations</b>	Has the City obtained required rebate calculations for the Bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a copy in the Tax-Exempt Bond File, if No; consult with the Rebate Analyst and include all correspondence in the Tax-Exempt Bond File.	
<b>2. Private Security or Payment</b>	Has the City or the District entered into any agreement or arrangement with any entity whereby the entity pays for the use of any portion of the Financed Facility or agrees to provide security for the Bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has the City or the District entered into any special agreement or arrangement with any entity relating to the payment of the taxes securing the Bonds ( <i>i.e.</i> , economic activity taxes, payments in lieu of taxes, community improvement district sales taxes)?	
	If Yes, consult with Bond Counsel and include correspondence – including any Written Opinion of Bond Counsel – in the Tax-Exempt Bond File.	
<b>3. Ownership</b>	Was the entire Project Facility owned by the Issuer during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was advice of Bond Counsel obtained prior to the transfer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a description of the advice in the Tax-Exempt Bond File.	
	If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	

Item	Question	Response
<b>4. Leases &amp; Other Rights to Possession</b>	During the Annual Period, was any part of the Project Facility leased at any time pursuant to a lease or similar agreement for more than 50 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was advice of Bond Counsel obtained prior to entering into the lease or other arrangement?  If Yes, include a description of the advice in the Tax-Exempt Bond File.  If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>5. Management or Service Agreements</b>	During the Annual Period, has the management of all or any part of the operations of the Financed Asset (e.g., cafeteria, gift shop, etc.) been assumed by or transferred to another entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was advice of Bond Counsel obtained prior to entering into the management agreement?  If Yes, include a description of the advice in the Tax-Exempt Bond File.  If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
<b>6. Other Use</b>	Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Asset?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was advice of Bond Counsel obtained prior to entering into the agreement?  If Yes, include a description of the advice in the Tax-Exempt Bond File.  If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Signature, Name and Title of Person Completing Questionnaire:**

**Printed Name:** \_\_\_\_\_

**Title:**

**Date**

**Completed:**

