



**City of Smithville, Missouri**  
**Board of Aldermen – Regular Session Agenda**  
**May 3, 2022**

**7:00 pm – City Hall Council Chambers and Via Videoconference**

Anyone who wishes to view the meeting may do so in real time as it will be streamed live on the city's FaceBook page through FaceBook Live.

For Public Comment via Zoom, please email your request to the City Clerk at [ldrummond@smithvillemo.org](mailto:ldrummond@smithvillemo.org) prior to the meeting to be sent the meeting Zoom link.

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Proclamations**

Older Americans Month  
Professional Municipal Clerks Week May 1-7, 2022  
Public Works Week May 15-21, 2022  
National Police Week

Join Zoom Meeting

<https://us02web.zoom.us/j/82708806487>

Meeting ID: 827 0880 6487

Passcode: 926287

**4. Consent Agenda**

**• Minutes**

- April 19, 2022, Board of Alderman Regular Session Minutes – 1<sup>st</sup> Meeting
- April 19, 2022, Board of Alderman Regular Session Minutes – 2<sup>nd</sup> Meeting
- April 19, 2022, Board of Alderman Work Session Minutes

**• Resolution 1052, Special Permit – Lake Fest**

A Resolution approving a Special Event Permit to the Smithville Festival Committee (Chairman, Barbara Lamb) for Smithville Lake Festival to be held at Courtyard Park on June 16, 17 and 18, 2022.

**• Resolution 1053, Temporary Liquor License**

A Resolution issuing a Temporary Liquor License to Barbara Lamb, doing business as Smithville Lake Festival Committee for Smithville Lake Festival on June 17 and 18, 2022 at Courtyard Park.

**• Resolution 1054, Engineering Agreement for Fourth Street and Fourth Terrace**

A Resolution authorizing the Mayor to sign an engineering services agreement with Veenstra & Kimm Inc. in the amount of \$87,290 for watermain improvements to Fourth Street and Fourth Terrace.

**• Resolution 1055, Award Bid No. 22-16, Sanitary Sewer Rehabilitation**

A Resolution awarding RFP 22-16 Sanitary Sewer Rehabilitation to SAK Construction, LLC in an amount not to exceed \$128,408.

**• Resolution 1056, Mower Purchase**

A Resolution approving the purchase of a John Deere zero turn mower with a 72-inch deck from Heritage Tractor as part of the John Deere's Sourcewell cooperative purchasing agreement in the amount of \$15,984.43.

- **Resolution 1057, Fireworks Event White Iron Ridge**  
A Resolution approving a fireworks event at White Iron Ridge on May 31, 2022, 9:00 p.m. to last approximately five to eight minutes.
- **Resolution 1058, Fireworks Event White Iron Ridge**  
A Resolution approving a fireworks event at White Iron Ridge on June 25, 2022, 9:30 p.m. to last approximately fifteen to twenty minutes.

## **REPORTS FROM OFFICERS AND STANDING COMMITTEES**

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### **5. Committee Reports**

Economic Development Committee  
Parks and Recreation

### **6. City Administrator's Report**

## **ORDINANCES & RESOLUTIONS**

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### **7. Bill No. 2937-22, Marketplace TIF Revenue Bond – 1<sup>st</sup> Reading**

An Ordinance approving the Issuance of Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022. 1<sup>st</sup> reading by title only.

### **8. Bill No. 2938-22, Rezoning & Conceptual Plan – Fairview Crossing - 1<sup>st</sup> Reading**

An Ordinance approving the rezoning to B-3P and R-3P and the Conceptual Plan for Fairview Crossing at the northeast corner of 169 Highway and 144<sup>th</sup> Street. 1<sup>st</sup> reading by title only.

### **9. Bill No. 2939-22, Conceptual Plan – McBee's Carwash – 1<sup>st</sup> Reading**

An Ordinance approving the Conceptual Plan for the Overlay District at property located at the southeast corner of Highway 169 and Richardson Street to allow a new commercial subdivision to be called McBee's Coffee & Carwash. 1<sup>st</sup> reading by title only.

### **10. Resolution 1059, Special Request – Hot Summer Nights**

A Resolution agreeing to sponsor Hot Summer Nights Events that will take place at the Courtyard on August 6, 20 and 27, 2022. Sponsorship of this event would waive event rental fees and deposits.

### **11. Resolution 1060, Award of 2022 Neighborhood Beautification Grants**

A Resolution awarding the 2022 Neighborhood Beautification Grants.

### **12. Resolution 1061, Final Plat – Diamond Creek**

A Resolution approving the final plat for Diamond Creek that would create thirty-nine of the approved 58 lots on 20.36 acres east of Smithville Downs at Manzanola Lane and Sixth Street.

## **OTHER MATTERS BEFORE THE BOARD**

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### **13. Public Comment**

**Pursuant to the public comment policy, a request must be submitted to the City Clerk prior to the meeting. When recognized, please state your name, address and topic before speaking. Each speaker is limited to three (3) minutes.**

### **14. New Business From The Floor**

Pursuant to the order of business policy, members of the Board of Aldermen may request a new business item appear on a future meeting agenda.

### **15. Adjourn**







## **A Proclamation May is Older Americans Month 2022**

**Whereas**, Smithville is a community that includes a number of citizens aged 60 and older;  
and

**Whereas**, the older adults in Smithville are among of our most "treasured resources,"  
united by historical experiences, strengthened by diversity and interpreting events through  
varied perspectives and backgrounds to bring wisdom and insight to our community; and

**Whereas**, increasing numbers of adults are reaching retirement age while remaining  
strong and active for longer than ever before; and

**Whereas**, the older adults in Smithville deserve recognition for the contributions they have  
made and will continue to make to the culture, economy and character of our community  
and nation; and

**Whereas**, our community can provide that recognition and respect by improving the  
quality of life for older Americans by:

Increasing their opportunities to remain active and engaged in community life;

Providing individualized services and support systems to maintain the dignity,  
independence,  
and self-determination of older Americans as they age;

Combating ageist attitudes by honoring their past, present, and future contributions;

**Now Therefore**, I, Damien Boley, Mayor of the City of Smithville, Missouri do hereby  
proclaim May 2022 to be Older Americans Month. I urge every citizen to take time this  
month to honor our older adults and the professionals, family members, and volunteers  
who care for many of them. Our recognition and involvement of older Americans can enrich  
our entire community's quality of life.

So proclaimed this 3<sup>rd</sup> day of May, 2022.

By \_\_\_\_\_  
Damien Boley, Mayor  
City of Smithville



## Proclamation

### Designation of May 1 – May 7, 2022 as Professional Municipal Clerks Week

**WHEREAS**, the Professional Municipal Clerk, is a time honored and vital part of local government exists throughout the world; and

**WHEREAS**, the City Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels; and

**WHEREAS**, City Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and

**WHEREAS**, the City Clerk serves as the information center on functions of local government and community; and

**WHEREAS**, the City Clerks continually strive to improve the administration of the affairs of the City through participation in education programs, seminars, workshops and the annual meetings of their state, provincial, county and international professional organizations; and

**WHEREAS**, It is most appropriate that we recognize the accomplishments of the City Clerk.

**NOW THEREFORE, I, DAMIEN BOLEY, MAYOR AND THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI** do hereby publicly proclaim that May 1 through May 7, 2022 be recognized as City Clerk's Week in the City of Smithville.

So proclaimed this 3<sup>rd</sup> day of May, 2022.



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Damien Boley, Mayor



## National Public Works Week Proclamation

May 15–21, 2022

### “Ready and Resilient”

**WHEREAS**, public works professionals focus on infrastructure, facilities, emergency management and services that are of vital importance to sustainable and resilient communities and the public health, high quality of life, and well-being of the people of the City of Smithville; and,

**WHEREAS**, this infrastructure, facilities and services could not be provided without the dedicated efforts of public works professionals who are federally mandated first responders, and the engineers, managers, and employees at all levels of government and the private sector, who are responsible for rebuilding, improving and protecting our nation’s transportation, water supply, water treatment and solid waste systems, public buildings and other structures and facilities essential for our citizens; and,

**WHEREAS**, it is in the public interest for the citizens, civic leaders, and children in the City of Smithville to gain knowledge and maintain ongoing interest and understanding of the importance of public works first responders and public works programs in their respective communities; and,

**WHEREAS**, the year 2022 marks the 62<sup>nd</sup> annual National Public Works Week sponsored by the American Public Works Association/Canadian Public Works Association.

**NOW THEREFORE**, I, Damien Boley, Mayor of the City of Smithville, Missouri, do hereby designate the week May 15–21, 2022, as National Public Works Week; I urge all citizens to join with representatives of the American Public Works Association and government agencies in activities, events, and ceremonies designed to pay tribute to our public works professionals, engineers, managers, and employees and to recognize the substantial contributions they make to protecting our national health, safety, and quality of life.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Seal of the City of Smithville, Missouri.

So proclaimed this 3<sup>rd</sup> day of May 2022.



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Damien Boley, Mayor



## PROCLAMATION

### To designate May 15-21, 2022 as National Police Week

**WHEREAS**, in 1962, President Kennedy proclaimed May 15 as National Peace Officers Memorial Day and the calendar week in which May 15 falls, as National Police Week; and

**WHEREAS**, the members of the law enforcement agency of the City of Smithville play an important role in safeguarding the rights and freedoms of the citizens of our community; and

**WHEREAS**, it is important that all citizens know and understand the problems, duties and responsibilities of their police department, and that members of our department recognize their duty to serve the people by safeguarding life and property, protecting them against violence or disorder, and protecting the innocent against deception and the weak against oppression or intimidation; and

**WHEREAS**, our police department has grown to be a modern and scientific law enforcement agency which unceasingly provides a vital public service;

**NOW THEREFORE**, I, Damien Boley, Mayor of the City of Smithville, do recognize the week of May 15-21, 2022, as National Police Week and further extend appreciation to our Police Chief Jason Lockridge, Captain Tony Roetman and to all the City of Smithville Detectives, Sergeants and Officers for the vital services they perform and their exemplary dedication to the community they serve.

Dated this 3<sup>rd</sup> of May 2022.

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Damien Boley, Mayor  
City of Smithville, Missouri





## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:**

Administration/Finance/Parks/Public Works

**AGENDA ITEM:** Consent Agenda

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### REQUESTED BOARD ACTION:

The Board of Aldermen can review and approve by a single motion. Any item can be removed from the consent agenda by a motion. The following items are included for approval:

#### Minutes

- April 19, 2022, Board of Alderman Regular Session Minutes – 1st Meeting
- April 19, 2022, Board of Alderman Regular Session Minutes – 2nd Meeting
- April 19, 2022, Board of Alderman Work Session Minutes

Resolution 1052, Special Permit – Lake Fest

Resolution 1053, Temporary Liquor License

Resolution 1054, Engineering Agreement for Fourth Street and Fourth Terrace

Resolution 1055, Award Bid No. 22-16, Sanitary Sewer Rehabilitation

Resolution 1055, Mower Purchase

Resolution 1056, Fireworks Event White Iron Ridge

Resolution 1057, Fireworks Event White Iron Ridge

### SUMMARY:

Voting to approve would approve the Board of Alderman minutes and Resolutions.

### PREVIOUS ACTION:

N/A

### POLICY ISSUE:

N/A

### FINANCIAL CONSIDERATIONS:

N/A

### ATTACHMENTS:

- |  |   |
|--|---|
| <input type="checkbox"/> Ordinance             | <input type="checkbox"/> Contract           |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Plans              |
| <input type="checkbox"/> Staff Report          | <input checked="" type="checkbox"/> Minutes |
| <input type="checkbox"/> Other:                |   |

**SMITHVILLE BOARD OF ALDERMEN  
REGULAR SESSION**

April 19, 2022, 7:00 p.m. 1<sup>st</sup> Meeting  
City Hall Council Chambers and Via Videoconference

**1. Call to Order**

Mayor Boley, present, called the meeting to order at 6:59 p.m.

A quorum of the Board was present: John Chevalier, Dan Ulledahl, Kelly Kobylski, Dan Hartman and Rand Smith. Marv Atkins was absent.

Staff present: Cynthia Wagner, Chief Jason Lockridge, Chuck Soules, Linda Drummond, Anna Mitchell, Matt Denton Jack Hendrix, Stephen Larson and City Attorney Scott Sullivan.

**2. Pledge of Allegiance led by Alderman Rand Smith**

**3. Consent Agenda**

- **Minutes**

- April 4, 2022 Board of Alderman Regular Session Minutes

- **Finance Report**

- Financial Reports for February 2022

No discussion.

Alderman Hartman moved to approve the consent agenda. Alderman Smith seconded the motion.

Ayes – 5, Noes – 0, motion carries. The Mayor declared the consent agenda approved.

**ORDINANCES & RESOLUTIONS**

**4. Resolution 1046, Certify the April 5, 2022 Election Results**

Alderman Hartman moved to approve Resolution 1046, certifying the results of the April 5, 2022 Municipal Election held in the City of Smithville, Missouri. Alderman Chevalier seconded the motion.

No discussion.

Ayes – 5, Noes – 0, motion carries. Mayor Boley declared Resolution 1046 approved.

**5. Adjournment Sine Die (end of legislative session)**

Alderman Hartman moved to adjourn the meeting Sine Die. Alderman Kobylski seconded the motion.

Ayes – 5, No – 0, motion carries. Mayor Boley declared this portion of the meeting adjourned Sine Die at 7:01 p.m.

## 6. Oath of Office for Newly Elected Officials

City Clerk, Linda Drummond, administered the oath of office to the newly elected officials: Mayor Damien Boley, Alderman Daniel Ulledahl, Ward I and Alderman Ronald Russell, Ward II.



*Figure 1 Swearing in Dan Ulledahl  
Alderman Ward I*



*Figure 2 Swearing in Ronald Russell  
Alderman Ward II*



*Figure 1 Swearing in Damien Boley  
Mayor*

## 7. Reception for Outgoing Elected Official and Newly Elected Officials

A brief reception was held with refreshments to thank the elected officials.

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Linda Drummond, City Clerk

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Damien Boley, Mayor

## **SMITHVILLE BOARD OF ALDERMEN REGULAR SESSION**

April 19, 2022, Following the 7:00 p.m. 2<sup>nd</sup> Meeting  
City Hall Council Chambers and Via Videoconference

### **1. Call to Order**

Mayor Boley, present, called the meeting to order at 7:19 p.m.

A quorum of the Board was present: John Chevalier, Dan Ulledahl, Kelly Kobylski, Dan Hartman and Ronald Russell. Marv Atkins was absent.

Staff present: Cynthia Wagner, Chief Jason Lockridge, Chuck Soules, Linda Drummond, Anna Mitchell, Matt Denton Jack Hendrix, Stephen Larson and City Attorney Scott Sullivan.

### **2. Adjournment to Executive Session Pursuant to Section 610.021(1)RSMo.**

Alderman Hartman moved to adjourn to Executive Session Pursuant to Section 610.021(1)RSMo. Alderman Ulledahl seconded the motion.

Upon roll call vote:

Alderman Kobylski – Aye, Alderman Russell– Aye, Alderman Ulledahl – Aye,  
Alderman Chevalier – Aye, Alderman Atkins – Absent, Alderman Hartman – Aye.

Ayes – 5, Noes – 0, motion carries. The Mayor declared the session adjourned to Executive Session Pursuant to Section 610.021(1)RSMo at 7:19.

### **3. Reconvene the Regular Session**

Mayor Boley called the Regular Session reconvened at 8:15.

## **REPORTS FROM OFFICERS AND STANDING COMMITTEES**

### **4. Committee Reports**

Alderman Chevalier reported on the April 12, 2022, Planning and Zoning Commission meeting. Alderman Chevalier noted that the City has 39 residential permits to date. Staff is going to slow down the review process for new development due to Missouri Department of Transportation (MoDOT) traffic studies. The cannabis facility should be opening somewhere around May or June. A new car wash facility is pending a MoDOT traffic study.

### **5. City Administrator's Report**

Cynthia highlighted some of the topics in her report in the packet. Superior Bowen had anticipated to begin work this week on the mill and overlay project on Tillman Road and Hospital Drive. Due to the weather, that work has been pushed to the end of the week to begin.

The E-waste and Shredding event is scheduled for this Saturday from 9:00 a.m. to noon at the High School parking lot. The information for the event was included in the packet and has been posted online.



Cynthia reminded the Board of the Governing Body Retreat scheduled for May 25 beginning at 8:30 a.m. at the Northwest campus in Gladstone. She explained that at the May 17 work session will include a six-month budget update for FY22, the initial information from departments for their FY23 budget and an update on the Capital Improvement Plan (CIP). This information will be used as a starting point for significant discussion at the retreat on the FY23 budget priorities and the CIP process.

The May 3 work session will also include an update on the implementation of the recommendations of the Comprehensive Plan. It will also include an update on the public comments received through March 31 on the Transportation Master Plan. Cynthia noted that the Mayor has had conversations with an individual who would like to bring information to the Board concerning animal control also at the May 3 work session.

Mayor Boley added if anyone attending the Governing Body Retreat has any dietary restrictions to please get them to Linda Drummond, City Clerk before the meal is ordered for lunch.

## **ORDINANCES & RESOLUTIONS**

### **6. Resolution 1047, Adoption of the City Administrator's Contract**

Alderman Hartman moved to approve Resolution 1047, authorizing and directing the Mayor to execute an updated contract with Cynthia Wagner for the City Administrator position. Alderman Kobylski seconded the motion.

No discussion.

Ayes – 5, Noes – 0, motion carries. Mayor Boley declared Resolution 1047 approved.

### **7. Resolution 1048, Award Bid No. 22-15, Fourth of July City/County Fireworks Display**

Alderman Ulledahl moved to approve Resolution 1048, awarding Bid No. 22-15, Fourth of July City/County Fireworks Display to Premier Pyrotechnics, Inc. in an amount not to exceed \$16,000. Alderman Kobylski seconded the motion.

No discussion.

Ayes – 5, Noes – 0, motion carries. Mayor Boley declared Resolution 1048 approved.

### **8. Resolution 1049, Leak Adjustment, Greg Wilson**

Alderman Hartman moved to approve Resolution 1049, approving a leak adjustment for of \$207.71 for residential utility billing customer, Greg Wilson for his February and March 2022 utility bill. Alderman Russell seconded the motion.

No discussion.

Ayes – 5, Noes – 0, motion carries. Mayor Boley declared Resolution 1049 approved.

**9. Resolution 1050, Leak Adjustment, Sara Dejanas'**

Alderman Ulledahl moved to approve Resolution 1050, approving a leak adjustment for of \$264.38 for residential utility billing customer, Sara Dejanas' for her February and March 2022 utility bill. Alderman Kobylski seconded the motion.

No discussion.

Ayes – 5, Noes – 0, motion carries. Mayor Boley declared Resolution 1050 approved.

**10. Resolution 1051, Agreement with MARC**

Alderman Chevalier moved to approve Resolution 1051, authorizing and directing the Mayor to execute an agreement with Mid-America Regional Council (MARC) to accept funds to conduct mill and overlay and/or micro surfacing maintenance on roadways. Alderman Kobylski seconded the motion.

No discussion.

Ayes – 5, Noes – 0, motion carries. Mayor Boley declared Resolution 1051 approved.

**OTHER MATTERS BEFORE THE BOARD**

**11. Public Comment**

Eric Craig, 1220 Banbridge Road, spoke to the Board concerning the APWA Flowable Fill regulation for development in the City. He noted that compared to other entities, Smithville's regulation cost the developers more money. He asked that a meeting to discuss this issue be scheduled with developer engineers and the City's engineers. He also asked that the City check into what other cities regulations are for flowable fill.

**12. Election of Mayor Pro Tem**

Alderman Chevalier nominated Alderman Kobylski for Mayor Pro Tem. Alderman Hartman seconded the nomination. No other nominees.

By roll call vote.

Alderman Chevalier – Aye, Alderman Hartman – Aye, Alderman Ulledahl - Aye  
Alderman Kobylski – Abstained, Alderman Russell – Aye, Alderman Atkins – Absent.

Ayes – 4, Noes – 0, Abstained – 1, motion carries. The Mayor declared Alderman Kobylski as Mayor Pro Tem.

**13. Election of Planning Commission Representative**

Alderman Kobylski nominated Alderman Chevalier for Planning Commission Representative. Alderman Hartman seconded the nomination. No other nominees.

By roll call vote.

Alderman Ulledahl – Aye, Alderman Chevalier – Abstained, Alderman Kobylski – Aye  
Alderman Atkins– Absent, Alderman Hartman – Aye, Alderman Russell – Aye.

Ayes – 4, Noes – 0, Abstained – 1, motion carries. The Mayor declared Alderman Chevalier as Planning Commission Representative.

**14. Election of Economic Development Committee Representative**

Alderman Chevalier nominated Alderman Atkins for Economic Development Committee Representative. Alderman Hartman seconded the nomination. No other nominees.

By roll call vote.

Alderman Atkins – Absent, Alderman Russell – Aye, Alderman Hartman – Aye  
Alderman Ulledahl – Aye, Alderman Chevalier – Aye, Alderman Kobylski – Aye.

Ayes – 5, Noes – 0, motion carries. The Mayor declared Alderman Atkins as Economic Development Committee Representative.

**15. Election of the Parks and Recreation Committee Representative**

Alderman Chevalier nominated Alderman Hartman for Parks and Recreation Committee. Alderman Kobylski seconded the nomination. No other nominees.

By roll call vote.

Alderman Hartman – Abstained, Alderman Kobylski – Aye, Alderman Atkins – Absent,  
Alderman Russell – Aye, Alderman Chevalier – Aye, Alderman Ulledahl – Aye.

Ayes – 4, Noes – 0, Abstained – 1, motion carries. The Mayor declared Alderman Hartman as Parks and Recreation Representative.

**16. Appointments**

Mayor Boley nominated the appointments to the Finance Committee:

**Alderman Russell**

By roll call vote.

Alderman Kobylski – Aye, Alderman Atkins – Absent, Alderman Russell – Abstained,  
Alderman Hartman – Aye, Alderman Chevalier – Aye, Alderman Ulledahl – Aye.

Ayes – 4, Noes – 0, Abstained – 1, motion carries. The Mayor declared Alderman Russell the Finance Committee representative.

**Alderman Hartman**

By roll call vote.

Alderman Atkins – Absent, Alderman Ulledahl – Aye, Alderman Chevalier – Aye,  
Alderman Hartman – Abstained, Alderman Russell – Aye, Alderman Kobylski – Aye.

Ayes – 4, Noes – 0, Abstained – 1, motion carries. The Mayor declared Alderman Hartman the Finance Committee representative.

**17. New Business from the Floor**

Alderman Hartman asked that staff look into the flowable fill regulations of other entities in our area. He also asked that this issue be brought to the Board for discussion at a future meeting.

After a brief discussion it was decided that the discussion of the regulations for the flowable fill would be brought forward at the May 17 Work Session.

Alderman Hartman also requested that staff begin to research the steps needed to change the elected official's office terms from two years to four years.

After a brief discussion it was decided that the discussion for the change of the elected official's office terms would be brought forward at a July work session.

**18. Adjourn**

Alderman Ulledahl moved to adjourn to the regular session. Alderman Hartman seconded the motion.

Ayes – 5, Noes – 0, motion carries via teleconference. Mayor Boley declared the regular session adjourned at 8:34 p.m.

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Linda Drummond, City Clerk

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Damien Boley, Mayor



**SMITHVILLE BOARD OF ALDERMAN**  
**WORK SESSION**

April 19, 2022, Immediately Following Regular Session  
City Hall Council Chambers and Via Videoconference

**1. Call to Order**

Mayor Boley, present, called the meeting to order at 8:42 p.m. A quorum of the Board was present: Kelly Kobylski, John Chevalier, Dan Ulledahl, Dan Hartman and Ronald Russell. Marv Atkins was absent.

Staff present: Cynthia Wagner, Anna Mitchell, Chief Jason Lockridge, Chuck Soules, Linda Drummond, Stephan Larson, Matt Denton and Jack Hendrix.

**2. FY21 Audit Presentation – Year ending October 31, 2021**

Harold Ray of CliftonLarsonAllen, Wealth Advisors, LLC presented the audit for fiscal year 2021.

Harold stated that CliftonLarsonAllen have been working with the City since 2015. He noted that he is the principal on the engagement responsible for signing the audit.

The audit team consisted of Doug Host, Harold Ray, Jordan Townsend and Steve Davis.

Harold explained that the financial statements are on a modified cash basis so the revenues and expenses that you see in the audit are based on when the cash is received and when the cash is paid so it is not considered full GAAP (Generally Accepted Accounting Principles) or accrual basis statements. One modification is included for any long-term debt and capital assets that the City has.

Harold explained that the auditor's responsibility is to issue an opinion on whether the financial statements are presented fairly in all material respects. Some of the other things they look at is if a city says they have twelve million in cash and four million is sales tax, they check all of that as well. They also check expenses to make sure that they are appropriately classified.

What an audit is not is a fraud examination or an opinion on the city's financial health. The auditor's goal is to present the financial statements to everyone, and people can reach their own conclusions on the city's financial condition.

**Internal Control Communications**

Material Weakness – deficiencies in internal control such that there is a reasonable possibility that a material misstatement would not be prevented or detected and corrected on a timely basis.

- Financial Reporting

Harold explained that they are not part of the city's internal control process. Those financial responsibilities still reside with management and government. He noted that this is something that you commonly see with municipalities of Smithville's size. He explained that processing financial statements could be outsourced but typically that is not always a cost-effective approach.

- Audit Adjusting Entries

Harold noted the audit adjustments they made, the first one was looking at repairs and maintenance testing, the City ending up identifying an additional \$222,000 worth of capital assets. They also identified an additional \$43,000 in miscellaneous payable accounts.

In the wastewater impact fees they reclassified cash between unrestricted and restricted funds. Harold explained that when someone pays an impact fee it goes into a special account and then those revenues going to be used for a certain purpose. As those funds are expended it requires a manual adjustment to move that from the impact fee cash account to the unrestricted cash account as those projects occur.

The last item was to move the new Smithville Commons CID activity into a separate fund. Along with that, the auditors are currently in process of completing an audit of that CID and hope to have it finished in the next couple of weeks.

#### Single Audit Results

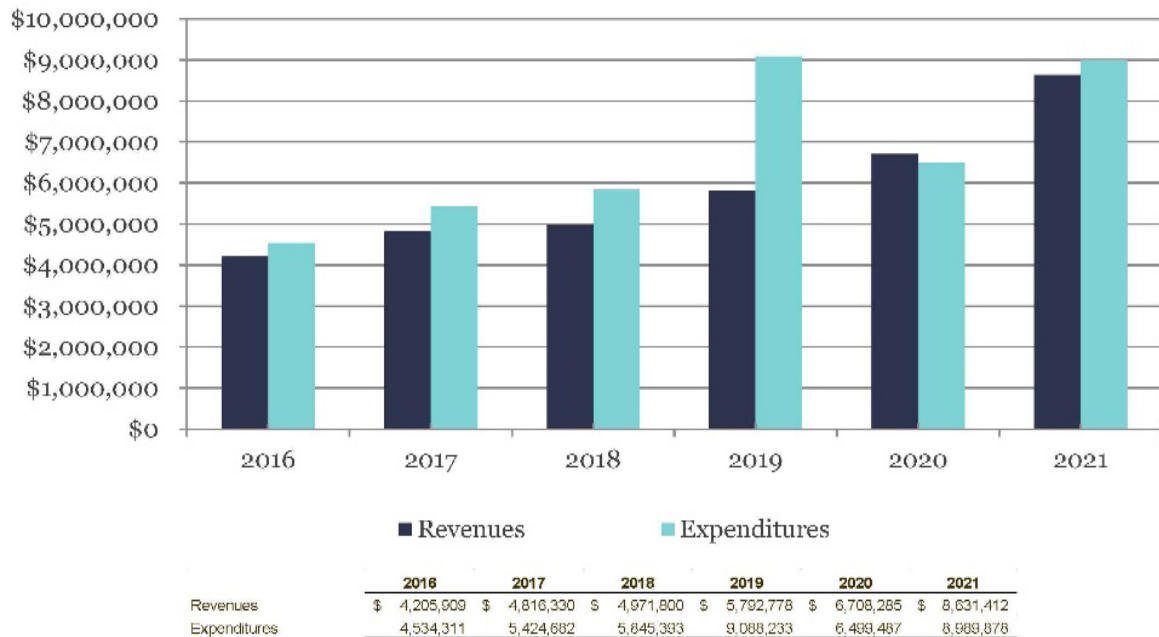
- Audit required by Uniform Guidance over federal funding
- Total Federal Expenditures - \$832,990
- Major Program Tested:
  - COVID-19 Coronavirus Relief Fund - \$588,259
- No findings reported

Harold noted that the single audit is a new process for the City this year. He explained if you expend over \$750,000 in federal funds over the course of the fiscal year, there is a requirement to have a single audit completed over that federal funding. The City's total federal expenditures for the year were \$832,990. Harold explained that out of that total not every single program is going to get tested. They have to go through a risk assessment processing certain things like quantitative amounts such as dollar amounts of the programs and qualitative aspects such as, have you been audited before, have there ever been audit findings in the past.

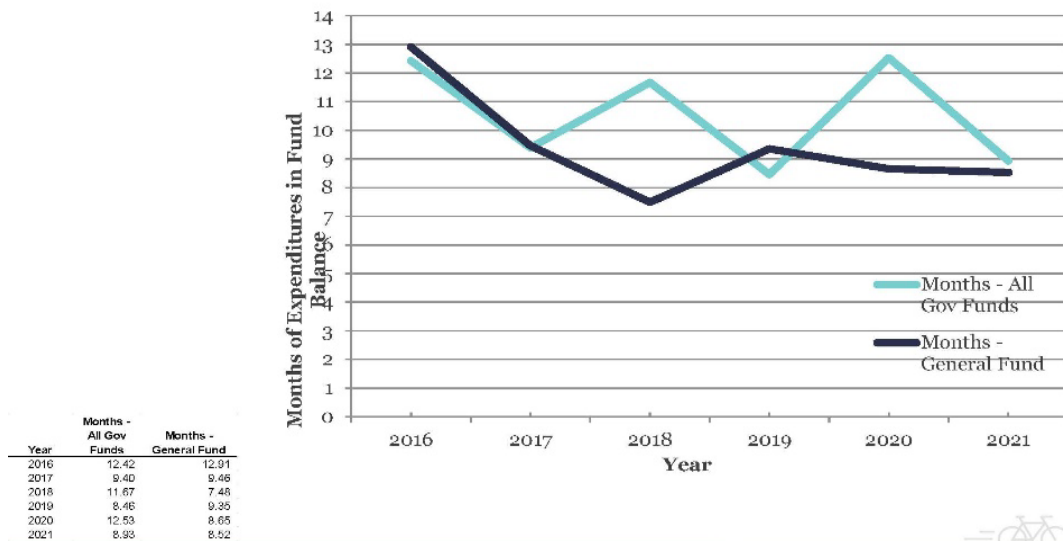
Harold noted that the program that they did test was the COVID-19 Coronavirus Relief Fund, the City's CARES Act Funding. The expenditures during the year for that were \$588,000 and they report that there were no findings involved in that single audit. One of these additional federal funding sources during this year was ARPA funding. The ARPA funds total \$1.1 million received but there were no expenditures during the year through that program, so there were not any funds subject to the single audit through this year but will be going forward.

## Financial Results

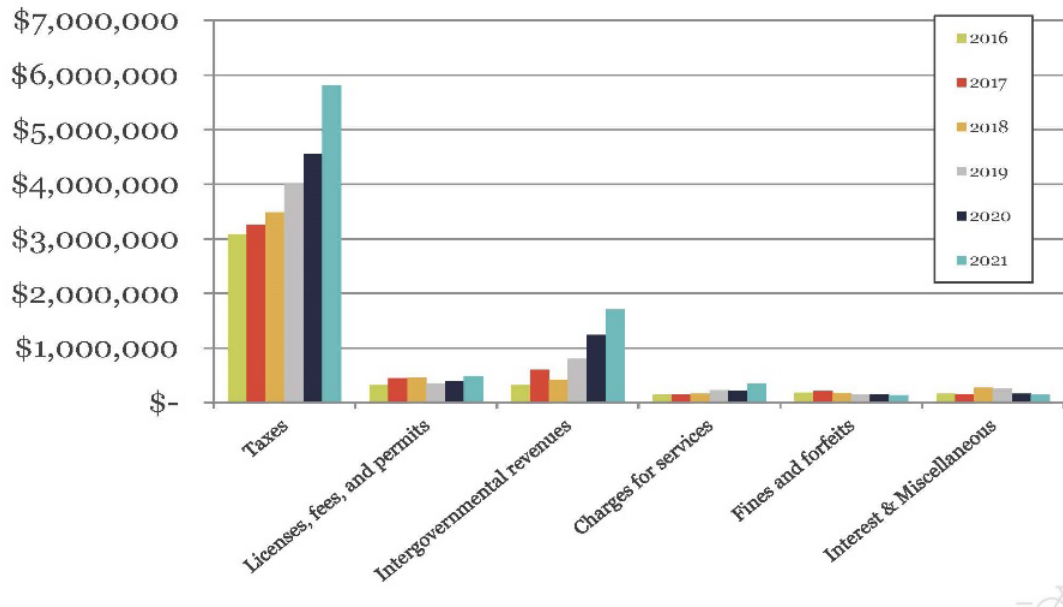
### All Governmental Funds – Revenues and Expenditures



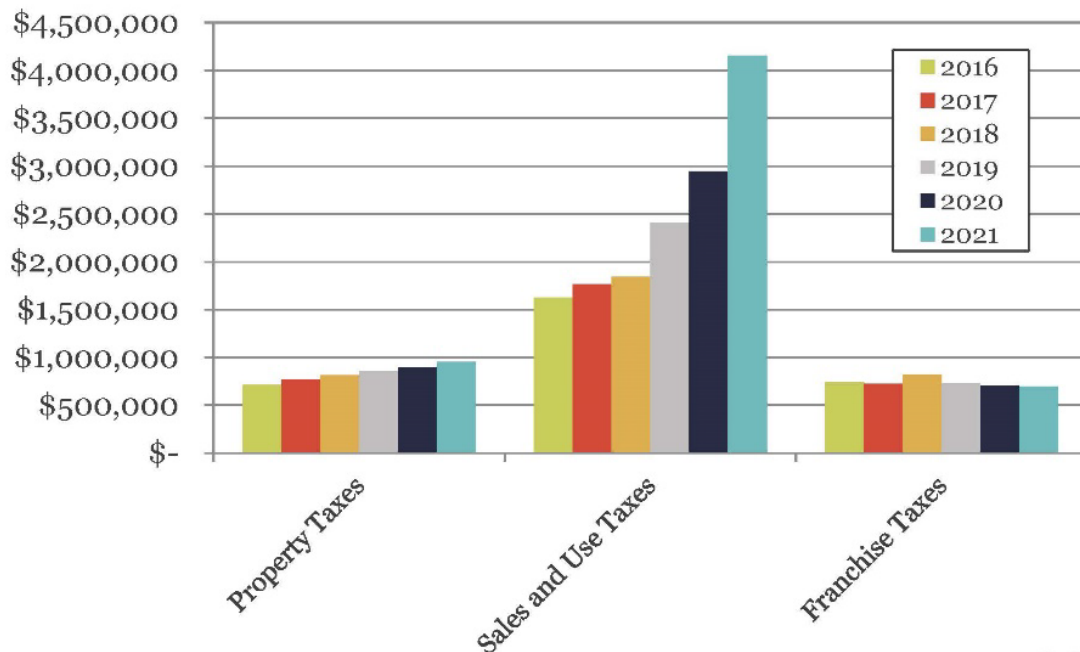
### Months Expenditures in Fund Balance



## All Governmental Funds – Revenue Sources

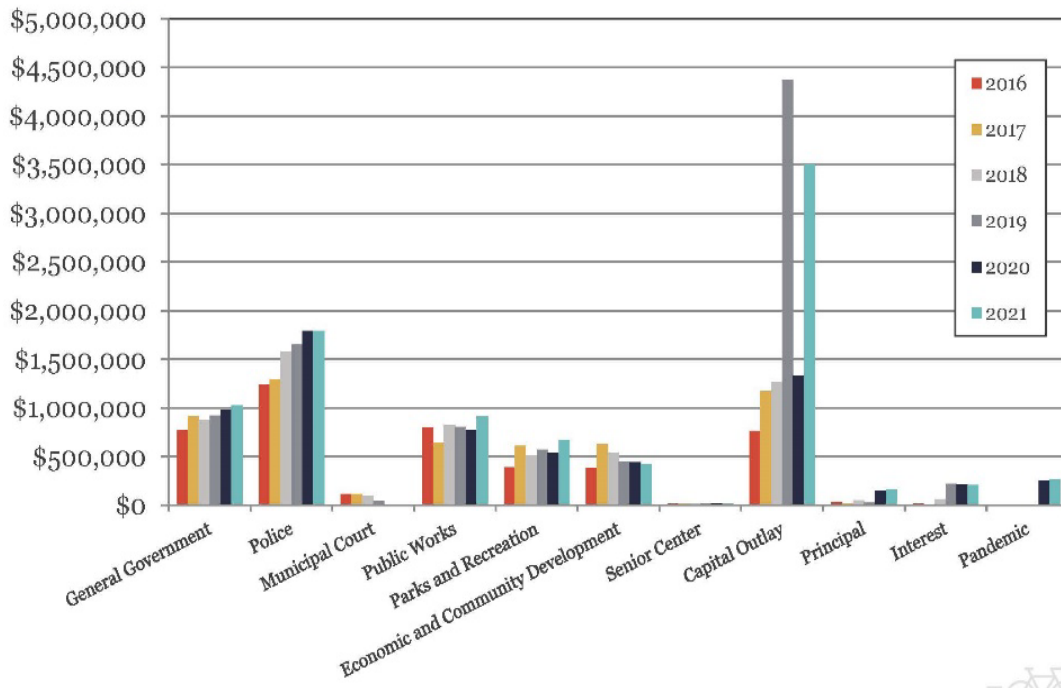


## All Governmental Funds – Tax Revenues

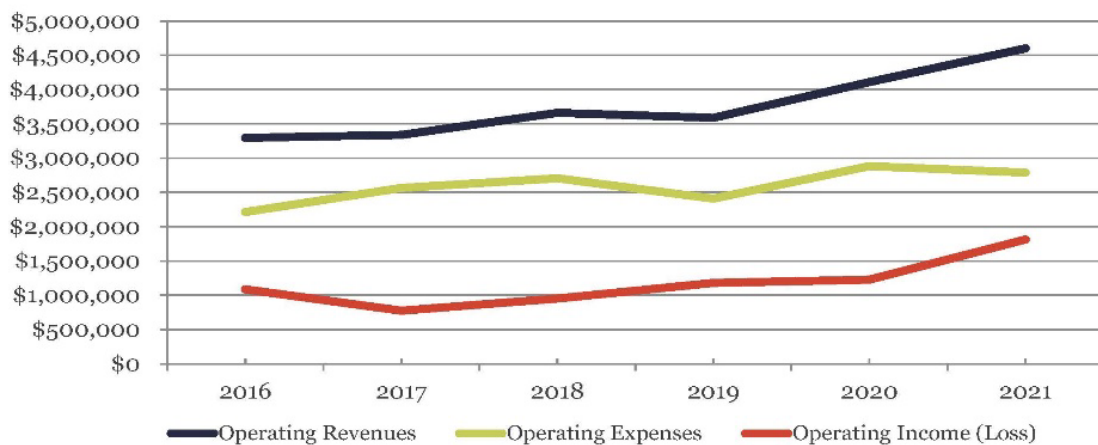




## All Governmental Funds – Expenditures

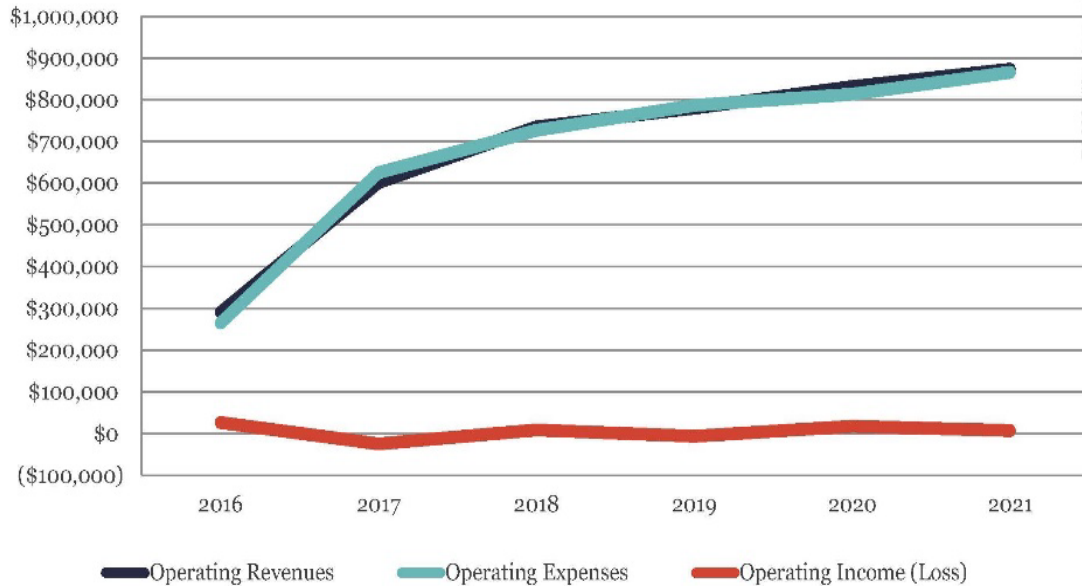


## Water and Sewer Fund Historical Trends



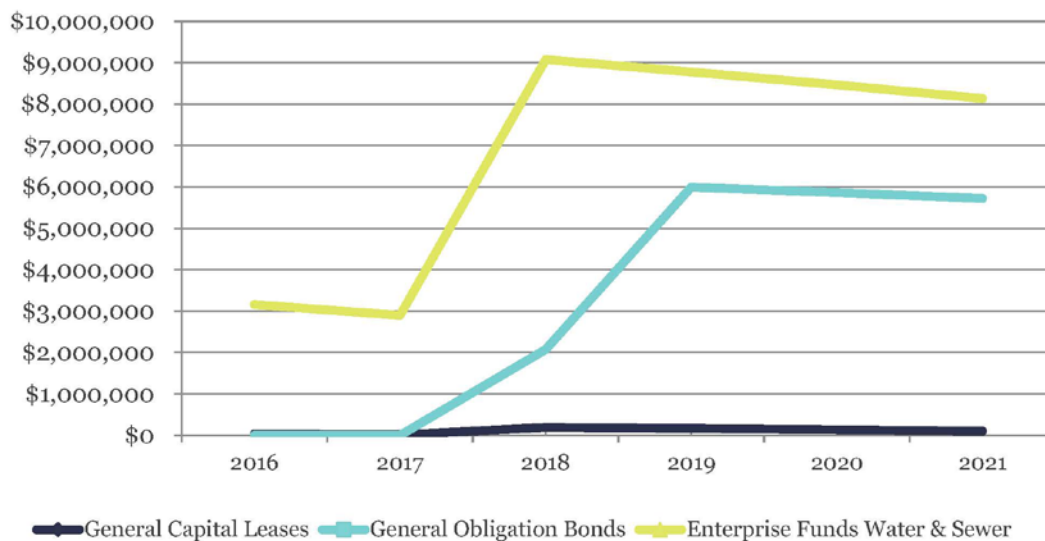
	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 3,294,734	\$ 3,338,596	\$ 3,657,681	\$ 3,587,837	\$ 4,107,090	\$ 4,597,991
Operating Expenses	2,211,413	2,563,384	2,705,483	2,407,337	2,882,862	2,785,770
Operating Income (Loss)	1,083,321	775,212	952,198	1,180,500	1,224,228	1,812,221
Nonoperating Revenues	64,362	104,885	56,827	106,455	54,640	89,971
Nonoperating Expenses	152,014	159,124	286,645	272,945	302,710	292,559

## Sanitation Fund Historical Trends



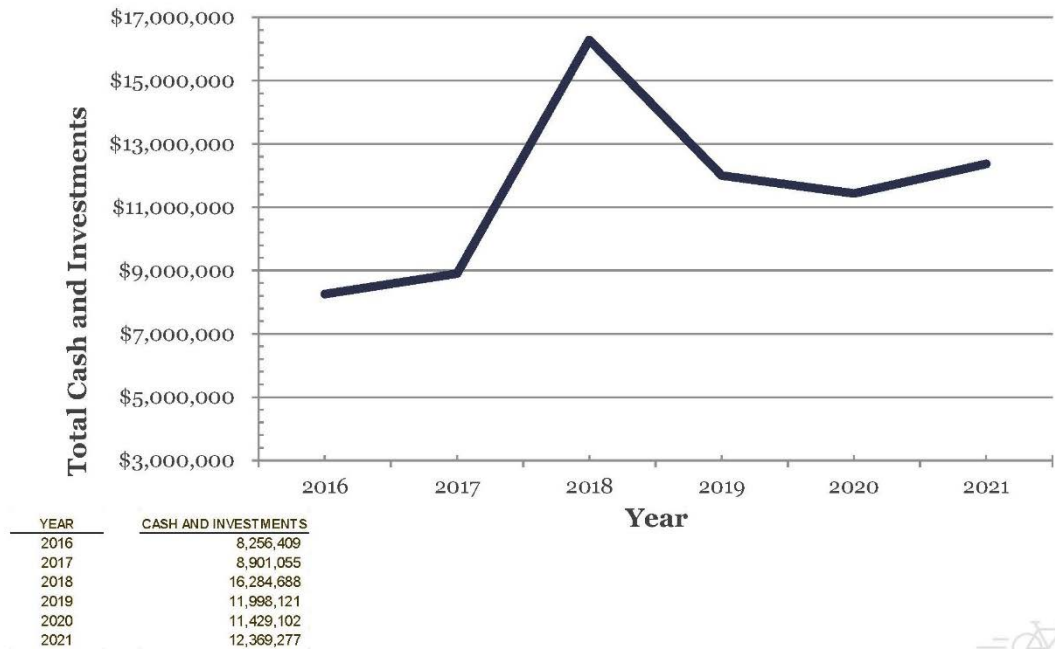
	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 291,166	\$ 601,299	\$ 735,138	\$ 780,004	\$ 831,293	\$ 872,880
Operating Expenses	264,703	625,485	726,458	768,350	813,356	865,324
Operating Income (Loss)	26,463	(24,186)	8,680	(8,348)	17,937	7,556

## City Debt



	2016	2017	2018	2019	2020	2021
General Capital Leases	\$ 35,162	\$ 11,956	\$ 196,956	\$ 167,688	\$ 137,081	\$ 105,074
General Obligation Bonds	-	-	2,075,886	5,990,070	5,861,961	5,723,263
Enterprise Funds Water & Sewer	3,155,164	2,896,164	9,073,370	8,777,563	8,466,386	8,134,838

# City Cash Position



Alderman Hartman asked with the ARPA funds being relatively new to each municipality, he assumes auditors are beginning to audit them throughout the different municipalities. He asked if it were just basically stating what the inflow is and what the outflow would be to make sure that is in line with the federal government's use of those funds?

Harold explained that the federal government produces a compliance supplement every year that list out all the different compliance aspects that go along with every single federal program. It lays out the different compliance aspects that the auditors need to test and that the municipalities need to be in compliance with. The auditors will go through and look at what are some of the City's internal controls to make sure that you stay in compliance with what the federal government wants you to stay in compliance with and do tests over that as well as make sure you are in compliance. Harold noted that this is only over expenditures not revenue, so it depends on what the City is going to spend the next year.

### 3. Adjourn

Alderman Ulledahl moved to adjourn. Alderman Hartman seconded the motion.

Ayes – 5, Noes – 0, motion carries. Mayor Boley declared the Work Session adjourned at 8:58 p.m.

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Linda Drummond, City Clerk

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Damien Boley, Mayor



## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Parks and Recreation

**AGENDA ITEM:** Resolution 1052 – Special Event Permit – Smithville Lake Festival

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**RECOMMENDED ACTION:**

A motion to approve Resolution 1052 approving a Special Event Permit to the Smithville Festival Committee for Smithville Lake Festival 2022.

**SUMMARY:**

Approval of this item will issue a Special Event Permit to the Smithville Festival Committee (Chairman, Barbara Lamb) for Smithville Lake Festival to be held at Courtyard Park on June 16, 17 and 18, 2022.

The requested permit will allow the participants to have alcohol (open container) at the event. The event coordinators have requested that the event run from 5:00 p.m. to 12:00 a.m. on Friday (June 17), from 10:00 a.m. to 12:00 a.m. Saturday (June 18). The committee has also requested closure of Main Street, Bridge Street and Church Street from 12 noon on Friday (June 17) through 12:00 a.m. on Saturday (June 18).

Per City Ordinance 600.070 (G &H) the Board of Aldermen may grant a Special Event Permit to allow drinking in public. Alcohol will be contained within a "Beer Garden" area at the courtyard.

The event coordinators have applied for and obtained State Alcohol licensing. All businesses/committees selling alcohol are required to have City and State Alcohol licenses.

**PREVIOUS ACTION:**

Special Event Permits have been approved for this event in the past (2019, 2020 and 2021).

**POLICY ISSUE:**

n/a

**FINANCIAL CONSIDERATIONS:**

None

**ATTACHMENTS:**

- |  |                                   |
|--|-----------------------------------|
| <input checked="" type="checkbox"/> Ordinance          | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution         | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report                  | <input type="checkbox"/> Minutes  |
| <input checked="" type="checkbox"/> Other: Application |                                   |

## **RESOLUTION 1052**

### **A RESOLUTION APPROVING A SPECIAL EVENT PERMIT FOR THE SMITHVILLE FESTIVAL COMMITTEE FOR SMITHVILLE LAKE FESTIVAL 2022 AT COURTYARD PARK ON THURSDAY, FRIDAY AND SATURDAY JUNE 16, 17 AND 18, 2022.**

**WHEREAS**, the Smithville Festival Committee, LLC has submitted an application with all required fees and documentation; and,

**WHEREAS**, licensed businesses will supply the food and beverages for a fee to the participants in a Beer Garden tent at Courtyard Park using their state and city licenses to sell alcohol; and,

**WHEREAS**, the applicant has submitted a map of the area and will monitor the area that will allow open consumption of alcohol in accordance with city code; and,

**WHEREAS**, Smithville police officers will assist in providing security at the event.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**THAT A SPECIAL EVENT PERMIT BE ISSUED TO THE SMITHVILLE FESTIVAL COMMITTEE FOR SMITHVILLE LAKE FESTIVAL 2022 TO BE HELD JUNE 16, 17 AND 18, 2022 IN ACCORDANCE WITH THE PLAN APPROVED BY THE CHIEF OF POLICE.**

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk

Insert Logo

CITY OF SMITHVILLE  
107 West Main Street  
Smithville, MO 64089

Date Submitted 7-14-2021  
Application # 1  
Date Approved \_\_\_\_\_  
Permit # \_\_\_\_\_

## SPECIAL EVENT APPLICATION

Thank you for choosing the City of Smithville for your event. Staff looks forward to working with you in ensuring a quality event and protecting the public health, safety, and welfare of event participants and the public at large. In order to do so, the City requires that all events must be approved prior to the event. Please complete and return the following special event application to City Hall at the address above. Thank you again for choosing Smithville. Please refer to the **Application Information** and corresponding sections in the **Event Rules and Conditions** to answer most questions.

### 1. EVENT INFORMATION:

Event Name: Smithville Lake Fest / Parade  
Event Location: Courtyard Event Tier: 2  
Detailed event description (additional room on next page or sheet may be attached): See next page  
Estimated attendance: 0 - 1,000  
Event Date(s) and Times: June 16/17 & 18, 2022  
Set up date/time: 5pm (Fri) Cleanup finished date/time: June 18 12pm

### 2. APPLICANT / CONTACT INFORMATION:

#### Applicant(s)

Name: Barbara Lemb  
Organization: Smithville Festville Committee  
Address: Po Box 15  
City, State, Zip: Smithville, MO 64089  
Phone: 805-2290 Fax: \_\_\_\_\_  
Emergency #: \_\_\_\_\_  
E-mail: blamb4@att.net

#### Alternative Contact

Name: \_\_\_\_\_  
Phone: 816-805-2230

#### Property Owner(s), if not applicant or City

Name: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Emergency #: \_\_\_\_\_  
E-mail: \_\_\_\_\_

#### Alternative Contact

Name: \_\_\_\_\_  
Phone: \_\_\_\_\_



Detailed event description continued (Attach additional sheet if necessary): \_\_\_\_\_

\* See old Application - Attached

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### 3. EVENT TYPE:

Run ☐ Walk ☐ Parade/  
March ☒ Bike  
Race/Tour ☐ Street Fair ☐ Concert ☐ Film ☐ Festival ☒ Other: ☐ \_\_\_\_\_

### 5. SITE PLAN

Where do you plan to have your event? Courtyard Park: ☒ Other Public Property: \_\_\_\_\_

The site plan should be a detailed narrative and/or map including a description of the event set up, such as event entry and exit, temporary restrooms, first aid, start/finish lines, inflatables, and a timeline of your event. Please write this description in the space provided below or attach the description as a Word document. Explain Your Site Plan (Attach additional sheet if necessary): \_\_\_\_\_

See Map

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## 6. PARKING PLAN

Do you have sufficient on street/lot parking at your event space? Yes: X No: \_\_\_\_\_

If No: Additional Parking and Shuttle Routes need to be approved by the City. Explain Your Parking Plan (Attach additional sheet if necessary): \_\_\_\_\_

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## 7. PUBLIC INFORMATION:

If applicable, surrounding businesses that will be impacted by the event must be notified no later than 14 days prior to the event. How will you notify neighbors/businesses of your event? Explain (Attach additional sheet if necessary): Let Alyssa Know

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## 8. CANCELLATION NOTICE:

How will you notify participants if your event is cancelled with 48 hours of event day? Explain (Attach additional sheet if necessary): \_\_\_\_\_

Facebook

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## 9. SECURITY PLAN:

Describe your security plan, including crowd control, internal security, and venue safety. Specify if you would like to hire off-duty police support. (Attach additional sheet if necessary): \_\_\_\_\_

Have requested Police presence

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#### 10. RESTROOM PLAN:

Describe your restroom/restroom cleaning plan. At least three restrooms must be provided for each estimated 500 attendees. Specify if you would like to hire city staff support (Attach additional sheet if necessary): \_\_\_\_\_

3 porta Johns

#### 11. CLEAN UP PLAN:

Describe your clean-up plan, including trash removal and recycling containers. Specify if you would like to hire city staff support. (Attach additional sheet if necessary): \_\_\_\_\_

Volunteer

#### 12. FIRST AID PLAN:

Describe your First Aid Plan. (Attach additional sheet if necessary): \_\_\_\_\_

1 Friday -> 4 officer 5-12pm (update)  
2 Saturday -> 4 officer 5-12pm

#### 13. UTILITY CONNECTIONS

Do you want to have a utility connection/s at your event? Yes: ☒ No: \_\_\_\_\_

If Yes: How Many Electric Pedestals? \_\_\_\_\_

If Yes: How Many Water Hookups? Maybe

Additional Utility Requests (Attach additional sheet if necessary): \_\_\_\_\_

#### 14. ROADWAY AND PARKING LOT CLOSURES:

Will you require a roadway closure? Yes: ☒ No: \_\_\_\_\_

If Yes: Explain (Attach additional sheet if necessary): \_\_\_\_\_

See Map

15. OTHER STAFF SUPPORT:

Do you desire to hire city staff for other duties? Yes: X No: \_\_\_\_\_

If Yes: Please Explain (Attach additional sheet if necessary): \_\_\_\_\_

Will need City City Staff 1 hour on Sat. Morn

16. SIGNAGE:

Do you want to also have advertising signage for your event on private property? Yes: X No: \_\_\_\_\_

If Yes: Attach a Sign Permit Application

17. SPECIAL ITEMS:

Are you serving alcohol?..... Yes: X No: \_\_\_\_\_ (If Yes, see the Alcohol Guidelines)

Are you having amplified music?..... Yes: X No: \_\_\_\_\_ (If Yes, complete question 18 on pg. 13)

Will you have food/sales vendors?..... Yes: X No: \_\_\_\_\_ (If Yes, complete question 20 on pg. 15-16)

18. AMPLIFIED SOUND / PERFORMANCE LIST

If you plan to have amplified sound, provide a tentative list of performers, performance type, music genre, performance times, and duration. Include non-live prerecorded sound/music. The complete performance list is due 7 days before the event (Attach additional sheet if necessary):

1. Yes
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

## VENDOR MAP

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Please map the planned vendors at your event (Attach additional sheet if necessary):

(May be depicted on site plan)

see map

## LEGAL

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I have read and understand the Event Rules and Conditions and Application Information Guide. I will abide by these terms and fees associated with my event.

\_\_\_\_\_ Event coordinator

\_\_\_\_\_ Date



KADES

ROOMS  
SALES

Church St

Church St

Church

Bridge St

N Commercial Ave

Are Shoppe Thrift Store  
Thriftstore

The Warehouse  
Architectural salvage store

Thorny Creek Market  
Home goods store

Callahan's Body Shop

The Grace Place Church

N Bridge St

N Commercial Ave

Bridge St

Courtyard Park

Main St

Paw Barkers  
W Main St Gourmet Dog Treats

E Main St

E Main St

E Main St

Wildlife Artworks  
Taxidermy

Main Line Taxi

Smithville City Hall

Warrior Shop

Jean's Flowers & Gifts  
Florist

Olson Farnan  
Benefit Solutions

Light



# Smithville Police Department

## Request for Off-Duty Officers

Date of Request: 07/14/2021  
Date of Event: June 17-18, 2022 Address of Event: 100 East Main (Courtyard)  
Number Expected to Attend: 1,000 (Depending on event, 1 officer for every 100 in attendance/commander discretion)  
Number of Officers Requested: 2 Beginning Time: See below Ending Time: 12:00 midnight  
Will Alcohol Be Served? ☒ YES ☐ NO 6/17 - 5:00 pm - midnight  
6/18 - noon - midnight  
Type of Event (i.e. Wedding Reception, Large Party, Community Event, Concert, Site Security, etc.)  
Smithville Lake Festival

Job Description (i.e. Parking Lot Security, Building Security, Event Security, Traffic Control, etc.)

event security

Rate of Pay-\$45/hour (3 Hour Minimum)

REQUESTOR: ☒ Personal ☐ Business

Name of Requestor: Barbara Lamb-Smithville Festival Committee

Address: Po Box 15, Smithville, Mo 64089

Contact Name: Barbara Lamb Phone #: 816-805-2290 Email: blamb4@att.net

After-Hours Contact: Allison Lamb Phone #: 816-805-2230

### INSURANCE REQUIREMENT:

Business requestors hiring off-duty Smithville Officers for security work shall carry the statutory limits for Workers Compensation Insurance and a minimum of \$500,000 general liability insurance coverage.

The requestor has provided a copy of the general liability insurance certificate. ☒ YES ☐ NO

Description of Business Activity: Insurance will be provided when obtained.

Are there any potential concerns or threats to your event or the attendees? ☐ YES (explain) ☒ NO

Approving Commander

Radio #

Date

Time

# Public Facility Use Permit Application

REQUIRED INFORMATION	TODAY'S DATE 07/14/2021		APPLICANT NAME Smithville Festival Committee	
	CATEGORY <input type="radio"/> I <input type="radio"/> II <input checked="" type="radio"/> III <input type="radio"/> IV <input type="radio"/> V		CONTACT NAME Barbara Lamb	
	ADDRESS PO Box 15			
	CITY Smithville		STATE Mo	ZIP 64089
	PHONE 816-805-2290		ALTERNATE PHONE 816-805-2230	
FACILITY INFORMATION	E-MAIL ADDRESS blamb4@att.net			
	PERMIT TYPE <input type="radio"/> INDOOR <input checked="" type="radio"/> OUTDOOR <input checked="" type="radio"/> PARADE <input checked="" type="radio"/> SPECIAL EVENT <input type="radio"/> SPORTS FIELD <input type="radio"/> BLOCK PARTY			
	FACILITY Downtown/Courtyard		EVENT DATE June 17 + 18, 2022	
	EXPECTED ATTENDANCE 1,000	START TIME June 17 @ 5 pm	END TIME June 18 @ 12 midnight	
	OTHER REQUIREMENTS <input checked="" type="checkbox"/> ADVERTISING <input checked="" type="checkbox"/> ALCOHOL <input checked="" type="checkbox"/> CONCESSIONS <input checked="" type="checkbox"/> INSURANCE <input checked="" type="checkbox"/> STREET CLOSINGS <input checked="" type="checkbox"/> SECURITY <input checked="" type="checkbox"/> VENDORS			
SIGNATURE	I, the undersigned, both individually and on behalf of the above named applicant, certify that we have received and read the rules, regulations and requirements outlined in the Public Facilities Use Policy. I do hereby agree that we will abide by the policies governing the use of this facility and will be responsible for any damages to the facility, furniture, or equipment caused by our occupancy of the premises. I understand that falsification of any information related to this application will result in immediate termination of our event.			
	SIGNATURE Barbara Lamb		DATE 07/14/2021	
	PRINTED NAME AND TITLE (IF APPLICABLE) Barbara Lamb, Secretary			
OFFICE USE ONLY	PERMIT #		DEPOSIT	
	APPROVAL		RENTAL FEE	
	RELEASE		OTHER FEES	
	REFUND		TOTAL	

**Public Facility Use Permit Application  
Attachment C – Special Event Application**

CHAIR	SPECIAL EVENT CHAIR RESPONSIBLE FOR CONDUCT OF EVENT		
	Barbara Lamb		
	PHONE	ALTERNATE PHONE	ALTERNATE PHONE
	816-805-2290	816-805-2230	

SPECIAL EVENT INFORMATION	NAME OF EVENT			
	Smithville Lake Festival			
	DATE OF EVENT			
	June 16, 17 + 18, 2022			
	START TIME		END TIME	
June 16 @ 5pm		June 18 @ midnight		
	# OF SPECTATORS	# OF PARTICIPANTS	# OF ANIMALS	# OF VEHICLES
	1,000			

SITE PLAN	EVENT ORGANIZATION (DESCRIBE IN DETAIL AND DRAW OR ATTACH A MAP)
	<p>This is the second annual Lake Festival, a community favorite. This festival will be promoted to visitors + residents. The festival will provide a variety of activities for all ages. We will food a craft vendors, a parade, a children's area, live entertainment, pageants + a variety of other events.</p> <p>We respectfully request an exception to the noise ordinance from 11pm to midnight on both nights of the event.</p> <p>We also request the city's additional trash cans be brought downtown from Smith's Fork by noon on Friday, June 17, 2022, for the event.</p>

SIGNATURE	SIGNATURE	DATE
	Barbara Lamb	07/14/2021
	PRINTED NAME AND TITLE (IF APPLICABLE)	
	Barbara Lamb, Secretary	

**Public Facility Use Permit Application  
Attachment B – Parade Application**

<b>CHAIR</b>	PARADE CHAIR RESPONSIBLE FOR CONDUCT OF PARADE			
	Charlene Bruce			
	PHONE	ALTERNATE PHONE	ALTERNATE PHONE	
	816-805-6080	816-805-2290	816-805-2230	
<b>PARADE INFORMATION</b>	NAME OF EVENT			
	Smithville Lake Festival Parade			
	DATE OF EVENT			
	June 18, 2022			
	START TIME		END TIME	
	11:00 am		12:00 pm	
	PARADE START POINT		PARADE TERMINATION POINT	
<b>ROUTE</b>	# OF SPECTATORS	# OF PARTICIPANTS	# OF ANIMALS	# OF VEHICLES
	1200	75	Approx. 10	40
	ROUTE TO BE TRAVELED (DESCRIBE IN DETAIL AND DRAW OR ATTACH A MAP)			
	Parade route is TBD. Once known, an updated map will be provided.			
<b>SIGNATURE</b>	SIGNATURE			DATE
	Barbara Lamb			07/14/2021
	PRINTED NAME AND TITLE (IF APPLICABLE)			
	Barbara Lamb, Secretary			



**Public Facility Use Permit Application**  
**Attachment F – Insurance**

<b>CONTACT</b>	NAME OF SPONSORING ORGANIZATION <i>Smithville Festival Committee</i>	PHONE <i>816-865-2290</i>	
	ADDRESS <i>Po Box 15</i>		
	CITY <i>Smithville</i>	STATE <i>Mo</i>	ZIP <i>64089</i>

**SIGNATURE**

THE UNDERSIGNED is an authorized representative of the event sponsor (hereinafter Name of Event Sponsor referred to as "the Sponsor Organization") IN CONSIDERATION of being given the opportunity to sponsor this event (hereinafter referred to as "the Event"), THE SPONSOR ORGANIZATION:

1. HEREBY COVENANTS NOT TO SUE AND RELEASES, WAIVES, DISCHARGES AND INDEMNIFIES the Releasees ("Releasees" are defined as the City of Smithville and its respective officials, agents and employees) from all liability against any and all claims and causes of action for injury, death, disease, related in any manner to the Event;
2. IN THE ABSENCE OF PROVIDING PROOF OF INSURANCE COVERAGE, the Sponsor Organization further acknowledges that the City of Smithville is not sponsoring nor otherwise involved in the administration of the Event, and the Sponsor assumes responsibility for claims associated with its operation or administration.

THE SPONSOR ORGANIZATION expressly agrees that the foregoing Special Event Release and Hold Harmless Agreement is intended to be as broad and inclusive as is permitted by the law of the State of Missouri and that if any portion of this Special Event Release and Hold Harmless Agreement is held invalid, it is agreed that the balance shall, notwithstanding, continue in full legal force and effect.

THE UNDERSIGNED, ON BEHALF OF THE SPONSOR ORGANIZATION, HAS CAREFULLY READ AND VOLUNTARILY SIGNS THE SPECIAL EVENT RELEASE AND HOLD HARMLESS AGREEMENT, and further agrees that no oral representations, statements or inducements apart from the foregoing written agreement have been made.

SIGNATURE OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>	DATE <i>07/14/2021</i>
PRINTED NAME OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>	TITLE <i>Secretary</i>

*Proof of insurance will be provided once it is obtained.*

**Public Facility Use Permit Application  
Attachment G – Alcohol Application**

CONTACT	LICENSED INDIVIDUAL OR COMPANY PROVIDING SERVICE		PHONE
	Smithville Festival Committee		816-805-2240
	NAME OF ON-SITE CONTACT		PHONE
	Barbara Lamb		816-805-2230
	ADDRESS		
506 Liberty Road			
EVENT INFORMATION	CITY	STATE	ZIP
	Smithville	MO	64089
	EXPECTED ATTENDANCE		NUMBER OF SERVERS
	1,000		
	AREA WHERE ALCOHOL WILL BE SERVED (DESCRIBE IN DETAIL AND DRAW OR ATTACH A MAP)		
Alcohol will be served on the courtyard within barricaded areas. IDs will be checked prior to the sale of alcohol to determine if individuals can legally purchase alcohol. Anyone purchasing alcohol will be required to wear a wristband after the ID check.			
SIGNATURE	SIGNATURE		DATE
	Barbara Lamb		07/14/2021
SIGNATURE	PRINTED NAME		TITLE
	Barbara Lamb		Secretary

**Public Facility Use Permit Application  
Attachment H – Security Application**

CONTACT	LICENSED INDIVIDUAL OR COMPANY PROVIDING SERVICE <i>Smithville Police Department</i>		PHONE <i>816-532-3897</i>
	NAME OF ON-SITE CONTACT <i>Barbara Lamb</i>		PHONE <i>816-805-2290</i>
	ADDRESS <i>506 Liberty Road</i>		
	CITY <i>Smithville</i>	STATE <i>MO</i>	ZIP <i>64089</i>
	EXPECTED ATTENDANCE <i>1,000</i>		NUMBER OF SECURITY PERSONNEL
	DESCRIPTION OF SECURITY PERSONNEL ATTIRE <i>The officers being used are required to be in uniform &amp; patrol within the barricaded areas. Generally, an officer will only be needed when alcohol is served.</i>		
SIGNATURE	SIGNATURE OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>		DATE <i>07/14/2021</i>
	PRINTED NAME OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>		TITLE <i>Secretary</i>

**Public Facility Use Permit Application  
Attachment I – Street Closing Application**

<b>CONTACT</b>	PERSON/TRAFFIC CONTROL COMPANY RESPONSIBLE FOR STREET CLOSINGS		
	Barbara Lamb		
	PHONE	ALTERNATE PHONE	ALTERNATE PHONE
	816-805-2290	816-805-2230	

<b>STREET INFORMATION (ATTACH ADDITIONAL SHEETS IF NECESSARY)</b>	DESCRIBE STREET CLOSINGS IN DETAIL AND DRAW OR ATTACH A MAP		
	Barricades will be provided by Johnny Viebrock. Streets will be closed at noon on Friday, June 17, 2022. Barricades will be placed at Main & Mill intersection but monitored to allow vendors in & out on Friday. Please see map for barricaded areas. No sidewalks will be closed in these areas. Streets will be closed in these areas & will reopen when they are properly cleaned.		
	STREET TO BE CLOSED BETWEEN	CROSS STREET 1	AND CROSS STREET 2
	see description above & attached map		
	REASON FOR CLOSING		
	Smithville Lake Festival		
	# OF TRAFFIC LANES CLOSED	# OF SIDEWALKS CLOSED	# OF STREET BLOCKS CLOSED
	DATE/TIME STREET CLOSED	DATE/TIME STREET REOPENED	
	June 17, 2022 @ noon	June 19, 2022 by 6 am	
STREET TO BE CLOSED BETWEEN		CROSS STREET 1	
REASON FOR CLOSING			
# OF TRAFFIC LANES CLOSED	# OF SIDEWALKS CLOSED	# OF STREET BLOCKS CLOSED	
DATE/TIME STREET CLOSED	DATE/TIME STREET REOPENED		

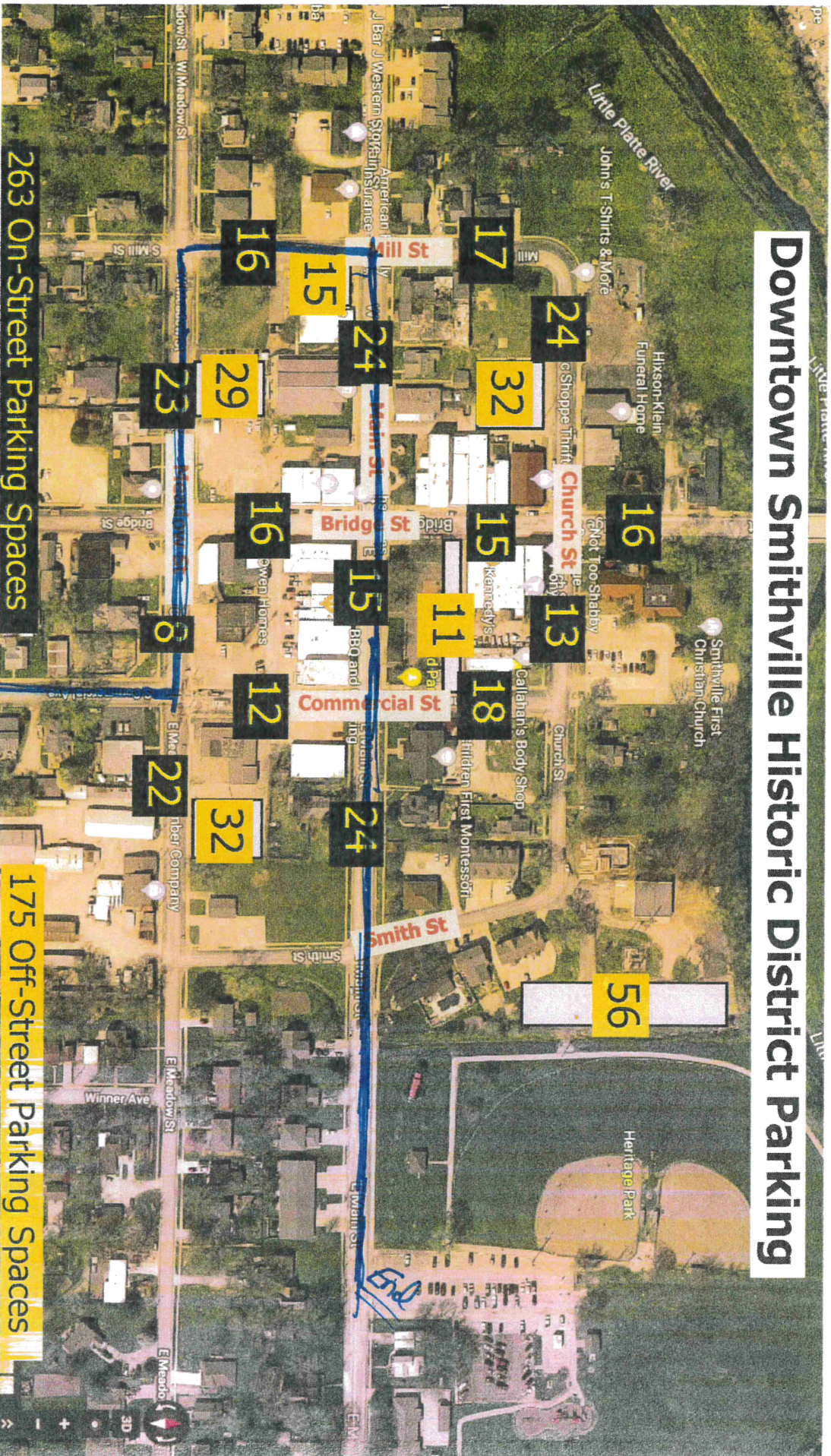
  

<b>SIGNATURE</b>	SIGNATURE	DATE
	Barbara Lamb	07/14/2021
	PRINTED NAME AND TITLE (IF APPLICABLE)	
	Barbara Lamb, Secretary	



# Smithville Lake Festival - 2022

## Downtown Smithville Historic District Parking



263 On-Street Parking Spaces

175 Off-Street Parking Spaces

Start from High School

Parade starts at 11 am June 18 2022.  
Main Street already barricaded from Mill to Smith.  
Meadow & Mill will be closed @ 8 am





## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Parks and Recreation, Police

**AGENDA ITEM:** Resolution 1053 – Temporary Liquor License – Barbara Lamb

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### **RECOMMENDED ACTION:**

A motion to approve Resolution 1053, issuing a Temporary Liquor License to Barbara Lamb, doing business as Smithville Lake Festival Committee for Smithville Lake Festival on June 17 and 18, 2022 at Courtyard Park.

### **SUMMARY:**

Approval of this item would issue a Temporary Liquor License to Barbara Lamb, doing business as Smithville Festival Committee, to be part of the Smithville Lake Festival Beer Garden located at Courtyard Park on June 17 and 18, 2022.

Chief Lockridge has completed a background check on Ms. Lamb. There were no findings to prevent issuing a liquor license.

Requested Licenses: Temporary Permit

This license will be effective June 17 and 18, 2022 (pending all State license requirements).

### **PREVIOUS ACTION:**

Ms. Lamb has been issued a permit for this event in the past (August 6, 2019 and July 7, 2020 and June 26, 2021).

### **POLICY ISSUE:**

n/a

### **FINANCIAL CONSIDERATIONS:**

n/a

### **ATTACHMENTS:**

- ☐ Ordinance
- ☒ Resolution
- ☐ Staff Report
- ☐ Other:

- ☐ Contract
- ☐ Plans
- ☐ Minutes

**RESOLUTION 1053**

**A RESOLUTION ISSUING A TEMPORARY LIQUOR LICENSE TO  
BARBARA LAMB FOR OPERATION OF THE SMITHVILLE LAKE FESTIVAL  
2022 BEER GARDEN ON JUNE 17 AND 18, 2022**

**WHEREAS**, Barbara Lamb has completed the required application, and;

**WHEREAS**, Chief Lockridge has completed a background check, and;

**WHEREAS**, the background check did not reveal anything to prevent approval of a City liquor license.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF ALDERMEN OF  
THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**THAT A TEMPORARY LIQUOR LICENSE WILL BE ISSUED TO BARBARA  
LAMB, FOR OPERATION OF THE BEER GARDEN AT COURTYARD PARK  
UNDER THE SPECIAL EVENT PERMIT APPROVED FOR SMITHVILLE  
LAKE FESTIVAL 2022 ON JUNE 17 AND 18, 2022.**

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk

## **600.070 (G & H )**

### *G. Drinking In Public Places Prohibited.*

1. For purposes of this Section, the term "public place" shall mean any public street, highway, alley, sidewalk, thoroughfare or other public way of the City, or any parking lot, except in those areas above granted a special event permit.
2. No person shall drink or ingest any intoxicating liquor or non-intoxicating beer in or on any public place.
3. No person shall possess or have under his/her control any unsealed glass, bottle, can or other open container of any type containing any intoxicating liquor or non-intoxicating beer while in or upon any public place.
4. No person shall possess or have under his/her control any unsealed glass, bottle, can or other open container of any type containing any intoxicating liquor or non-intoxicating beer while within or on any motor vehicle while the same is being operated upon, or parked or standing in or upon any public place. Any person operating a motor vehicle shall be deemed to be in possession of an open container contained within the motor vehicle he/she has control of whether or not he/she has actual physical possession of the open container.

### *H. Special Event Permit.* The Board of Aldermen may grant a special event permit for purposes as identified in Section 600.070(G)(1), above, and under the following conditions:

1. An application must be filed with the Chief of Police that describes the applicant's name and business or interest in the event; the name(s) and contact information of any or all liquor license holders who will be involved in such event; the public street, highway, alley, sidewalk, thoroughfare or other public way of the City, or any parking lot to be included in the event area; the beginning and ending time of such event, and the telephone contact of the person in charge of and present at the event.
2. The estimated number of participants in the event shall be provided to the Chief of Police, and the applicant shall pay all costs of security needed as a result of the event to ensure compliance.

[1] Editor's Note: Former Section 600.070, which derived from RSMo. §§311.280, 311.340, 311.600, 311.330, 311.310, 312, 400; Ord. No. 2255-04 §1, 3-16-2004, was repealed 6-21-2011 by Ord. No. 2790-11 §1.



Insert Logo

CITY OF SMITHVILLE  
107 West Main Street  
Smithville, MO 64089

Date Submitted 7-14-2021  
Application # 1  
Date Approved \_\_\_\_\_  
Permit # \_\_\_\_\_

## SPECIAL EVENT APPLICATION

Thank you for choosing the City of Smithville for your event. Staff looks forward to working with you in ensuring a quality event and protecting the public health, safety, and welfare of event participants and the public at large. In order to do so, the City requires that all events must be approved prior to the event. Please complete and return the following special event application to City Hall at the address above. Thank you again for choosing Smithville. Please refer to the **Application Information** and corresponding sections in the **Event Rules and Conditions** to answer most questions.

### 1. EVENT INFORMATION:

Event Name: Smithville Lake Fest / Parade  
Event Location: Courtyard Event Tier: 2  
Detailed event description (additional room on next page or sheet may be attached): See next page  
Estimated attendance: 0 - 1,000  
Event Date(s) and Times: June 16/17 & 18, 2022  
Set up date/time: 5pm (Fri) Cleanup finished date/time: June 18 12pm

### 2. APPLICANT / CONTACT INFORMATION:

#### Applicant(s)

Name: Barbara Lemb  
Organization: Smithville Festville Committee  
Address: Po Box 15  
City, State, Zip: Smithville, MO 64089  
Phone: 805-2290 Fax: \_\_\_\_\_  
Emergency #: \_\_\_\_\_  
E-mail: blamb4@att.net

#### Alternative Contact

Name: \_\_\_\_\_  
Phone: 816-805-2230

#### Property Owner(s), if not applicant or City

Name: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Emergency #: \_\_\_\_\_  
E-mail: \_\_\_\_\_

#### Alternative Contact

Name: \_\_\_\_\_  
Phone: \_\_\_\_\_

Detailed event description continued (Attach additional sheet if necessary): \_\_\_\_\_

\* See old Application - Attached

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### 3. EVENT TYPE:

Run ☐ Walk ☐ Parade/  
March ☒ Bike  
Race/Tour ☐ Street Fair ☐ Concert ☐ Film ☐ Festival ☒ Other: ☐ \_\_\_\_\_

### 5. SITE PLAN

Where do you plan to have your event? Courtyard Park: ☒ Other Public Property: \_\_\_\_\_

The site plan should be a detailed narrative and/or map including a description of the event set up, such as event entry and exit, temporary restrooms, first aid, start/finish lines, inflatables, and a timeline of your event. Please write this description in the space provided below or attach the description as a Word document. Explain Your Site Plan (Attach additional sheet if necessary): \_\_\_\_\_

See Map

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## 6. PARKING PLAN

Do you have sufficient on street/lot parking at your event space? Yes: X No: \_\_\_\_\_

If No: Additional Parking and Shuttle Routes need to be approved by the City. Explain Your Parking Plan (Attach additional sheet if necessary): \_\_\_\_\_

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## 7. PUBLIC INFORMATION:

If applicable, surrounding businesses that will be impacted by the event must be notified no later than 14 days prior to the event. How will you notify neighbors/businesses of your event? Explain (Attach additional sheet if necessary): Let Alyssa Know

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## 8. CANCELLATION NOTICE:

How will you notify participants if your event is cancelled with 48 hours of event day? Explain (Attach additional sheet if necessary): \_\_\_\_\_

Facebook

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## 9. SECURITY PLAN:

Describe your security plan, including crowd control, internal security, and venue safety. Specify if you would like to hire off-duty police support. (Attach additional sheet if necessary): \_\_\_\_\_

Have requested Police presence

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#### 10. RESTROOM PLAN:

Describe your restroom/restroom cleaning plan. At least three restrooms must be provided for each estimated 500 attendees. Specify if you would like to hire city staff support (Attach additional sheet if necessary): \_\_\_\_\_

3 porta Johns

#### 11. CLEAN UP PLAN:

Describe your clean-up plan, including trash removal and recycling containers. Specify if you would like to hire city staff support. (Attach additional sheet if necessary): \_\_\_\_\_

Volunteer

#### 12. FIRST AID PLAN:

Describe your First Aid Plan. (Attach additional sheet if necessary): \_\_\_\_\_

1 Friday -> 4 officer 5-12pm (update)  
2 Saturday -> 4 officer 5-12pm

#### 13. UTILITY CONNECTIONS

Do you want to have a utility connection/s at your event? Yes: ☒ No: \_\_\_\_\_

If Yes: How Many Electric Pedestals? \_\_\_\_\_

If Yes: How Many Water Hookups? Maybe

Additional Utility Requests (Attach additional sheet if necessary): \_\_\_\_\_

#### 14. ROADWAY AND PARKING LOT CLOSURES:

Will you require a roadway closure? Yes: ☒ No: \_\_\_\_\_

If Yes: Explain (Attach additional sheet if necessary): \_\_\_\_\_

See Map

15. OTHER STAFF SUPPORT:

Do you desire to hire city staff for other duties? Yes: X No: \_\_\_\_\_

If Yes: Please Explain (Attach additional sheet if necessary): \_\_\_\_\_

Will need City City Staff 1 hour on Sat. Morn

16. SIGNAGE:

Do you want to also have advertising signage for your event on private property? Yes: X No: \_\_\_\_\_

If Yes: Attach a Sign Permit Application

17. SPECIAL ITEMS:

Are you serving alcohol?..... Yes: X No: \_\_\_\_\_ (If Yes, see the Alcohol Guidelines)

Are you having amplified music?..... Yes: X No: \_\_\_\_\_ (If Yes, complete question 18 on pg. 13)

Will you have food/sales vendors?..... Yes: X No: \_\_\_\_\_ (If Yes, complete question 20 on pg. 15-16)

18. AMPLIFIED SOUND / PERFORMANCE LIST

If you plan to have amplified sound, provide a tentative list of performers, performance type, music genre, performance times, and duration. Include non-live prerecorded sound/music. The complete performance list is due 7 days before the event (Attach additional sheet if necessary):

1. Yes
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

## VENDOR MAP

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Please map the planned vendors at your event (Attach additional sheet if necessary):

(May be depicted on site plan)

see map

## LEGAL

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I have read and understand the Event Rules and Conditions and Application Information Guide. I will abide by these terms and fees associated with my event.

\_\_\_\_\_ Event coordinator

\_\_\_\_\_ Date



KADES

ROOMS  
SALES

Are Shoppe Thrift Store  
Thriftstore

Thorny Creek Market  
Home goods store

The Grace Place Church

The Warehouse  
Architectural salvage store

Callahan's Body Shop

Courtyard Park

Paw Barkers  
W Main St Gourmet Dog Treats

Wildlife Artworks  
Taxidermy

Main Line Taxi

Smithville City Hall

Jean's Flowers & Gifts  
Florist

Warrior Shop

Olson Farnan  
Benefit Solutions

Church St

Church St

N Commercial Ave

N Commercial Ave

Bridge St

N Bridge St

Bridge St

Bridge St

E Main St

E Main St

E Main St

Light



# Smithville Police Department

## Request for Off-Duty Officers

Date of Request: 07/14/2021  
Date of Event: June 17-18, 2022 Address of Event: 100 East Main (Courtyard)  
Number Expected to Attend: 1,000 (Depending on event, 1 officer for every 100 in attendance/commander discretion)  
Number of Officers Requested: 2 Beginning Time: See below Ending Time: 12:00 midnight  
Will Alcohol Be Served? ☒ YES ☐ NO 6/17 - 5:00 pm - midnight  
6/18 - noon - midnight  
Type of Event (i.e. Wedding Reception, Large Party, Community Event, Concert, Site Security, etc.)  
Smithville Lake Festival

Job Description (i.e. Parking Lot Security, Building Security, Event Security, Traffic Control, etc.)

event security

Rate of Pay-\$45/hour (3 Hour Minimum)

REQUESTOR: ☒ Personal ☐ Business

Name of Requestor: Barbara Lamb-Smithville Festival Committee

Address: Po Box 15, Smithville, Mo 64089

Contact Name: Barbara Lamb Phone #: 816-805-2290 Email: blamb4@att.net

After-Hours Contact: Allison Lamb Phone #: 816-805-2230

### INSURANCE REQUIREMENT:

Business requestors hiring off-duty Smithville Officers for security work shall carry the statutory limits for Workers Compensation Insurance and a minimum of \$500,000 general liability insurance coverage.

The requestor has provided a copy of the general liability insurance certificate. ☒ YES ☐ NO

Description of Business Activity: Insurance will be provided when obtained.

Are there any potential concerns or threats to your event or the attendees? ☐ YES (explain) ☒ NO

Approving Commander

Radio #

Date

Time



# Public Facility Use Permit Application

REQUIRED INFORMATION	TODAY'S DATE 07/14/2021		APPLICANT NAME Smithville Festival Committee	
	CATEGORY <input type="radio"/> I <input type="radio"/> II <input checked="" type="radio"/> III <input type="radio"/> IV <input type="radio"/> V		CONTACT NAME Barbara Lamb	
	ADDRESS PO Box 15			
	CITY Smithville		STATE Mo	ZIP 64089
	PHONE 816-805-2290		ALTERNATE PHONE 816-805-2230	
FACILITY INFORMATION	E-MAIL ADDRESS blamb4@att.net			
	PERMIT TYPE <input type="radio"/> INDOOR <input checked="" type="radio"/> OUTDOOR <input checked="" type="radio"/> PARADE <input checked="" type="radio"/> SPECIAL EVENT <input type="radio"/> SPORTS FIELD <input type="radio"/> BLOCK PARTY			
	FACILITY Downtown/Courtyard		EVENT DATE June 17 + 18, 2022	
	EXPECTED ATTENDANCE 1,000	START TIME June 17 @ 5 pm	END TIME June 18 @ 12 midnight	
	OTHER REQUIREMENTS <input checked="" type="checkbox"/> ADVERTISING <input checked="" type="checkbox"/> ALCOHOL <input checked="" type="checkbox"/> CONCESSIONS <input checked="" type="checkbox"/> INSURANCE <input checked="" type="checkbox"/> STREET CLOSINGS <input checked="" type="checkbox"/> SECURITY <input checked="" type="checkbox"/> VENDORS			
SIGNATURE	I, the undersigned, both individually and on behalf of the above named applicant, certify that we have received and read the rules, regulations and requirements outlined in the Public Facilities Use Policy. I do hereby agree that we will abide by the policies governing the use of this facility and will be responsible for any damages to the facility, furniture, or equipment caused by our occupancy of the premises. I understand that falsification of any information related to this application will result in immediate termination of our event.			
	SIGNATURE Barbara Lamb		DATE 07/14/2021	
	PRINTED NAME AND TITLE (IF APPLICABLE) Barbara Lamb, Secretary			
OFFICE USE ONLY	PERMIT #		DEPOSIT	
	APPROVAL		RENTAL FEE	
	RELEASE		OTHER FEES	
	REFUND		TOTAL	

**Public Facility Use Permit Application  
Attachment C – Special Event Application**

CHAIR	SPECIAL EVENT CHAIR RESPONSIBLE FOR CONDUCT OF EVENT		
	Barbara Lamb		
	PHONE	ALTERNATE PHONE	ALTERNATE PHONE
	816-805-2290	816-805-2230	

SPECIAL EVENT INFORMATION	NAME OF EVENT			
	Smithville Lake Festival			
	DATE OF EVENT			
	June 16, 17 + 18, 2022			
	START TIME		END TIME	
June 16 @ 5pm		June 18 @ midnight		
	# OF SPECTATORS	# OF PARTICIPANTS	# OF ANIMALS	# OF VEHICLES
	1,000			

SITE PLAN	EVENT ORGANIZATION (DESCRIBE IN DETAIL AND DRAW OR ATTACH A MAP)
	<p>This is the second annual Lake Festival, a community favorite. This festival will be promoted to visitors + residents. The festival will provide a variety of activities for all ages. We will food a craft vendors, a parade, a children's area, live entertainment, pageants + a variety of other events.</p> <p>We respectfully request an exception to the noise ordinance from 11pm to midnight on both nights of the event.</p> <p>We also request the city's additional trash cans be brought downtown from Smith's Fork by noon on Friday, June 17, 2022, for the event.</p>

SIGNATURE	SIGNATURE	DATE
	Barbara Lamb	07/14/2021
	PRINTED NAME AND TITLE (IF APPLICABLE)	
	Barbara Lamb, Secretary	

**Public Facility Use Permit Application  
Attachment B – Parade Application**

CHAIR	PARADE CHAIR RESPONSIBLE FOR CONDUCT OF PARADE			
	Charlene Bruce			
	PHONE	ALTERNATE PHONE	ALTERNATE PHONE	
	816-805-6080	816-805-2290	816-805-2230	
PARADE INFORMATION	NAME OF EVENT			
	Smithville Lake Festival Parade			
	DATE OF EVENT			
	June 18, 2022			
	START TIME		END TIME	
	11:00 am		12:00 pm	
	PARADE START POINT		PARADE TERMINATION POINT	
ROUTE	# OF SPECTATORS	# OF PARTICIPANTS	# OF ANIMALS	# OF VEHICLES
	1200	75	Approx. 10	40
	ROUTE TO BE TRAVELED (DESCRIBE IN DETAIL AND DRAW OR ATTACH A MAP)			
	Parade route is TBD. Once known, an updated map will be provided.			
SIGNATURE	SIGNATURE			DATE
	Barbara Lamb			07/14/2021
	PRINTED NAME AND TITLE (IF APPLICABLE)			
	Barbara Lamb, Secretary			

**Public Facility Use Permit Application  
Attachment F – Insurance**

CONTACT	NAME OF SPONSORING ORGANIZATION <i>Smithville Festival Committee</i>		PHONE <i>816-865-2290</i>
	ADDRESS <i>Po Box 15</i>		
	CITY <i>Smithville</i>	STATE <i>Mo</i>	ZIP <i>64089</i>

THE UNDERSIGNED is an authorized representative of the event sponsor (hereinafter Name of Event Sponsor referred to as "the Sponsor Organization") IN CONSIDERATION of being given the opportunity to sponsor this event (hereinafter referred to as "the Event"), THE SPONSOR ORGANIZATION:

1. HEREBY COVENANTS NOT TO SUE AND RELEASES, WAIVES, DISCHARGES AND INDEMNIFIES the Releasees ("Releasees" are defined as the City of Smithville and its respective officials, agents and employees) from all liability against any and all claims and causes of action for injury, death, disease, related in any manner to the Event;
2. IN THE ABSENCE OF PROVIDING PROOF OF INSURANCE COVERAGE, the Sponsor Organization further acknowledges that the City of Smithville is not sponsoring nor otherwise involved in the administration of the Event, and the Sponsor assumes responsibility for claims associated with its operation or administration.

THE SPONSOR ORGANIZATION expressly agrees that the foregoing Special Event Release and Hold Harmless Agreement is intended to be as broad and inclusive as is permitted by the law of the State of Missouri and that if any portion of this Special Event Release and Hold Harmless Agreement is held invalid, it is agreed that the balance shall, notwithstanding, continue in full legal force and effect.

THE UNDERSIGNED, ON BEHALF OF THE SPONSOR ORGANIZATION, HAS CAREFULLY READ AND VOLUNTARILY SIGNS THE SPECIAL EVENT RELEASE AND HOLD HARMLESS AGREEMENT, and further agrees that no oral representations, statements or inducements apart from the foregoing written agreement have been made.

SIGNATURE OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>	DATE <i>07/14/2021</i>
PRINTED NAME OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>	TITLE <i>Secretary</i>

*Proof of insurance will be provided once it is obtained.*

Public Facility Use Permit Application  
Attachment G – Alcohol Application

CONTACT	LICENSED INDIVIDUAL OR COMPANY PROVIDING SERVICE		PHONE
	Smithville Festival Committee		816-805-2240
	NAME OF ON-SITE CONTACT		PHONE
	Barbara Lamb		816-805-2230
	ADDRESS		
EVENT INFORMATION	506 Liberty Road		
	CITY	STATE	ZIP
	Smithville	MO	64089
	EXPECTED ATTENDANCE		NUMBER OF SERVERS
	1,000		
SIGNATURE	AREA WHERE ALCOHOL WILL BE SERVED (DESCRIBE IN DETAIL AND DRAW OR ATTACH A MAP)		
	Alcohol will be served on the courtyard within barricaded areas. IDs will be checked prior to the sale of alcohol to determine if individuals can legally purchase alcohol. Anyone purchasing alcohol will be required to wear a wristband after the ID check.		
	SIGNATURE		DATE
	Barbara Lamb		07/14/2021
	PRINTED NAME		TITLE
Barbara Lamb		Secretary	

**Public Facility Use Permit Application  
Attachment H – Security Application**

CONTACT	LICENSED INDIVIDUAL OR COMPANY PROVIDING SERVICE <i>Smithville Police Department</i>		PHONE <i>816-532-3897</i>
	NAME OF ON-SITE CONTACT <i>Barbara Lamb</i>		PHONE <i>816-805-2290</i>
	ADDRESS <i>506 Liberty Road</i>		
	CITY <i>Smithville</i>	STATE <i>MO</i>	ZIP <i>64089</i>
	EXPECTED ATTENDANCE <i>1,000</i>		NUMBER OF SECURITY PERSONNEL
	DESCRIPTION OF SECURITY PERSONNEL ATTIRE <i>The officers being used are required to be in uniform &amp; patrol within the barricaded areas. Generally, an officer will only be needed when alcohol is served.</i>		
SIGNATURE	SIGNATURE OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>		DATE <i>07/14/2021</i>
	PRINTED NAME OF LEGALLY AUTHORIZED REPRESENTATIVE <i>Barbara Lamb</i>		TITLE <i>Secretary</i>



**Public Facility Use Permit Application  
Attachment I – Street Closing Application**

<b>CONTACT</b>	PERSON/TRAFFIC CONTROL COMPANY RESPONSIBLE FOR STREET CLOSINGS		
	Barbara Lamb		
	PHONE	ALTERNATE PHONE	ALTERNATE PHONE
	816-805-2290	816-805-2230	

<b>STREET INFORMATION (ATTACH ADDITIONAL SHEETS IF NECESSARY)</b>	DESCRIBE STREET CLOSINGS IN DETAIL AND DRAW OR ATTACH A MAP		
	Barricades will be provided by Johnny Viebrock. Streets will be closed at noon on Friday, June 17, 2022. Barricades will be placed at Main & Mill intersection but monitored to allow vendors in & out on Friday. Please see map for barricaded areas. No sidewalks will be closed in these areas. Streets will be closed in these areas & will reopen when they are properly cleaned.		
	STREET TO BE CLOSED BETWEEN	CROSS STREET 1	AND CROSS STREET 2
	see description above & attached map		
	REASON FOR CLOSING		
	Smithville Lake Festival		
	# OF TRAFFIC LANES CLOSED	# OF SIDEWALKS CLOSED	# OF STREET BLOCKS CLOSED
	DATE/TIME STREET CLOSED		DATE/TIME STREET REOPENED
	June 17, 2022 @ noon		June 19, 2022 by 6 am
	STREET TO BE CLOSED BETWEEN		CROSS STREET 1
	REASON FOR CLOSING		
	# OF TRAFFIC LANES CLOSED	# OF SIDEWALKS CLOSED	# OF STREET BLOCKS CLOSED
DATE/TIME STREET CLOSED		DATE/TIME STREET REOPENED	

<b>SIGNATURE</b>	SIGNATURE	DATE
	Barbara Lamb	07/14/2021
	PRINTED NAME AND TITLE (IF APPLICABLE)	
	Barbara Lamb, Secretary	









## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Public Works

**AGENDA ITEM:** Resolution 1054, 4th Street and 4th Terrace Watermain Improvements

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### **RECOMMENDED ACTION:**

Motion to approve Resolution 1054, authorizing the Mayor to sign an engineering services agreement with Veenstra & Kimm Inc. in the amount of \$87,290.

### **SUMMARY:**

The 4<sup>th</sup> Street and 4<sup>th</sup> Terrace Improvements project will include the replacement of undersized water main. The waterlines on both of these roads are more than 30 years old and have experienced several breaks. The project will also loop the waterline on 4<sup>th</sup> Terrace to Third Street, improving reliability. Both 4<sup>th</sup> Street and 4<sup>th</sup> Terrace have poor pavement and drainage, design of improvements to both will also be included in this project.

On March 1, 2022, the Board approved Resolution 1030 establishing a Pre-Qualified On-Call Professional Services list for engineering services. Veenstra & Kimm Inc. is included as a firm that has the qualifications to perform the engineering for this project. Staff entered into negotiations with Veenstra & Kimm Inc. and have reached a contract amount of \$87,290.

### **PREVIOUS ACTION:**

This project has been included in the Capital Improvement Program

### **POLICY ISSUE:**

Continued service and infrastructure maintenance,

### **FINANCIAL CONSIDERATIONS:**

Total contract amount is \$87,290. The 2022 CIP includes \$60,000 for professional services for this project. Savings from the West Bypass Sewer Main design provides sufficient funds available in the Utility Budget for this expense. Construction in 2023 is estimated to be \$500,000 to \$600,000.

### **ATTACHMENTS:**

- |   |  |
|---|--|
| <input type="checkbox"/> Ordinance                  | <input checked="" type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution      | <input type="checkbox"/> Plans               |
| <input type="checkbox"/> Staff Report               | <input type="checkbox"/> Minutes             |
| <input checked="" type="checkbox"/> Other: Proj Map |  |

## **RESOLUTION 1054**

### **A RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH VEENSTRA & KIMM INC. FOR ENGINEERING SERVICES FOR 4<sup>th</sup> STREET & 4<sup>th</sup> TERRACE IMPROVEMENTS IN THE AMOUNT OF \$87,290**

**WHEREAS**, the watermain on 4<sup>th</sup> Street and 4<sup>th</sup> Terrace is inadequate and has experienced several main breaks in the last few years; and

**WHEREAS**, Veenstra & Kimm Inc. responded to RFQ 22-09, On Call Professional Services, submitted their qualifications and are an approved firm to provide engineering services for watermain improvements; and

**WHEREAS**, Veenstra & Kimm have provided a scope of services to complete the design in the amount of \$89,290.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI**, That the Mayor is authorized to execute an agreement with Veenstra & Kimm Inc. for engineering services for watermain improvements on 4<sup>th</sup> Street and 4<sup>th</sup> Terrace in the amount of \$89,290.00

**PASSED AND ADOPTED** by the Mayor and Board of Aldermen this 3<sup>rd</sup> day of May, 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk

April 21, 2022



**PROJECT SUMMARY SHEET**

**VEENSTRA & KIMM, INC. COST PROPOSAL  
4TH STREET & 4TH TERRACE WATERMAIN IMPROVEMENTS  
SMITHVILLE, MISSOURI**

**DESIGN PHASE**

	Total Hours	Labor Costs	
Engineer III-B	19	\$2,432	
Engineer V	35	\$3,955	
Engineer VI	84	\$8,904	
Engineer VIII	151	\$14,798	
Engineer XI	184	\$13,800	
Technician II	168	\$14,448	
Clerical IV	<u>10</u>	<u>\$530</u>	
Totals	651	\$58,867	
TOTAL LABOR COSTS			\$58,867
TOTAL EXPENSES			<u>\$28,423</u>
TOTAL ESTIMATED AMOUNT PAYABLE - DESIGN PHASE			<b>\$87,290</b>

**VEENSTRA & KIMM, INC. COST PROPOSAL**  
**4TH STREET & 4TH TERRACE WATERMAIN IMPROVEMENTS**  
**SMITHVILLE, MISSOURI**

PROJECT HOURS ESTIMATE		Manhours							
		Engineer III-B	Engineer V	Engineer VI	Engineer VIII	Engineer XII	Tech II	Clerical III	Total
Item Description									
1	Collect and review existing information		1	2	4	4	2		13
2									0
3	Review of Provided Field Surveys	1	1	2	4	5	4		17
4									0
5	Conduct field reconnaissance	1		2	2	3	3		11
6									0
7	Develop contour map		1	2	6	6	8		23
8									0
9	Preliminary Alignments (Water)	2	2	8	10	12	12		46
10									0
11	Preliminary Alignments (Storm Sewer)	1	2	4	10	14	10		41
12									0
13	Sanitary Sewer		2	2	3	4	3		14
14									0
15	Preliminary Roadway Geometry	2	1	3	8	14	10		38
16									0
17	Typical Sections and Details	1	3	5	8	8	8		33
18									0
19	Preliminary Plan Development		1	5	10	12	16		44
20									0
21	Preliminary Quantities and Cost Estimate	1	1	2	8	8	10	2	32
22									0
23	Preliminary Submittal to City with Review Meeting		1	2	2	3			8
24									0
PAGE 1 TOTAL ESTIMATE		9	16	39	75	93	86	2	320



**VEENSTRA & KIMM, INC. COST PROPOSAL**  
**4TH STREET & 4TH TERRACE WATERMAIN IMPROVEMENTS**  
**SMITHVILLE, MISSOURI**

PROJECT HOURS ESTIMATE		Manhours							
		Engineer III-B	Engineer V	Engineer VI	Engineer VIII	Engineer XII	Tech II	Clerical III	Total
Item Description									
25	Revisions to Preliminary Plans per City Comments	1	1	2	4	8	6		22
26									0
27	Final Alignment (Water)	1	2	6	9	12	12		42
28									0
29	Final Alignment (Storm Sewer)	1	2	6	8	10	10		37
30									0
31	Sanitary Sewer		1	2	3	4	2		12
32									0
33	Final Roadway Geometry	1	2	6	10	12	12		43
34									0
35	Final Plan Development	2	3	8	14	14	18		59
36									0
37	Specifications	1	2	6	10	8		3	30
38									0
39	Final Quantities and Cost Estimate	1	1	2	8	8	10	3	33
40									0
41	Submit Final Plans to City with Review meeting		1	1	2	4	4		12
42									0
43	Project Management and Coordination Meetings	1	2	2	4	8	6	1	24
44									0
43	Public Involvement	1	2	4	4	3	2	1	17
46									
PAGE 2 TOTAL ESTIMATE		10	19	45	76	91	82	8	331
TOTAL ESTIMATE		19	35	84	151	184	168	10	651

**VEENSTRA & KIMM, INC. COST PROPOSAL  
4TH STREET & 4TH TERRACE WATERMAIN IMPROVEMENTS  
SMITHVILLE, MISSOURI  
DESIGN COST ESTIMATE**

**DIRECT LABOR**

<u>Discipline</u>	<u>Total Hours</u>	<u>Rate</u>	<u>Total</u>	
Engineer III-B	19	\$128.00	2432	
Engineer V	35	\$113.00	3955	
Engineer VI	84	\$106.00	8904	
Engineer VIII	151	\$98.00	14798	
Engineer XI	184	\$75.00	13800	
Technician II	168	\$86.00	14448	
Clerical IV	10	\$53.00	530	
<b>TOTAL DIRECT LABOR</b>	<b>651</b>			<b>\$58,867</b>
<b>TOTAL ESTIMATED LABOR COST</b>				<b>\$58,867</b>

**DIRECT EXPENSES****Subconsultants:**

McLaughlin Mueller, Inc. (Topo & Boundary Survey)	\$13,360
(Easements - 20 Parcels @ \$360/Parcel) - as required	\$7,200
(Title Reports - 20 Parcels @ \$300/Parcel) - as required	\$6,000

**Total Subconsultant Cost** **\$26,560**

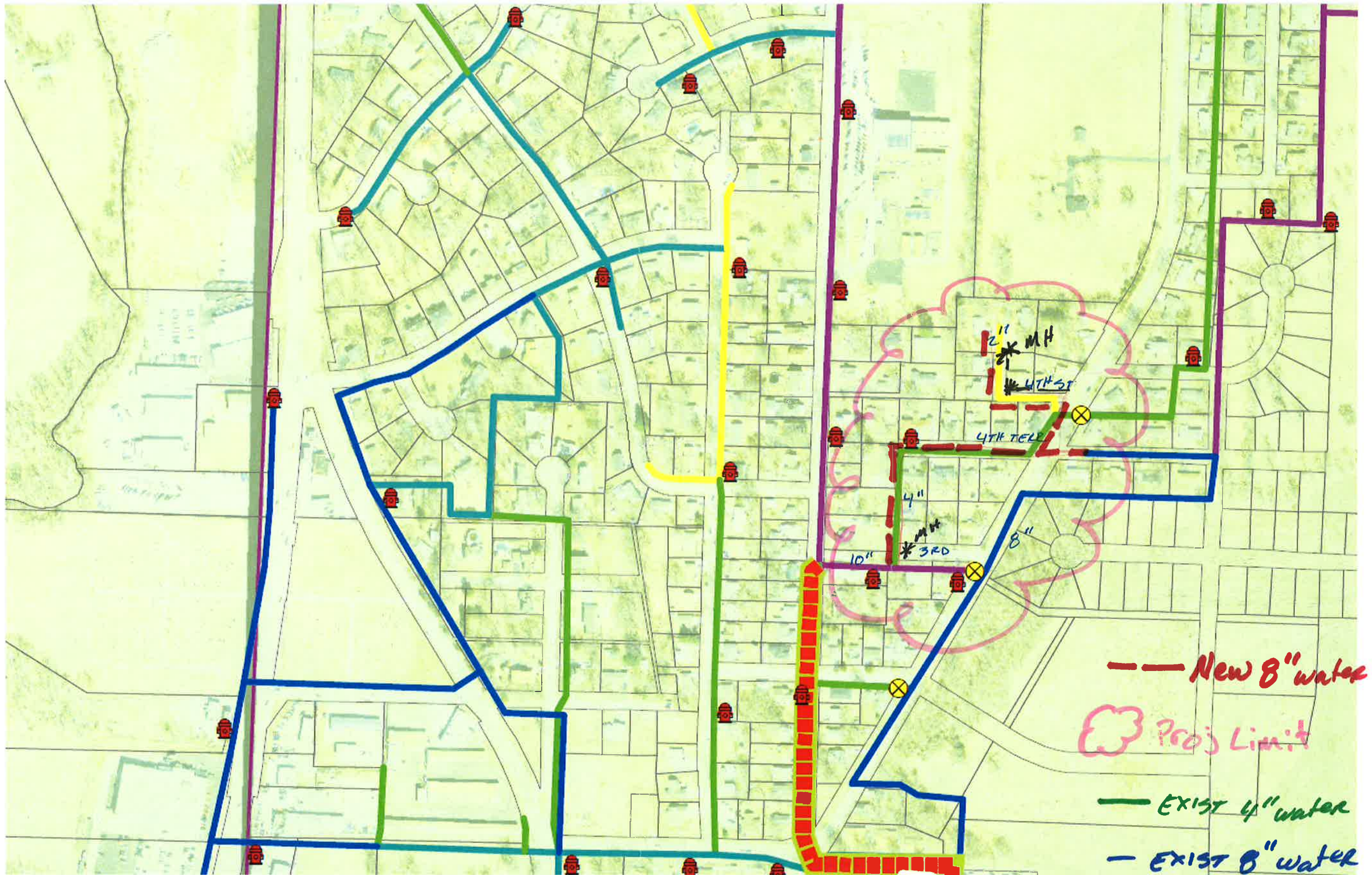
<b>Mileage</b>	<b>\$400</b>
<b>Printing &amp; Reproduction</b>	<b>\$40</b>
<b>Lodging</b>	<b>\$600</b>
<b>Meals</b>	<b>\$185</b>
<b>Engineering Supplies &amp; Equipment</b>	<b>\$638</b>

**TOTAL ESTIMATED DIRECT EXPENSES** **\$28,423**

**TOTAL ESTIMATED COSTS** **\$87,290**

**MAXIMUM AMOUNT PAYABLE** **\$87,290**





36.00 x 80.00 in <







## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Public Works

**AGENDA ITEM:** Resolution 1055, Awarding Bid No. 22-16 Sanitary Sewer Rehabilitation to SAK Construction, LLC in the amount of \$128,408.

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**RECOMMENDED ACTION:**

A motion to approve Resolution 1055, awarding Bid No. 22-16, Sanitary Sewer Rehabilitation, to SAK Construction, LLC.

**SUMMARY:**

Cured in Place Pipe, also known as CIPP lining, is a method of trenchless pipe repair restoration used in existing pipe repair. This process is done to preserve the current pipes that have been damaged by leaks, cracks, intruding roots and rust. A fiberglass "sock" is saturated with an epoxy/resin and inserted into an existing pipe. Steam is sent through the liner pushing the liner against the wall of the old pipe and curing the resin. The result is a plastic liner providing a new smooth surface without intrusions such as tree roots. This also helps with infiltration into the sewer main. Finally, the service lines are re-established with a cutting tool that is sent through the pipe.

This method of maintenance is very practical, avoiding digging up mains, providing a smooth interior surface, seals cracks and leaks and provides additional structural strength to the sewer main.

Three bids were received on April 26. The low bid is from SAK Construction LLC in the amount of \$128,408.

Bidder	8" Sanitary Sewer Unit Price	Manhole Rehabilitation Unit Price	Traffic Control	Total Bid
City Of Smithville Engineer Estimate	30	600	5,000	\$115,160
Insituform Technologies USA, LLC	42.75	485	10,600	\$160,918
SAK Construction, LLC	34	500	6,800	\$128,408
Visu-Sewer of Missouri, LLC	45.35	1,150	1,500	\$172,399.20

**PREVIOUS ACTION:**

This is an annual maintenance project

**POLICY ISSUE:**

Maintaining infrastructure

**FINANCIAL CONSIDERATIONS:**

This project is included in the 2022 Budget in an amount of \$100,000. The 2022 budget included \$40,000 for the completion of the AWIA plan which staff completed in house saving this expense. Therefore, sufficient budget is available in the utilities maintenance budget for the additional expense.

**ATTACHMENTS:**

- |  |                                   |
|--|-----------------------------------|
| <input type="checkbox"/> Ordinance             | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report          | <input type="checkbox"/> Minutes  |
| <input type="checkbox"/> Other: Bid Tab        |                                   |

## **RESOLUTION 1055**

### **A RESOLUTION AWARDING RFP 22-16 SANITARY SEWER REHABILITATION TO SAK CONSTRUCTION, LLC IN THE AMOUNT OF \$128,408**

**WHEREAS**, as part of the City's Sanitary Sewer Maintenance program is a process to reline sewer mains with an epoxy coated fiberglass "sock" tube; and

**WHEREAS**, the process called Cured in Place Pipe (CIPP) provides additional strength and seals cracks in the sewer mains; and

**WHEREAS**, this project continues the City's commitment to improving and maintaining the City's infrastructure; and

**WHEREAS**, after a bid process, as outlined in the City Purchasing Policy, and reference checks, staff is recommending the bid received from SAK Construction, LLC is the most responsive and best bid received and the most advantageous to the City in the amount of \$128,408.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF  
THE CITY OF SMITHVILLE, MISSOURI:**

**THAT** Bid No. 22-16 is hereby awarded to SAK Construction, LLC in the amount of \$128,408; and

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, this 3<sup>rd</sup> day of May, 2022

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk





## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Public Works – Utility Dept

**AGENDA ITEM:** RES 1056 - Purchase of Mower

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**REQUESTED BOARD ACTION:**

A motion to approve Resolution 1056, purchase of a zero turn mower with a 72" deck for the utilities division using a cooperative bid.

**SUMMARY:**

City Code Section 105.080.C authorizes staff to utilize cooperative purchasing agreements. The utilities division maintains the grounds at the water and waste water treatment facilities, four water towers and 31 lift stations. The existing mower is obsolete and needs repairs.

Heritage Tractor has provided a purchase price from John Deere's Sourcewell cooperative purchasing agreement in the amount of \$15,984.43. The purchase of a new zero turn mower was included in the Utilities Budget for 2022 in an amount of \$14,000.

**PREVIOUS ACTION:**

**POLICY OBJECTIVE:**

Facility Maintenance

**FINANCIAL CONSIDERATIONS:**

The Utilities 2022 budget included \$14,000 for this purchase.

**ATTACHMENTS:**

- ☐ Ordinance
- ☒ Resolution
- ☐ Staff Report
- ☒ Other: Quote

- ☐ Contract
- ☐ Plans
- ☐ Minutes

## **RESOLUTION 1056**

**A RESOLUTION AUTHORIZING THE EXPENDITURE OF FUNDS FOR THE PURCHASE OF A JOHN DEERE MOWER FROM HERITAGE TRACTOR FOR THE UTILITIES DEPARTMENT THROUGH THE COOPERATIVE PURCHASING AGREEMENT WITH SOURCEWELL IN THE AMOUNT OF \$15,984.43**

**WHEREAS**, the utilities division maintains the grounds around the water and wastewater treatment plants, four water towers and 31 lift stations; and

**WHEREAS**, the 2022 utility budget includes funds for the mower; and

**WHEREAS**, the City Code Section 105.080.C authorizes staff to utilize cooperative purchase agreements; and

**WHEREAS**, staff has made a recommendation to purchase the mower from Heritage Tractor, through the cooperative purchasing agreement with Sourcewell.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI:**

**THAT** staff is hereby authorized and directed to purchase said equipment Heritage Tractor in an amount of \$15,984.43

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May, 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk



## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Development

**AGENDA ITEM:** Resolution 1057, Fireworks Display Approval 815 East 92 Highway – White Iron Ridge

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**REQUESTED BOARD ACTION:**

A Motion to approve Resolution 1057, approving a Fireworks Display at 815 East 92 Highway on May 31, 2022.

**SUMMARY:**

The White Iron Ridge Event Center at 815 East 92 Highway seeks approval to discharge fireworks in the evening of May 31, 2022 as a part of a wedding celebration. The City Code, Section 205.2210.B.5. states, in relevant part: "Fireworks may only be discharged in accordance with the following: . . . 5. In an approved fireworks display." Without specific instructions in the Code only the Board of Alderman may approve such a request.

The request is for approval to discharge Multiple Shot Ariel "Class A" fireworks, (now known as 1½ in artillery shells and 2 to 4 500-gram cakes) at the sendoff of the bride and groom. The anticipated time of the display from 9:00 p.m. lasting approximately five to eight minutes. The type of fireworks is standard consumer level fireworks, so no certified shooter is required. The Smithville Area Fire Protection District has indicated that they have no regulatory authority over this class of Fireworks.

**PREVIOUS ACTION:**

This is the eighth request for a fireworks display. The Board approved Resolution 861 on December 1, 2020 for a wedding at White Iron Ridge and directed that future requests be reviewed for adoption by the Board of Aldermen on a case-by-case basis.

The Board approved Resolution 902 on March 23, 2021 for a wedding at White Iron Ridge and directed staff review the approval process and bring a policy forward for Board review, comment and action. Staff is currently in the process of developing information for Board review.

**POLICY ISSUE:**

Current code does not describe any specifics other than Board approval.

**FINANCIAL CONSIDERATIONS:**

N/A

**ATTACHMENTS:**

- |  |                                   |
|--|-----------------------------------|
| <input type="checkbox"/> Ordinance             | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report          | <input type="checkbox"/> Minutes  |
| <input type="checkbox"/> Other:                |                                   |

## **RESOLUTION 1057**

### **A RESOLUTION APPROVING A FIREWORKS DISPLAY AT 815 EAST 92 HIGHWAY (WHITE IRON RIDGE) ON MAY 31, 2022**

**WHEREAS**, City Code Section 205.2210 restricts the discharge of fireworks to certain days and/or under certain conditions, and

**WHEREAS**, one such condition that allows fireworks to be discharged is in Section 205.2210.B.5. which states, "In an approved fireworks display.", and

**WHEREAS**, without further description in the code, only the Board of Aldermen may grant such approval, and

**WHEREAS**, the applicant seeks to discharge 1½ in artillery shells and 2 to 4 - 500 gram cakes on May 31, 2022 as a sendoff to the bride and groom at 9:00 p.m. lasting approximately five minutes.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF ALDERMEN OF  
THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**THAT WHITE IRON RIDGE EVENT CENTER IS HEREBY APPROVED TO  
DISCHARGE FIREWORKS ON MAY 31, 2022 FOR APPROXIMATELY FIVE  
TO EIGHT MINUTES AND TO BE COMPLETED BY 9:10 PM.**

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk



## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Development

**AGENDA ITEM:** Resolution 1058, Fireworks Display Approval 815 East 92 Highway – White Iron Ridge

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**REQUESTED BOARD ACTION:**

A Motion to approve Resolution 1058, approving a Fireworks Display at 815 East 92 Highway on June 25, 2022.

**SUMMARY:**

The White Iron Ridge Event Center at 815 East 92 Highway seeks approval to discharge fireworks in the evening of June 25, 2022 as a part of a wedding celebration. The City Code, Section 205.2210.B.5. states, in relevant part: "Fireworks may only be discharged in accordance with the following: . . . 5. In an approved fireworks display." Without specific instructions in the Code only the Board of Alderman may approve such a request.

The request is for approval to discharge Multiple Shot Ariel "Class A" fireworks, (now known as 1.4G Consumer Fireworks) at the sendoff of the bride and groom. The anticipated time of the display from 9:30 p.m. lasting approximately fifteen to twenty minutes. The type of fireworks is standard consumer level fireworks, so no certified shooter is required. The Smithville Area Fire Protection District has indicated that they have no regulatory authority over this class of Fireworks.

**PREVIOUS ACTION:**

This is the ninth request for a fireworks display. The Board approved Resolution 861 on December 1, 2020 for a wedding at White Iron Ridge and directed that future requests be reviewed for adoption by the Board of Aldermen on a case-by-case basis.

The Board approved Resolution 902 on March 23, 2021 for a wedding at White Iron Ridge and directed staff review the approval process and bring a policy forward for Board review, comment and action. Staff is currently in the process of developing information for Board review.

**POLICY ISSUE:**

Current code does not describe any specifics other than Board approval.

**FINANCIAL CONSIDERATIONS:**

N/A

**ATTACHMENTS:**

- |  |                                   |
|--|-----------------------------------|
| <input type="checkbox"/> Ordinance             | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report          | <input type="checkbox"/> Minutes  |
| <input type="checkbox"/> Other:                |                                   |



## **RESOLUTION 1058**

### **A RESOLUTION APPROVING A FIREWORKS DISPLAY AT 815 EAST 92 HIGHWAY (WHITE IRON RIDGE) ON JUNE 25, 2022**

**WHEREAS**, City Code Section 205.2210 restricts the discharge of fireworks to certain days and/or under certain conditions, and

**WHEREAS**, one such condition that allows fireworks to be discharged is in Section 205.2210.B.5. which states, "In an approved fireworks display.", and

**WHEREAS**, without further description in the code, only the Board of Aldermen may grant such approval, and

**WHEREAS**, the applicant seeks to discharge ariel 1.4G consumer fireworks on June 25, 2022 as a sendoff to the bride and groom at 9:30 p.m. lasting approximately fifteen to twenty minutes.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF ALDERMEN OF  
THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**THAT WHITE IRON RIDGE EVENT CENTER IS HEREBY APPROVED TO  
DISCHARGE FIREWORKS ON JUNE 25, 2022 FOR APPROXIMATELY  
FIFTEEN TO TWENTY MINUTES AND TO BE COMPLETED BY 9:50 PM.**

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk



## City Administrator's Report

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April 28, 2022

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### **Diamond Crest Park Update**

Installation of the playground and other improvements at Diamond Crest Park continues to progress. Added parking and other amenities, including trash cans, landscaping, picnic tables and restrooms are still to come and are anticipated in the coming weeks. The splash pad will also re-open Memorial Day weekend.



### **The Big Takeaway**

Beginning next week, a summary of Tuesday night Board of Aldermen meetings will be summarized and posted to the City Facebook Page and NextDoor the following day. This new campaign will be called "The Big Takeaway." The goal of this campaign is to provide more information to citizens in an easier to find format, allowing for increased transparency of what decisions are made during Board of Aldermen meetings. In the post, a link will be provided directing citizens to a news story posted on the City Website. In the news story, a summary of action taken as well as additional links to the agenda, minutes, and full packet will be provided.

### **ARPA Tourism Grant**

In late March, the Clay County Commissioners approved an ARPA Funding Request from the Downtown Excelsior Partnership, Inc. This provided \$200,000 to administer a county-wide Tourism Marketing Matching Grant Opportunity. Applications are due mid-May. Staff is reviewing the grant and plan to submit a request for wayfinding signs.

### **E-Waste and Shredding Event**

The City hosted an E-Waste and Shredding Event at Smithville High School on April 23. A special thanks to Public Works staff that volunteered for the event. The citizens of Smithville recycled and kept 858 pounds (0.43 tons) of computer electronics out of the landfill.

Additionally, residents recycled approximately 11,550 pounds of recyclable paper. This resulted in the following resources being conserved:

- 98 Trees
- 2,194 Gallons of Oil
- 40,425 Gallons of Water
- 27,720 Kilowatt Hours of Energy
- 578 Cubic Yards of Landfill Space

### **Enterprise Vehicle Order**

As you will recall, this year we have moved to lease of all vehicles, including police response vehicles. With ongoing supply chain issues and delays in delivery of all vehicles, staff has worked with Enterprise to order eight vehicles. Four are already on order. It is hoped that these will be delivered this fall. An additional four have been authorized for order when the next order window for Enterprise opens.

### **Website Update**

City staff is working with the vendor that houses the City website to refresh and update the look and feel of the site. Staff is also working to ensure information in all areas is up to date. Rollout of the refreshed site is anticipated in early July.

### **Smith's Fork Rental Update**

Year to date, campground rentals are at approximately 43%. This is a similar percentage to average last year, but keep in mind, the total number of sites available for rental are reduced by almost half from 83 to 47.

### **Mill and Overlay Update**

Superior Bowen has completed the Hospital Drive Overlay. Delays relating to their operations and weather have postponed the Tillman Road rehabilitation until this Saturday. Staff continues to post the traffic plan and updates on social media as it becomes available.

### **Board Retreat**

A reminder that the Board of Aldermen/Staff Retreat is planned for Wednesday, May 25. The meeting will begin at 8:30 at the Northwest campus location at 6889 North Oak Trafficway in Gladstone.

### **Spring Bulky Item Pick-up**

Spring Bulky Item Pick-Up has been scheduled for the week of June 6. Residents may discard up to five bulky items with their scheduled trash pick-up day.



**MEETING DATE:** 5/17/2022

**DEPARTMENT:** Administration

**AGENDA ITEM:** Bill No. 2937-22, Approval of the Issuance of Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022 - second reading

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**REQUESTED BOARD ACTION:**

A motion for approval of Bill No. 2937-22, Approval of the Issuance of Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022 - second reading by title only.

**SUMMARY:**

In October of 2021, the developers of the Marketplace TIF (the "TIF") approached the City's special counsel with a request to determine the City's interest in issuing tax increment revenue bonds (the "TIF Bonds") to make payment of reimbursable project costs to the Developer relating to the Marketplace TIF and the Smithville Commons Community Improvement District (the "CID"). Staff has met with special counsel Gilmore and Bell as well as financial advisors Piper Sandler to understand the overall process and steps that are expected of the City.

Issuance of TIF Bonds would be completed by the City, with all costs related to the financing to be paid from the proceeds of the TIF Bonds and the Developer. The TIF bonds would be secured and payable solely by TIF revenues and CID revenues generated by the project available after all distributions are made to the City and other taxing districts. No City obligation would exist to cover any revenue shortfall.

To complete the process of issuing TIF Bonds, a Funding Agreement was drafted to ensure certain costs were paid by the Developer and not provided by the City, and was approved by the Board on January 18, 2022.

Prior to the issuance of the TIF Bonds, a Bond Revenue Study (the "Revenue Study") was required to project the revenue generation of the TIF and the CID to determine if the revenues would be sufficient to make debt service payments on the TIF Bonds. The authorization of this study required the City to release a Request for Proposal. RFP #22-10 was released on January 26, 2022 and closed on February 7, 2022 at 10:00 AM. The Board approved a contract with PGAV Planners, LLC to complete the attached Revenue Study on February 15, 2022.

The Revenue Study projects both future retail sales, along with the resulting Economic Activity Taxes ("EATs") and CID revenues, and real property assessed valuations, along with projected Payments In Lieu of Taxes ("PILOTs"). Over the remaining life of the TIF (the TIF expiration date is 10/2/2040), the projected revenue equals \$25,318,544.

Based on preliminary debt service schedules provided by UMB Bank, n.a. ("UMB"), as placement agent (attached to this RFA), the annual revenue is expected to be 1.4 times

the projected annual debt service on the bonds. The expected annual surpluses (revenues over debt service) will initially fund a separate business interruption fund and then to begin redeeming bonds prior to their stated maturity. Based on the Revenue Study and the preliminary debt service estimates, it is expected that the TIF Bonds could be fully repaid by the year 2035.

The impact on the City of issuing the TIF Bonds will be minimal. There is no impact on the City's capacity to issue any debt for its own purposes. Further, there is no pledge of any City revenue to cover the debt service on the TIF Bonds. The only potential impact on the City is its ability to issue additional debt this calendar year. UMB is contemplating simultaneously issuing the TIF Bonds in two series, one being bank-qualified. An issuer is only able to issue bonds as bank-qualified if they do not expect to issue more than \$10 million in a calendar year. By issuing a series of TIF Bonds bank-qualified, the City will have little to no capacity to issue additional debt this calendar year. However, City staff does not currently anticipate the need to issue additional debt this year.

Attached to this Ordinance are the following documents:

- (1) Trust Indenture between the City and UMB, as Trustee. This document provides for the issuance of the TIF Bonds and pledges the TIF revenues and CID revenues for the payment of principal and interest on the TIF Bonds, after required payments are made to or for the benefit of the City and certain taxing districts.
- (2) Financing Agreement between the City and the CID. This document provides that the District will appropriate its revenues for the payment of debt service on the TIF Bonds, after required payments are made to or for the benefit of the City and the CID.
- (3) Private Placement Agreement among the City, the Developer and UMB, as Placement Agent. This document provides that the City will sell the TIF Bonds to the purchasers specified by the Placement Agent upon the terms and conditions set forth in the Private Placement Agreement, so long as they are within the parameters provided for in the Ordinance.
- (4) Tax Compliance Agreement among the City, UMB as Trustee and the CID. This document sets forth certain terms and conditions relating to the use and investment of the proceeds of the TIF Bonds and to establish and maintain the tax-exempt status of the TIF Bond the interest on which is excluded from gross income for federal income tax purposes.
- (5) Preliminary Private Placement Memorandum. This document provides information related to the issuance of the TIF Bonds, including the Bond Revenue Study, information on the development, the TIF and the CID. It will be distributed by the Placement Agent in connection with the offering of the TIF Bonds. The Bond Revenue Study included in the Preliminary Private Placement Memorandum provides an analysis by an independent firm of projections of revenue expected to



be generated for payment of debt service by the TIF and the CID. It details the Projected PILOTs, EATs and CID sales tax revenues over the life of the TIF.

**PREVIOUS ACTION:**

August 1, 2017 – Approval of the Smithville Commons Tax Increment Financing Plan

August 1, 2017 – Approval of a Reimbursement Agreement with the Smithville Area Fire Protection District

August 1, 2017 – Approval of a Reimbursement Agreement with the Northland Regional Ambulance District

October 3, 2017 – Approval and designation of a Redevelopment Project and adopted tax increment financing for that Redevelopment Project

November 21, 2017 – Approval of the First Amendment to the Smithville Commons Tax Increment Financing Development Plan

November 21, 2017 – Approval of the Original Redevelopment Agreement

January 18, 2022 – Approval of the Funding Agreement Relating to Bond Issuance for Marketplace TIF

February 15, 2022 – Award of RFP #22-10 Revenue Bond Study to PGAV Planners, LLC

**POLICY OBJECTIVE:**

[Click or tap here to enter text.](#)

**FINANCIAL CONSIDERATIONS:**

[Click or tap here to enter text.](#)

**ATTACHMENTS:**

☒ Ordinance

☐ Resolution

☐ Staff Report

☒ Other:

Preliminary Debt Service Schedule

Bond Revenue Study

Trust Indenture between the City and UMB Bank, n.a., as Trustee

Financing Agreement between the City and the CID

Private Placement Agreement

Tax Compliance Agreement

Preliminary Private Placement Memorandum

☒ Contract

☐ Plans

☐ Minutes

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF TAX INCREMENT REVENUE BONDS (SMITHVILLE COMMONS PROJECT), SERIES 2022 OF THE CITY OF SMITHVILLE, MISSOURI, AND AUTHORIZING CERTAIN OTHER ACTIONS AND DOCUMENTS RELATED TO THE BONDS.**

1. The City of Smithville, Missouri (the "City") is authorized and empowered under the Revised Statutes of Missouri, as amended, to issue bonds for the purpose of providing funds to finance the costs of certain redevelopment projects.

2. A plan for redevelopment known as the "Smithville Commons Tax Increment Financing Plan" (the "Original Redevelopment Plan"), as amended by the First Amendment to the Smithville Commons Tax Increment Financing Plan (the "First Amended Plan," together with the Original Redevelopment Plan, the "Redevelopment Plan") for an area designated therein as the redevelopment area (the "Redevelopment Area"), as legally described in the Redevelopment Plan, has been prepared and reviewed by the Tax Increment Financing Commission of the City of Smithville, Missouri (the "Commission") and the City, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the "TIF Act").

3. On August 1, 2017, the Board of Aldermen adopted (a) Ordinance No. 2969-17 (i) approving the Redevelopment Plan and finding the Redevelopment Area to be a "blighted area" within the meaning of the TIF Act and (ii) designating Development Associates Smithville, LLC, a Missouri limited liability company (the "Developer"), as the developer to implement the Redevelopment Projects of the Redevelopment Plan (as therein defined), (b) Ordinance No. 2971-17, authorizing the execution and delivery of a contract (the "Redevelopment Agreement") between the City and the Developer, and (c) Ordinance No. 2972-17 authorizing the execution and delivery of a Reimbursement Agreement with the Northland Regional Ambulance District and a Reimbursement Agreement with the Smithville Area Fire Protection District to provide for the reimbursement of revenues to the respective taxing jurisdiction (the "Reimbursement Agreements").

4. On October 3, 2017, the Board of Aldermen adopted Ordinance No. 2970-17 which approved and designated an area (the "Redevelopment Project") within the Redevelopment Area for redevelopment contemplated as a commercial and retail development and adopted tax increment financing for the Redevelopment Project.

5. On November 21, 2017, the Board of Aldermen adopted Ordinance No. 2986-17 which approved the First Amended Plan and the First Amendment to the Redevelopment Agreement, which provided for an amended capital contribution to the Smithville School District.

6. The Smithville Commons Community Improvement District (the "District") is authorized and empowered under the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), to fund, promote, plan, design, construct, improve, maintain, and operate certain improvements, or to assist in any such activity. Pursuant to the CID Act, on August 1, 2017, Ordinance No. 2974-17

was approved by the Board of Aldermen creating the District for the purpose of funding certain improvements and services within the Redevelopment Area (the "CID Project"). The voters of the District have approved the imposition of a sales tax at the rate of 1.0% for the purpose of paying the cost of the CID Project and financing the costs of formation and operation of the District.

5. In order to provide financing for reimbursable project costs as provided in the Redevelopment Plan and the Redevelopment Agreement, the City has determined that it is in the best interest of the City (a) to issue its Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022 (the "Bonds") for the purpose of (i) financing reimbursable project costs described under the Redevelopment Agreement (the "Project"), (ii) funding a debt service reserve for the Bonds, and (iii) paying the costs of issuance of the Bonds.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMAN OF THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**Section 1. Approval of Execution and Delivery of the Bonds.** The City hereby approves the execution, delivery and sale by the City of the Bonds for the purpose of (a) financing costs of the Project, (b) funding a debt service reserve for the Bonds, and (c) paying the costs of issuance of the Bonds. The Bonds shall be secured as provided in the herein approved Indenture. The Bonds may be issued in one or multiple series, including on a taxable basis, and shall be sold on the terms as provided in the herein approved Private Placement Agreement among the City, the Developer and UMB Bank, N.A., as placement agent (the "Placement Agent"); provided that (1) a series of taxable Bonds may be issued in a principal amount not to exceed \$3,000,000, shall bear interest at various interest rates not to exceed a true interest cost of 4.25% per annum, shall have a final maturity not later than 2031 and shall not be subject to optional redemption prior to maturity, (2) a series of tax-exempt Bonds shall be issued in a principal amount not to exceed \$13,000,000, shall bear interest at various interest rates not to exceed a true interest cost of 5.00% per annum, shall have a final maturity not later than 2039, and shall be subject to optional redemption prior to maturity no later than 2031.

**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) Trust Indenture (the "Indenture"), between the City and UMB Bank, N.A., as Trustee (the "Trustee"), pursuant to which the Bonds shall be issued;
- (b) Financing Agreement (the "Financing Agreement"), between the City and the District, relating to the transfer of certain moneys to the City and the Trustee for the payment of a portion of the debt service on the Bonds;
- (c) Private Placement Agreement (the "Private Placement Agreement") by and among the City, the Developer and the Placement Agent pursuant to which the City will sell the Bonds to the purchasers specified by the Placement Agent upon the terms and conditions as set forth in the Private Placement Agreement; and

- (d) Tax Compliance Agreement among the City, the Trustee and the District 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 portion of the Bonds expected to have interest excluded from gross income for federal income tax purposes, and to provide guidance for complying with applicable arbitrage rebate provisions of Code § 148(f) as set forth in the Tax Compliance Agreement.

**Section 3. Preliminary and Final Private Placement Memorandum.** The information related to the City contained in the Preliminary Private Placement Memorandum, in the form filed in the records of the City, is hereby approved, and the information related to the City contained in 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 Bonds. The use and public distribution of the Private Placement Memorandum by the Placement Agent in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to information related to the City contained in such Private Placement Memorandum as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

**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.

**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 City Council 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 City Council and approval by the Mayor.

*[remainder of page intentionally left blank]*



(SEAL)

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk

First Reading: 5/3/2022

Second Reading:

Ordinance  
Tax Increment Revenue Bonds  
(Smithville Commons Project), Series 2022

## City of Smithville, MO

Tax Increment Revenue Bonds

(Smithville Commons Project)

Series 2022A (taxable)

## Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/01/2022	Serial Coupon	3.150%	3.150%	465,000.00	100.000%	465,000.00
12/01/2023	Serial Coupon	3.350%	3.350%	250,000.00	100.000%	250,000.00
12/01/2024	Serial Coupon	3.500%	3.500%	285,000.00	100.000%	285,000.00
12/01/2025	Serial Coupon	3.650%	3.650%	335,000.00	100.000%	335,000.00
12/01/2026	Serial Coupon	3.800%	3.800%	375,000.00	100.000%	375,000.00
12/01/2027	Serial Coupon	3.950%	3.950%	415,000.00	100.000%	415,000.00
12/01/2028	Serial Coupon	4.100%	4.100%	445,000.00	100.000%	445,000.00
12/01/2029	Serial Coupon	4.250%	4.250%	150,000.00	100.000%	150,000.00
<b>Total</b>	-	-	-	<b>\$2,720,000.00</b>	-	<b>\$2,720,000.00</b>

## Bid Information

Par Amount of Bonds	\$2,720,000.00
Gross Production	\$2,720,000.00
Bid (100.000%)	2,720,000.00
Total Purchase Price	\$2,720,000.00
Bond Year Dollars	\$10,570.67
Average Life	3.886 Years
Average Coupon	3.8943460%
Net Interest Cost (NIC)	3.8943460%
True Interest Cost (TIC)	3.8854864%

## City of Smithville, MO

Tax Increment Revenue Bonds  
(Smithville Commons Project)  
Series 2022B (tax-exempt, BQ)

### Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/01/2029	Serial Coupon	3.550%	3.550%	335,000.00	100.000%	335,000.00
12/01/2030	Serial Coupon	3.750%	3.750%	520,000.00	100.000%	520,000.00
12/01/2031	Serial Coupon	3.950%	3.950%	560,000.00	100.000%	560,000.00
12/01/2032	Serial Coupon	4.100%	4.100%	600,000.00	100.000%	600,000.00
12/01/2033	Serial Coupon	4.200%	4.200%	645,000.00	100.000%	645,000.00
12/01/2034	Serial Coupon	4.300%	4.300%	690,000.00	100.000%	690,000.00
12/01/2035	Serial Coupon	4.400%	4.400%	740,000.00	100.000%	740,000.00
12/01/2036	Serial Coupon	4.500%	4.500%	790,000.00	100.000%	790,000.00
12/01/2037	Serial Coupon	4.600%	4.600%	850,000.00	100.000%	850,000.00
12/01/2039	Term 1 Coupon	4.750%	4.750%	4,265,000.00	100.000%	4,265,000.00
<b>Total</b>	-	-	-	<b>\$9,995,000.00</b>	-	<b>\$9,995,000.00</b>

#### Bid Information

Par Amount of Bonds	\$9,995,000.00
Gross Production	\$9,995,000.00
Bid (100.000%)	9,995,000.00
Total Purchase Price	\$9,995,000.00
Bond Year Dollars	\$143,280.67
Average Life	14.335 Years
Average Coupon	4.5253801%
Net Interest Cost (NIC)	4.5253801%
True Interest Cost (TIC)	4.5073137%

## City of Smithville, MO

Tax Increment Revenue Bonds

(Smithville Commons Project)

Series 2022A (taxable) and Series 2022B (tax-exempt, BQ)

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/01/2022	465,000.00	3.150%	290,750.66	755,750.66
12/01/2023	250,000.00	3.350%	530,510.00	780,510.00
12/01/2024	285,000.00	3.500%	522,135.00	807,135.00
12/01/2025	335,000.00	3.650%	512,160.00	847,160.00
12/01/2026	375,000.00	3.800%	499,932.50	874,932.50
12/01/2027	415,000.00	3.950%	485,682.50	900,682.50
12/01/2028	445,000.00	4.100%	469,290.00	914,290.00
12/01/2029	485,000.00	3.766%	451,045.00	936,045.00
12/01/2030	520,000.00	3.750%	432,777.50	952,777.50
12/01/2031	560,000.00	3.950%	413,277.50	973,277.50
12/01/2032	600,000.00	4.100%	391,157.50	991,157.50
12/01/2033	645,000.00	4.200%	366,557.50	1,011,557.50
12/01/2034	690,000.00	4.300%	339,467.50	1,029,467.50
12/01/2035	740,000.00	4.400%	309,797.50	1,049,797.50
12/01/2036	790,000.00	4.500%	277,237.50	1,067,237.50
12/01/2037	850,000.00	4.600%	241,687.50	1,091,687.50
12/01/2038	905,000.00	4.750%	202,587.50	1,107,587.50
12/01/2039	3,360,000.00	4.750%	159,600.00	3,519,600.00
<b>Total</b>	<b>\$12,715,000.00</b>	<b>-</b>	<b>\$6,895,653.16</b>	<b>\$19,610,653.16</b>

### Yield Statistics

Bond Year Dollars	\$153,851.33
Average Life	12.100 Years
Average Coupon	4.4820237%
Net Interest Cost (NIC)	4.4820237%
True Interest Cost (TIC)	4.4559717%
Bond Yield for Arbitrage Purposes	4.4559717%
All Inclusive Cost (AIC)	4.8350267%

### IRS Form 8038

Net Interest Cost	4.4820237%
Weighted Average Maturity	12.100 Years

## City of Smithville, MO

Tax Increment Revenue Bonds

(Smithville Commons Project)

Series 2022A (taxable) and Series 2022B (tax-exempt, BQ)

## Total Issue Sources And Uses

Dated 05/19/2022 | Delivered 05/19/2022

	Series 2022A (taxable)	Series 2022B (tax-exempt)	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds	\$2,720,000.00	\$9,995,000.00	\$12,715,000.00
<b>Total Sources</b>	<b>\$2,720,000.00</b>	<b>\$9,995,000.00</b>	<b>\$12,715,000.00</b>
<b>Uses Of Funds</b>			
Costs of Issuance	90,092.65	331,057.35	421,150.00
Deposit to Debt Service Reserve Fund (DSRF)	236,935.75	870,651.75	1,107,587.50
Deposit to Project Construction Fund	2,390,975.00	8,792,000.00	11,182,975.00
Rounding Amount	1,996.60	1,290.90	3,287.50
<b>Total Uses</b>	<b>\$2,720,000.00</b>	<b>\$9,995,000.00</b>	<b>\$12,715,000.00</b>

## City of Smithville, MO

Tax Increment Revenue Bonds

(Smithville Commons Project)

Series 2022A (taxable) and Series 2022B (tax-exempt, BQ)

## Detail Costs Of Issuance

Dated 05/19/2022 | Delivered 05/19/2022

### COSTS OF ISSUANCE DETAIL

Financial Advisor	\$63,575.00
Bond Counsel	\$95,000.00
Underwriter's Counsel	\$30,000.00
Trustee & Counsel Fees	\$3,000.00
Trustee Origination	\$2,500.00
DTC	\$800.00
CUSIP	\$550.00
Placement Agent fee	\$190,725.00
Developer Counsel Fees	\$20,000.00
Revenue Study Consultant	\$15,000.00
<b>TOTAL</b>	<b>\$421,150.00</b>



## City of Smithville, MO

Tax Increment Revenue Bonds

(Smithville Commons Project)

Series 2022A (taxable) and Series 2022B (tax-exempt, BQ)

## Coverage Ratio

Date	Total Revenues	Total D/S	Coverage
12/01/2022	1,051,952.00	757,001.33	1.3896303x
12/01/2023	1,092,293.00	782,855.00	1.3952686x
12/01/2024	1,127,048.00	809,480.00	1.3923111x
12/01/2025	1,187,072.00	849,505.00	1.3973691x
12/01/2026	1,223,397.00	877,277.50	1.3945382x
12/01/2027	1,260,167.00	903,027.50	1.3954913x
12/01/2028	1,280,799.00	916,635.00	1.3972835x
12/01/2029	1,308,768.00	938,390.00	1.3946952x
12/01/2030	1,330,234.00	952,777.50	1.3961644x
12/01/2031	1,359,260.00	973,277.50	1.3965801x
12/01/2032	1,381,594.00	991,157.50	1.3939197x
12/01/2033	1,411,719.00	1,011,557.50	1.3955895x
12/01/2034	1,434,955.00	1,029,467.50	1.3938808x
12/01/2035	1,466,220.00	1,049,797.50	1.3966694x
12/01/2036	1,490,395.00	1,067,237.50	1.3964980x
12/01/2037	1,522,845.00	1,091,687.50	1.3949459x
12/01/2038	1,547,996.00	1,107,587.50	1.3976286x
12/01/2039	3,796,851.00	3,519,600.00	1.0787734x
12/01/2040	1,260,155.00	-	-
<b>Total</b>	<b>\$27,533,720.00</b>	<b>\$19,628,318.83</b>	<b>-</b>

# SMITHVILLE COMMONS PROJECT BOND REVENUE STUDY

Prepared for:  
City of Smithville, MO

April 25, 2022

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**PCAV**PLANNERS  
ST. LOUIS, MISSOURI

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## SECTION 1 - INTRODUCTION

### NATURE OF THE ASSIGNMENT AND PURPOSE OF THE REPORT

On August 1, 2017, the City of Smithville, Missouri (the "City") adopted Ordinance number 2969-17 approving the Smithville Commons Tax Increment Financing Redevelopment Plan ("the Original Plan"), establishing the Smithville Commons Redevelopment Area (the "Redevelopment Area" or "Area"). On November 21, 2017, the City approved Ordinance No. 2986-17, the First Amendment to the Smithville Commons Tax Increment Financing Redevelopment Plan (the First Amendment together with the Original Plan, hereinafter referred to as "the Plan"). This study addresses the Smithville Commons retail development project (the "Redevelopment Project" or "Project") under development within the Area. The map below shows the boundary of the Redevelopment Area.

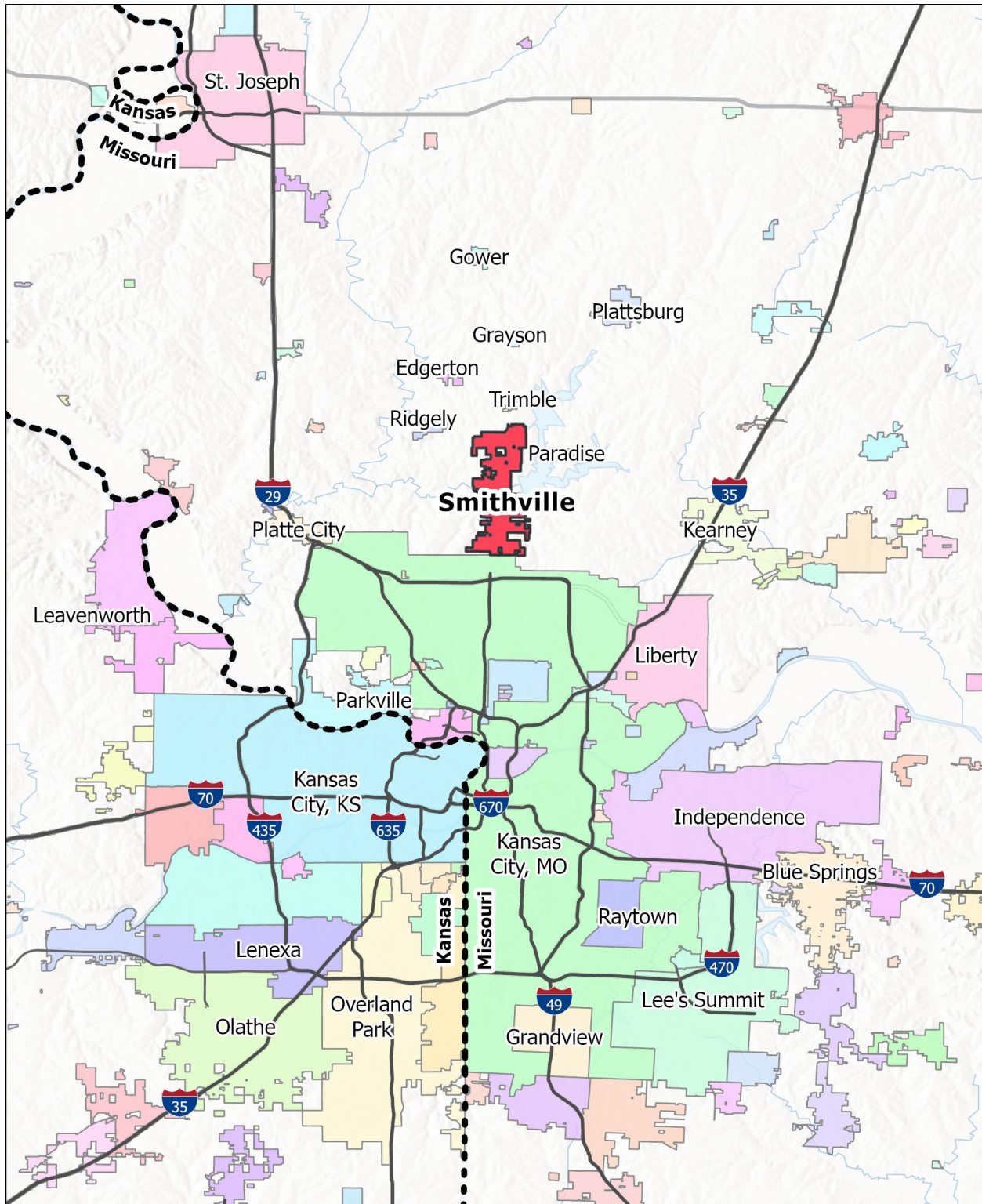
Figure 1 – Smithville Commons Redevelopment Area



PGAV Planners, LLC ("PGAV") has developed an independent analysis of the taxable sales, sales tax revenue generation, and property tax revenue generation potential of economic activity within the Area. The revenues will be used to make payments on bonds (the "Bonds").

PGAV, headquartered in St. Louis, Missouri, is a nationally recognized firm with expertise in the preparation of bond feasibility studies. PGAV has performed analyses of historic trends and projections of real property taxes, sales taxes and taxes associated with various types of tax increment financing districts and other special taxing districts in support of bond financings and refundings. Recent locations where PGAV has been involved with financial feasibility analyses include St. Louis, Missouri; Columbus, Ohio; Chicago, Illinois; Bristol, Virginia; New Orleans, Louisiana; and Fountain, Colorado. PGAV has personnel who are members of the National Federation of Municipal Analysts ("NFMA"). PGAV Planners is a member of the Council of Development Finance Agencies ("CDFA").





## Regional Location Overview

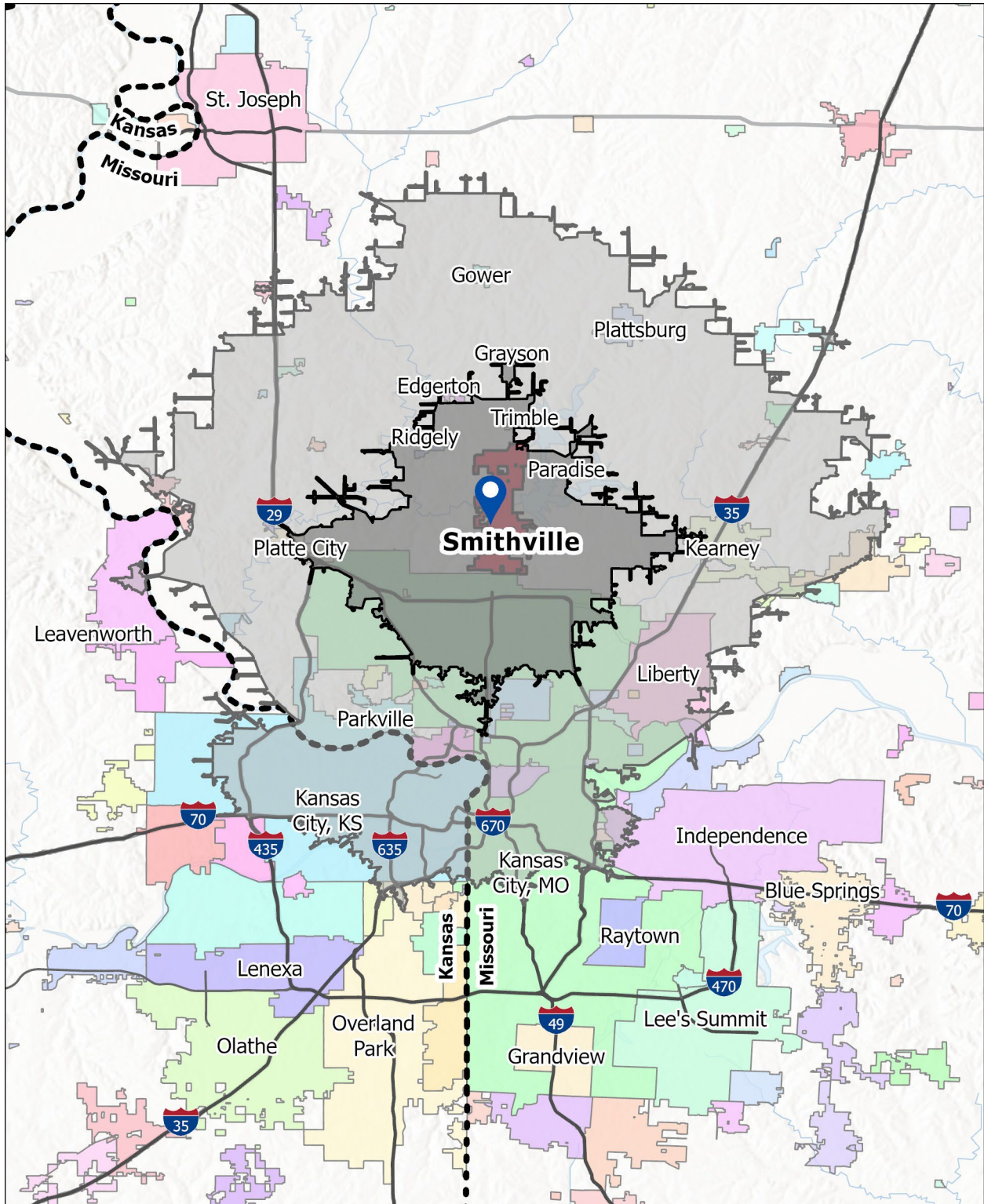
Smithville Commons  
Smithville, Missouri





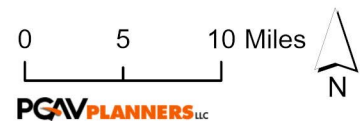
## TRADE AREA OVERVIEW

Two trade areas are defined as drivetime buffers based on visitor data which is further discussed later in this report. The Primary Trade Area ("PTA") is defined as the area within a fifteen-minute drive of the Project. The PTA primarily encompasses Smithville, Ridgely, Edgerton, Grayson, Trimble, Paradise, Platte City, and portions of northern Kansas City, MO. The Secondary Trade Area ("STA") is defined as the area within a thirty-minute drive of the Area. The Project's connectivity to major transportation corridors by way of its proximity to Interstate 435 results in a relatively large STA. The STA extends south of the Missouri River into downtown Kansas City, Missouri and Kansas, Wyandotte, KS, Independence, MO, beyond Kearney, MO to the east, beyond Gower, MO to the north, and as far west as Leavenworth, KS. Due to Smithville's location at the northern edge of the metro's urbanized area, nearer to more rural suburbs, it is likely that the Project will attract more of its STA customers from areas within the STA located north of the Missouri River. These trade areas are shown on the map on the following page.



## Trade Area Overview

Smithville Commons  
Smithville, Missouri



## SECTION 2 - DEMOGRAPHICS ANALYSIS

### POPULATION AND HOUSEHOLDS

Approximately 35 percent of Missouri's population lives in the Kansas City, MO-KS MSA. In 2021, the MSA was home to more than 2 million residents and had grown in population by 20 percent since 2000. Clay County is home to approximately 12 percent of the MSA's population and has grown at an annualized rate 1.8 percent since 2000, faster than growth in the MSA (1.1%) and Missouri (0.6%) during the same period. In 2021, Smithville was home to 10,299 residents and has grown in population at an annualized rate of 3.3 percent since 2000; nearly doubling in population and growing faster than the county, MSA, and the State. Smithville's population is projected to grow at an annualized rate 1.5 percent through 2026, faster than the projected growth in the Kansas City MSA, when the city's population is estimated to reach 11,113 residents.

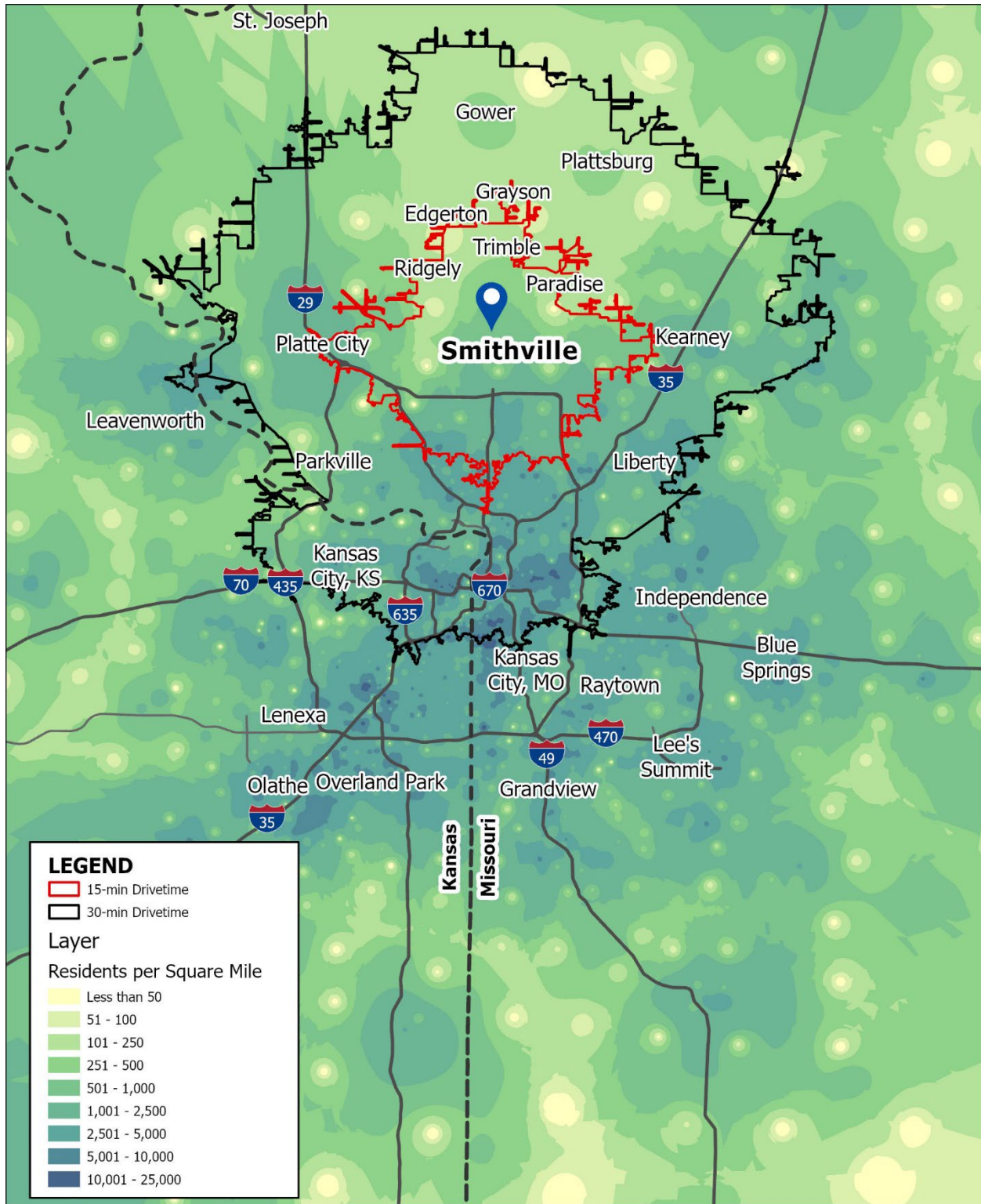
In 2021, there were an estimated 80,788 residents living in the PTA. The PTA has grown at annualized rate 3.2 percent since 2000, nearly doubling its population from 2000. The PTA's population is estimated to grow at a rate of 1.6 percent, faster than all geographies study for the analysis, through 2026 when the PTA's population is estimated to reach 87,319 residents. Based on the PTA's current average household size of 2.58 and projected population growth, new residents are expected to create demand for 2,561 new housing units within a 15-minute drive time of the Project. While most of the metropolitan area's existing population lives inside of the I-435 and I-470 rings, outer ring cities have experienced the greatest growth in population in recent years. It is estimated that this trend will continue through 2026, with the Northlands projected to continue growing in population while areas in the urban core projected to decline. The table below and maps on the following pages show population trends within the PTA and STA.

Table 1 – Population and Households

<b>Population</b>						
	<b>Primary Market Area 15-minute Drive Time Area</b>	<b>Secondary Market Area 30-minute Drive Time Area</b>	<b>City of Smithville</b>	<b>Clay County</b>	<b>Kansas City, MO-KS MSA</b>	<b>State of Missouri</b>
<b>Population Totals</b>						
2000 Population	46,164	526,939	5,757	184,006	1,811,254	5,595,211
2010 Population	67,219	565,419	8,434	221,939	2,009,342	5,988,927
2021 Population	80,788	629,973	10,299	252,741	2,188,599	6,249,983
2026 Population (Est.)	87,319	662,656	11,113	267,621	2,281,512	6,382,827
<b>Population Change</b>						
Annual Pop Growth Rate 2000 - 2021	3.2%	1.0%	3.3%	1.8%	1.1%	0.6%
Annual Pop Growth Rate (Est.) 2021 - 2026	1.6%	1.0%	1.5%	1.2%	0.8%	0.4%
<b>Household Size</b>						
2020 Household Size	2.55	2.46	2.68	2.50	2.50	2.43
Households with Children	37%	33%	38%	35%	34%	31%
<b>Housing Units Needed</b>						
Est. Additional Residents by 2025	6,531	32,683	814	14,880	92,913	132,844
Housing Units Needed	2,561	13,286	304	5,952	37,165	54,668

Source: U.S. Census, ESRI (2021)





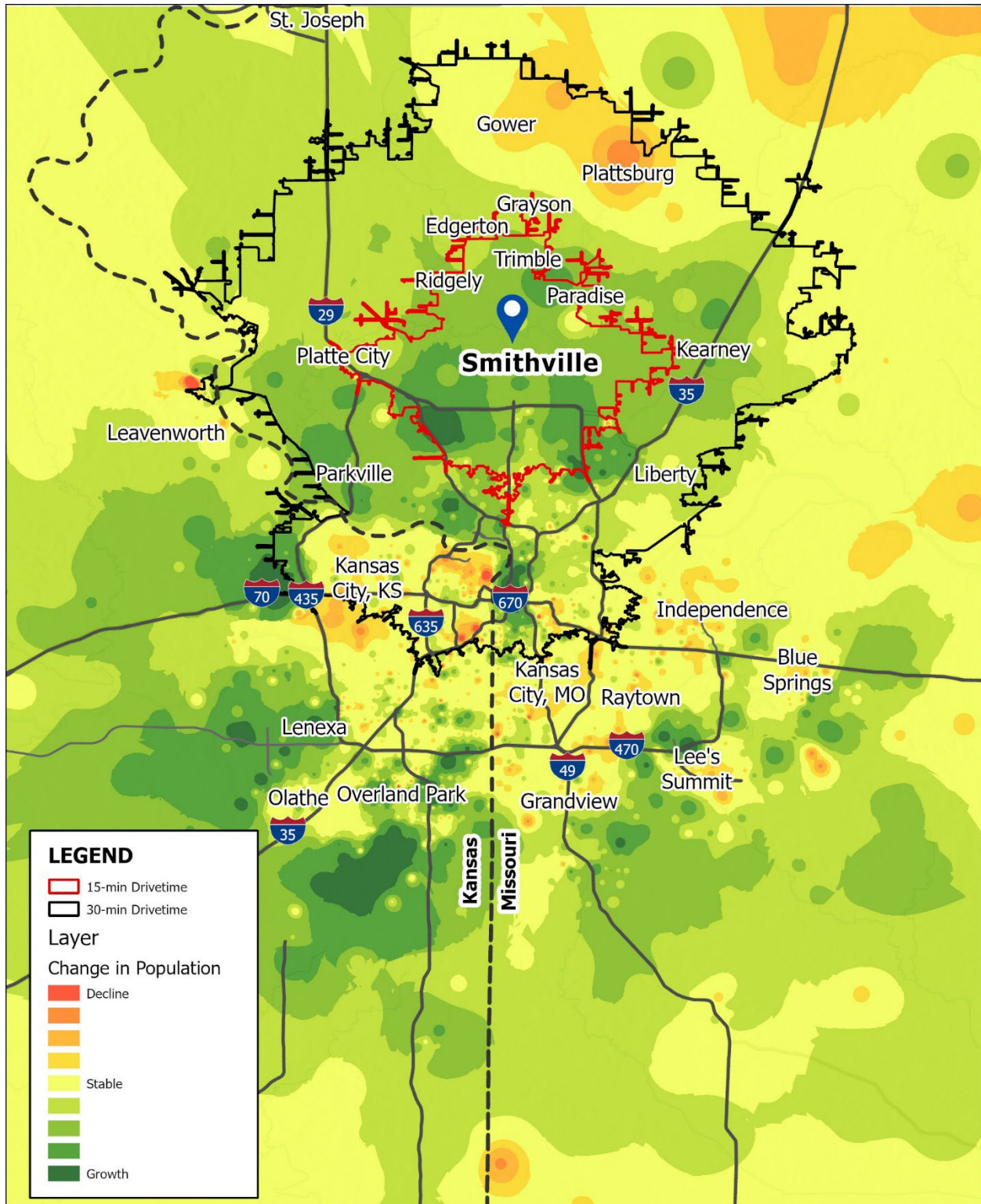
## 2021 Population Density

Smithville Commons  
Smithville, Missouri

0 4.95 9.9 Miles

PGAV PLANNERS<sup>uc</sup>

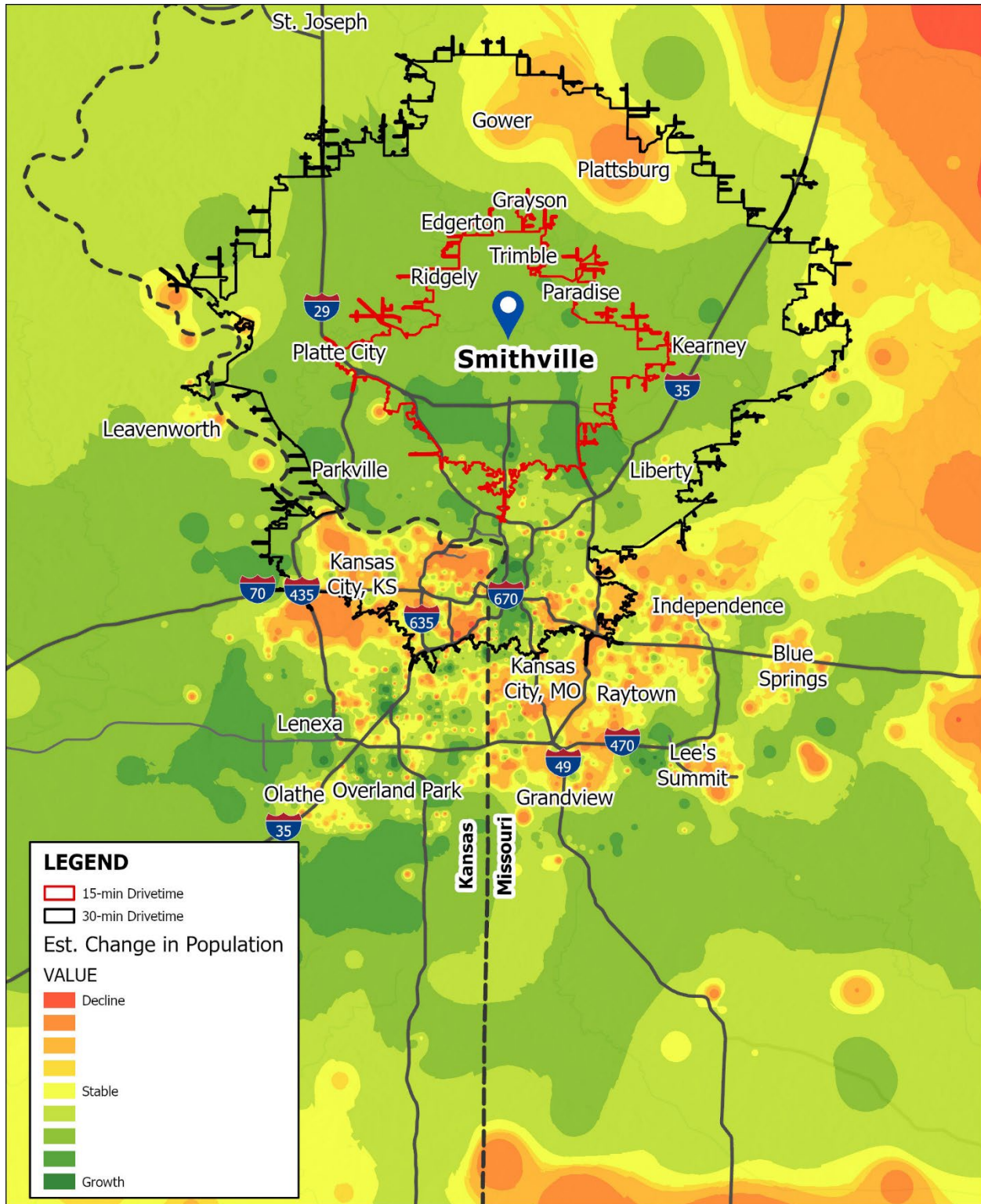




## Change in Population 2010 - 2021

Smithville Commons  
Smithville, Missouri





## Projected Change in Population 2021 - 2026

Smithville Commons  
Smithville, Missouri

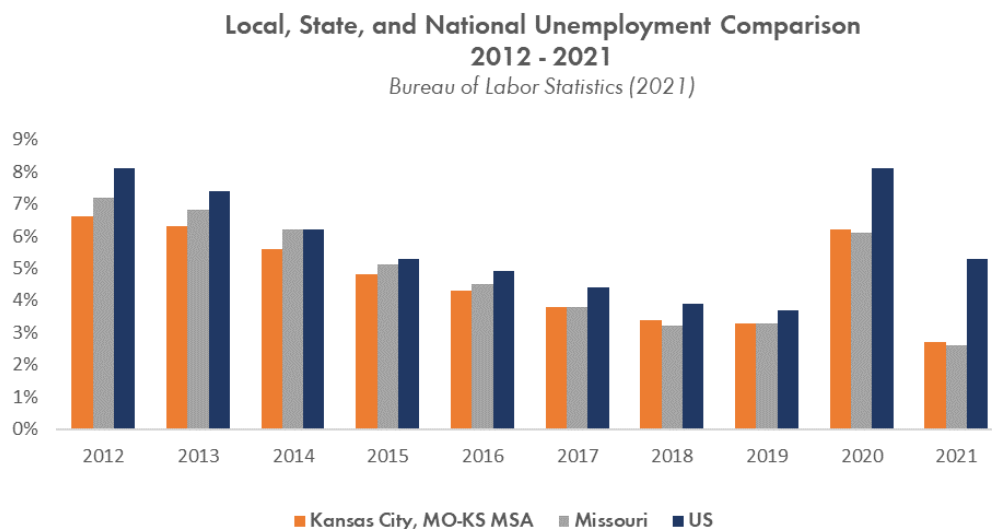
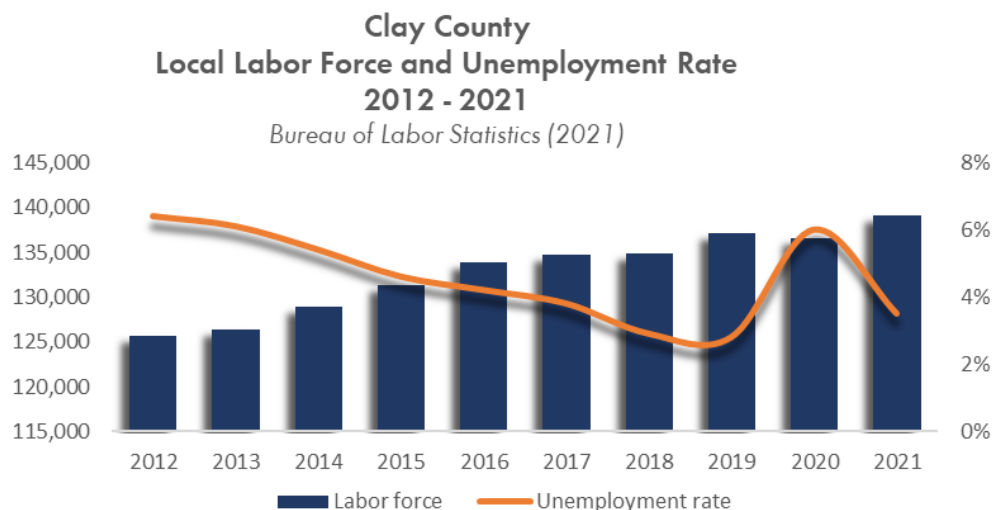
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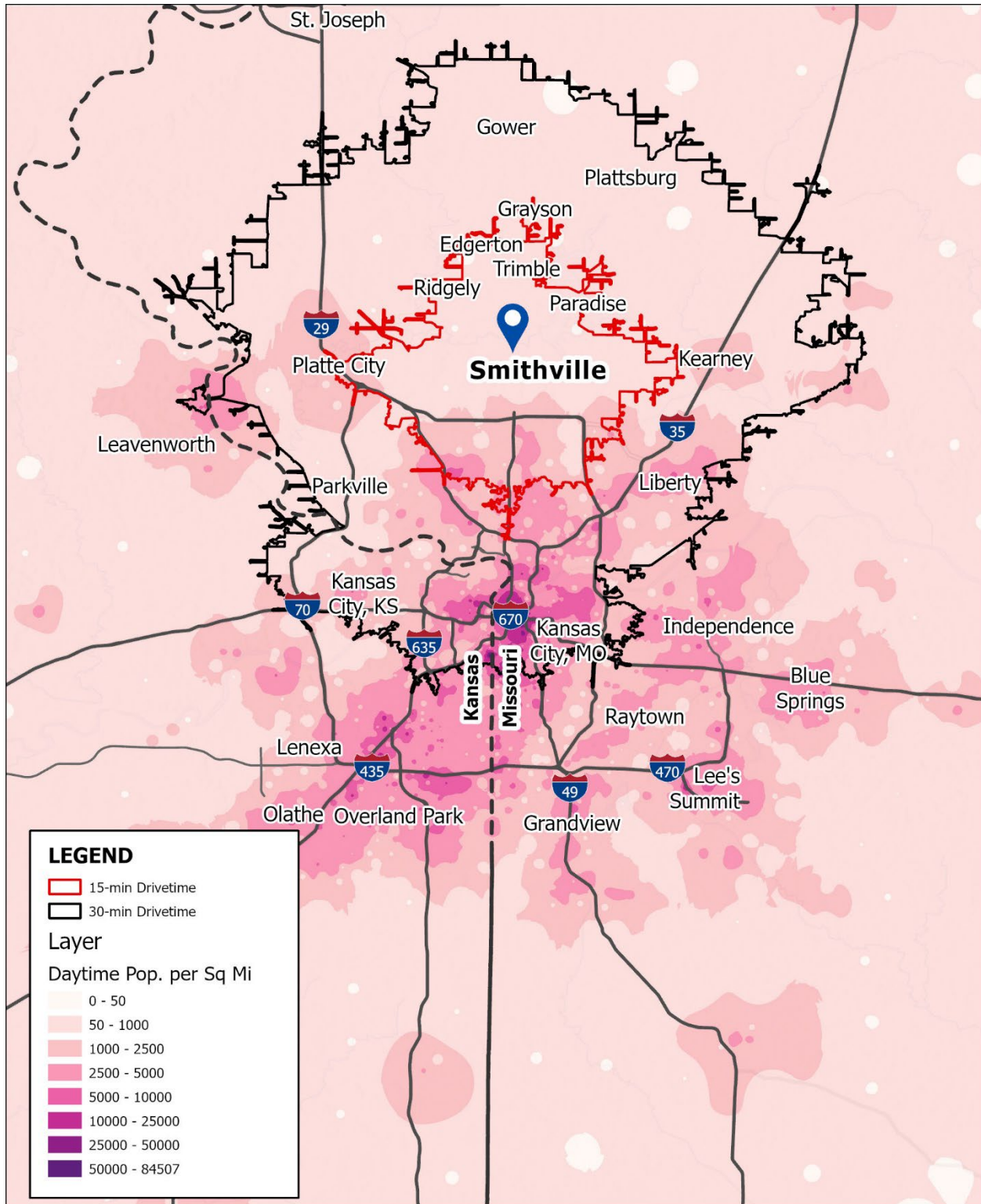




## EMPLOYMENT

The Kansas City, MO-KS MSA has a diverse economy anchored by government, services (education, health, leisure/hospitality, professional), retail trade, manufacturing, and transportation/warehousing/logistics sectors. Ford Motor Co., Honeywell, Hallmark Cards, and North Kansas City-based Cerner Corporation (Fortune 500) are among the region's largest employers. Over the past ten years, unemployment in Missouri and the Kansas City, MO-KS MSA has been lower than the national average, even during 2020 and 2021 when effects from the Covid-19 pandemic increased unemployment nationwide. The labor force in the MSA has grown since by 9.1 percent since 2012, and unemployment has declined from a high of 6.6 percent in 2012 to 2.9 percent in 2021. Unemployment in the MSA had doubled to 6.1 percent from 2019 to 2020, which is consistent with nationwide increases in unemployment associated with the Covid-19 pandemic. In 2021, unemployment in the MSA returned to the pre-COVID low of 2.9 percent. The map on the following page provides an overview of daytime population density, which identifies major employment concentrations within the Kansas City metro area.





## 2021 Daytime Population Density

Smithville Commons  
Smithville, Missouri

0 5 10 Miles

PGAV PLANNERS<sup>UC</sup>



## INCOME

Smithville's median household income of \$74,878 is higher than the median household income in Clay County and the Kansas City MSA. Median household income in Smithville is estimated to grow at an annualized rate of 2 percent through 2026, when median household income is estimated to reach \$82,621. The PTA's median household income of \$82,071 is highest among all geographies studied for this analysis and is estimated to grow at an annualized rate of 2.2 percent through 2026 when median household income is estimated to reach \$90,714. Estimated annualized growth in median household income, an average of 2.1 percent, compares favorably across all geographies studied for this analysis. A comparison of household and per capita income is shown in the table below.

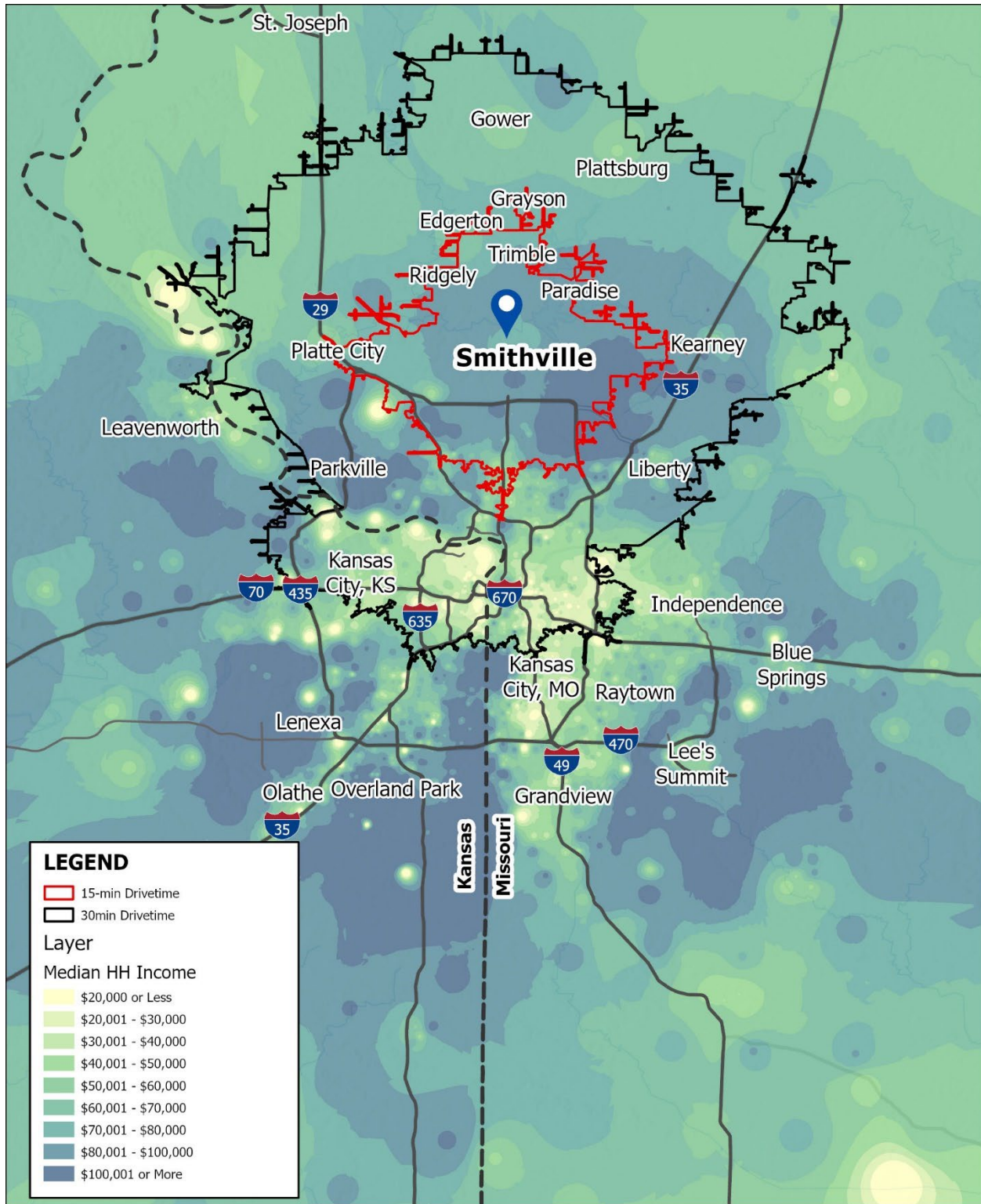
Table 2 – Household Income

Household Income	Primary Market Area 15-minute Drive Time Area	Secondary Market Area 30-minute Drive Time Area	City of Smithville	Clay County	Kansas City, MO-KS MSA	State of Missouri
<i>Income by Range</i>						
Less than \$25,000	9%	21%	13%	12%	16%	21%
\$25,000 to \$49,999	19%	24%	20%	23%	19%	23%
\$50,000 to \$74,999	17%	18%	18%	19%	18%	19%
\$75,000 to \$99,999	14%	12%	14%	14%	15%	13%
\$100,000 to \$149,999	25%	16%	23%	20%	18%	14%
\$150,000 or more	16%	10%	13%	12%	15%	11%
<i>Median Household Income</i>						
2021 Per Capita Income	\$38,139	\$30,635	\$32,565	\$33,854	\$36,452	\$31,398
2021 Median Household Income	\$82,071	\$56,382	\$74,878	\$68,149	\$70,082	\$56,668
<i>Household Income Trends</i>						
2026 Median Household Income (Est.)	\$90,714	\$62,755	\$82,621	\$76,083	\$77,639	\$62,175
2010 - 2026 Estimated Annual Increase	2.0%	2.2%	2.0%	2.2%	2.1%	1.9%

Source: U.S. Census, ESRI (2021)

The map on the following page shows median household income within the PTA and STA. The highest concentrations of the MSA's high income households are primarily located outside to the I-435 and I-470 rings, in the Northlands between the Missouri River and I-435, and along the I-35 corridor.





## 2021 Median Household Income

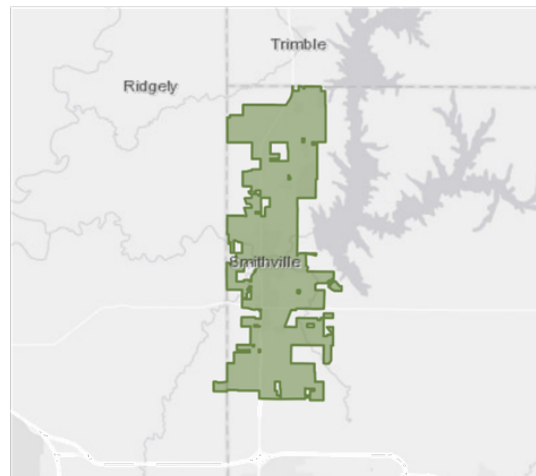
Smithville Commons  
Smithville, Missouri

0 5 10 Miles

PGAV PLANNERS<sup>uc</sup>



## AREA OVERVIEW

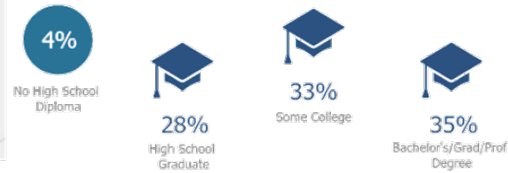


## POPULATION TRENDS AND KEY INDICATORS

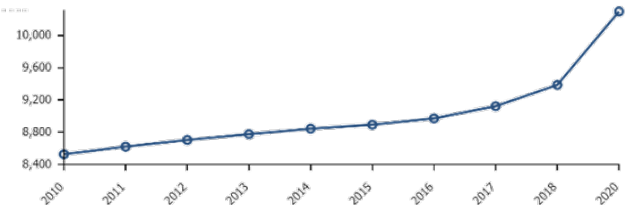
Smithville City, MO

<b>10,299</b>	<b>3,811</b>	<b>2.68</b>	<b>\$243,304</b>	<b>\$12,334</b>	<b>\$630</b>	<b>109</b>	<b>194</b>	<b>17</b>
Population	Households	Avg Size Household	Median Home Value	Average Spent on Mortgage & Basics	Median Contract Rent	Wealth Index	Housing Affordability	Diversity Index

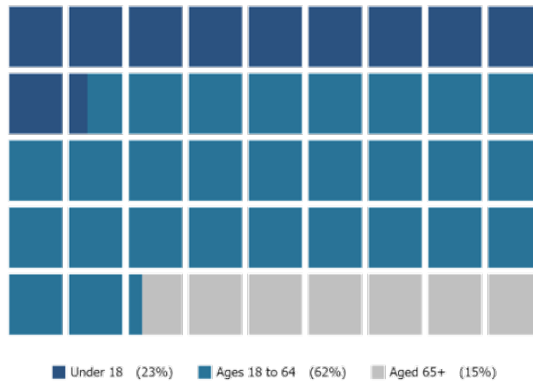
## EDUCATION



## Historical Trends: Population



## POPULATION BY AGE



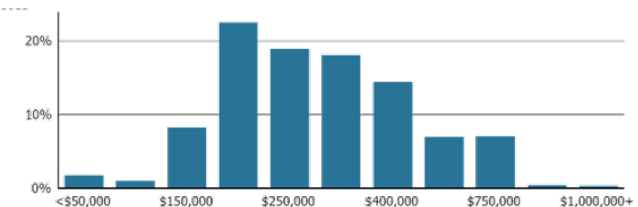
## BUSINESS



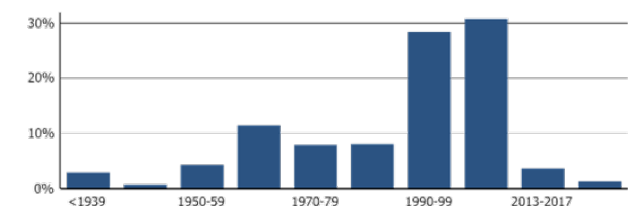
## INCOME



## Home Value



## Housing: Year Built



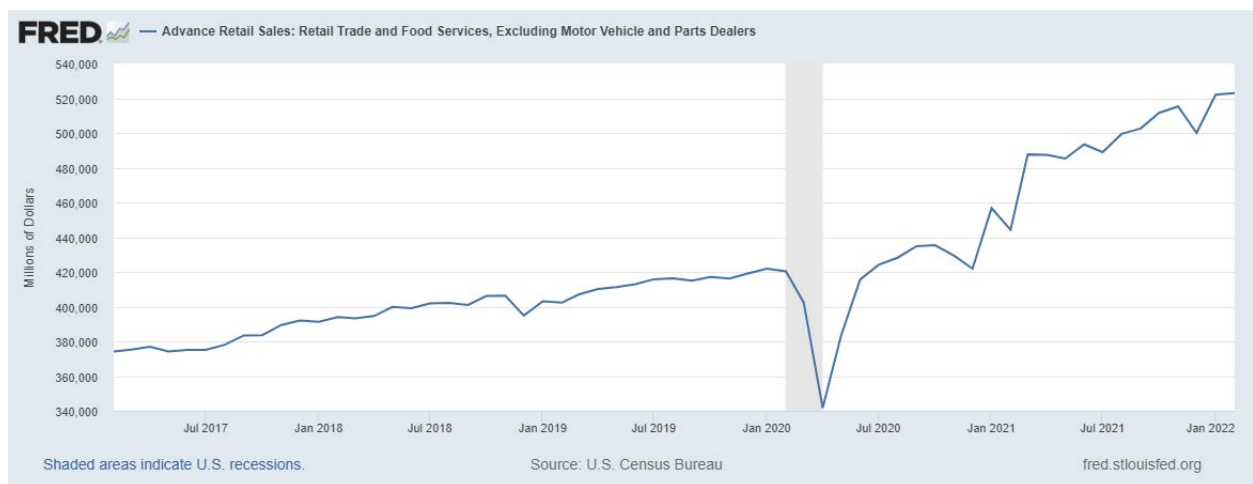


## NATIONAL ECONOMIC OUTLOOK

The Bureau of Economic Analysis' February 24, 2022 estimate of Gross Domestic Product ("GDP") stated that, in the fourth quarter of 2021, real GDP increased 7% compared to the same quarter in the prior year. This acceleration was led by an increase in exports and accelerations in inventory investment and customer spending.<sup>1</sup> A survey of forecasters by the Federal Reserve Bank of Philadelphia predicts real GDP will increase 3.9% in the first quarter of 2022.<sup>2</sup>

Figure 1, below, shows monthly nationwide retail sales (seasonally adjusted and excluding vehicles and parts dealers' sales). The source information for this figure is the U.S. Department of Commerce and the Census Bureau's monthly "Advance Monthly Sales for Retail and Food Services" release.<sup>3</sup>

*Figure 1 - Nationwide Retail Sales and Food Services Excluding Motor Vehicles and Parts Dealers*



<sup>1</sup>Bureau of Economic Analysis, "National Income and Product Accounts Gross Domestic Product"; <http://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm>

<sup>2</sup>Federal Reserve Bank of Philadelphia: Survey of Professional Forecasters

<sup>3</sup>The advance estimates are based on a subsample of the Census Bureau's full retail and food services sample. A stratified random sampling method is used to select approximately 5,000 retail and food services firms whose sales are then weighted and benchmarked to represent the complete universe of over three million retail and food services firms. Responding firms account for approximately 65% of the dollar volume estimate. For an explanation of the measures of sampling variability included in this report, please see: [http://www.census.gov/retail/marts/how\\_surveys\\_are\\_collected.html](http://www.census.gov/retail/marts/how_surveys_are_collected.html)

## SECTION 3 – REVENUE PROJECTIONS

### OVERVIEW OF AVAILABLE REVENUE SOURCES

There are three sources of revenue available to support the repayment of the Bonds. These sources of revenue are described in the Redevelopment Agreement entered into by and between the City and Development Associates Smithville, LLC (the “Developer”). These sources of revenue are as follows:

1. Payments In Lieu Of Taxes (“PILOTs”), as defined by the TIF Act, are one hundred percent (100%) of the incremental real property taxes generated within the Area (excluding certain taxes not captured by TIF). The change in assessed valuation is determined by subtracting a certified base assessed valuation for the Area from the equalized assessed valuation for the Area for current and future tax years. The incremental revenue is determined by multiplying the change in assessed valuation by the applicable tax levy, divided by one hundred. These revenues are deposited into the PILOTs Account of the Special Allocation Fund maintained by the County.
2. Economic Activity Taxes (“EATs”), as defined by the TIF Act, are the total additional revenue from taxes which are imposed by a municipality and other taxing districts (including the Smithville Commons Community Improvement Development District (the “District”) and excluding certain taxes not captured by TIF), and which are generated by economic activities within the Area over the amount of such taxes generated by economic activities within such Area in the calendar year prior to the adoption of the ordinance designating the Area, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments. The TIF Act definition of EATs also includes utility taxes; however, the Developer has waived all rights to any utility tax revenues and no utility tax revenues will be available for repayment of the Bonds.
3. Community Improvement District Sales Tax Revenues (“CID Sales Tax”) means an additional one-cent (1%) sales tax imposed on retail sales within Area. During the tax increment finance term, which is to say through October 2, 2040, half of CID Sales Tax revenues will be captured as EATs.

## BASIS OF REVENUE GENERATION – THE REDEVELOPMENT PROJECT

The Area's basis of revenue generation is the development of a retail shopping center anchored by a Price Chopper and also including a Domino's Pizza, Taco Bell, Burger King, Scooter's Coffee, Porter's Ace Hardware, and an additional retail space of approximately 7,800 square feet in size which is yet to be leased. Table 3, below, shows estimated sales associated with the existing and planned retail businesses within Smithville Commons. A more detailed analysis of trends and estimated performance of the Price Chopper store is provided in the following section of this report.

Table 3 – Smithville Commons Taxable Sales Estimates

Project Component	Status	Size	Units	Estimated Sales per Unit	2021	2022	2023	2024	2025	2026	2027
Price Chopper	Opened October 2020	61,613	Sq.Ft.	\$ 467	\$ 28,800,000	\$ 29,664,000	\$ 30,553,920	\$ 31,470,538	\$ 32,414,654	\$ 33,387,093	\$ 34,388,706
Porter's Ace Hardware	Opened October 2020	14,498	Sq.Ft.	\$ 155	\$ 2,250,000	\$ 2,317,500	\$ 2,387,025	\$ 2,458,636	\$ 2,532,395	\$ 2,608,367	\$ 2,686,618
Scooter's Coffeehouse	Opened July 2019	495	Sq.Ft.	\$ 1,414	\$ 700,000	\$ 721,000	\$ 742,630	\$ 764,909	\$ 787,856	\$ 811,492	\$ 835,837
Taco Bell	Opened December 2019	2,045	Sq.Ft.	\$ 645	\$ 1,320,000	\$ 1,320,000	\$ 1,359,600	\$ 1,400,388	\$ 1,442,400	\$ 1,485,672	\$ 1,530,242
Burger King	Opened December 2021	3,000	Sq.Ft.	\$ 33	\$ 100,000	\$ 1,120,000	\$ 1,153,600	\$ 1,188,208	\$ 1,223,854	\$ 1,260,570	\$ 1,298,387
Domino's Pizza	Opened Summer 2021	1,200	Sq.Ft.	\$ 442	\$ 530,000	\$ 1,060,000	\$ 1,091,800	\$ 1,124,554	\$ 1,158,291	\$ 1,193,039	\$ 1,228,831
Retail	In Lease Up	7,800	Sq.Ft.	\$ 350		\$ 390,000	\$ 780,000	\$ 1,170,000	\$ 2,340,000	\$ 2,730,000	\$ 2,811,900
Totals					\$ 33,700,000	\$ 36,592,500	\$ 38,068,575	\$ 39,577,232	\$ 41,899,449	\$ 43,476,233	\$ 44,780,520

### Price Chopper

Price Chopper is a Kansas City area-based, family-owned grocery chain. Founded as a single fruit stand in 1948, the chain now operates fifty-two (52) stores throughout the Kansas City metro area and has become regarded among the best regional community grocers in the U.S. In 2020, a new Price Chopper located within the District.

### Principal Competitors

There are currently nine Price Chopper stores operating within the STA. The nearest store to the Smithville location in Platte City, a 15- to 20-minute drive west. Price Chopper operates large-format grocery stores ranging from approximately 50,000 square feet to 80,000 square feet. Competitors in the Northlands area include: Walmart, Aldi, Hy-Vee, and Sprouts Farmer's Market. Walmart and Aldi may be considered Price Chopper's principal competitors in terms of product lines and "low-cost" price structures for broad consumer appeal. Whereas, Hy-Vee and Sprouts Farmers Market specialize in natural and organic foods in the *Specialty Food Stores* (NAICS 72223) market.

### Market Potential and Absorption

PGAV analyzed consumer spending, retail demand, and visitation data to estimate the market potential and absorption for Price Chopper.

The Spending Potential Index (SPI) is a measure of consumer spending patterns and represents household spending on products and services relative to a national average of 100. As an example, an SPI of 120 means that households within the trade area spend 20 percent more than the average U.S. household in that category. This index is helpful for understanding retail potential in that it identifies the types of retail and service categories

in which consumers within each trade area tend to spend more money, and those categories in which new businesses may be supported by these spending patterns. In 2021, households in the PTA had an SPI of 104. This indicates that households in the PTA were 4 percent more likely than the average U.S. household to spend money on food at home (groceries), spending \$5,686 on average per household.

The PTA's the *Food Services & Drinking Places (NAICS 722)* industry, which includes traditional grocery stores, has a retail leakage/surplus factor of 16.6. This represents a condition where demand exceeds supply, indicating that some retail potential within the PTA is lost to outside areas, and that retailers may be better suited for retailers to capture more local demand. The PTA's retail gap totals \$33.1 million or \$1,051 per household of additional spending that may be captured by establishments in the *Food Services & Drinking Places* industry. The *Food Services & Drinking Places (NAICS 722)* industry accounts for approximately 10 percent of retail demand within the PTA, with an additional \$3.3 million in total or \$105 per household in retail spending may be captured by grocery stores in the PTA.

A review of visitor demographics for three Price Chopper locations in the Northland area (Platte City, Parkville, and Liberty) reveals that the typical Price Chopper customer has an average household income ranging from \$86,400 to \$116,000, or \$97,933 on average. Applying these customer demographics to households within the PTA, it is estimated that 39 percent of households (12,279 households) within the PTA may be potential Price Chopper customers.

Based upon these consumer spending, retail demand, visitation trends, it is estimated that Price Choppers' potential customer households may spend approximately \$5,791, on average, for food at home (groceries). This equates to a total spending potential of \$71.1 million which may be captured by grocery stores in the PTA. PGAV estimates that, on average Price Chopper may capture approximately 44 percent (\$31 million) of consumer spending on food at home.

#### Estimated Annual Sales

Based on a study of economic and demographic data, as well as PGAV's institutional knowledge of grocery store financial performance in the region, PGAV conservatively estimates that this Price Chopper location will reach stabilization in 2022 and may generate \$467 PSF on an annual basis over the remaining life of the District. This estimate is substantially consistent with current with Price Chopper's current performance and anticipated stabilization of retail sales. Table 3, on the previous page, provides a summary of estimated taxable sales for Price Chopper.

## TERM OF TIF, REDEVELOPMENT PLAN, AND TIMING OF REVENUE FLOWS

The capture of incremental tax revenues is authorized for a period of twenty-three years from the date of the ordinance approving the Redevelopment Project and adopting tax increment financing therein. Revenues available for the repayment of the Bonds may be generated during the period of October 3, 2017 to October 2, 2040.

A lag occurs between the time that sales tax revenues are generated and the time they are collected, distributed, and deposited to the Special Allocation Fund. It is anticipated that this time lag is approximately three months for sales tax revenues. The amount of sales tax revenues available at any given time also depends on when retailers pay sales taxes (i.e., whether on a monthly, quarterly, or annual basis). The retail tenants at Smithville Commons are expected to pay their sales taxes monthly.

Real estate taxes are due by December 31 each year, so revenues from PILOTS are collected by the County between November of the tax year through January of the following year and are then distributed to the County for deposit to the Special Allocation Fund. The aggregate equalized assessed value of the Redevelopment Area, as measured on a parcel-by-parcel basis, must exceed the base equalized assessed value in order to generate incremental real property tax revenue.

Projections of future revenues are based on a series of assumptions developed from existing available information. These assumptions are described in the balance of this section and **Section 3** and applied to the revenue tables herein. These tables provide assumptions and calculations used to generate the projections of revenues available for repayment of the Bonds.



## REAL PROPERTY TAX REVENUES (PILOTS)

To calculate incremental real property tax revenues, the base value of the existing property is subtracted from the value generated by new development. More specifically, the TIF Act stipulates that the initial equalized assessed valuation (base EAV) be determined and:

*(1) That portion of taxes levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing district in the manner required by law in the absence of the adoption of tax increment financing. (R.S. Mo. 99.845(1))*

Once the base EAV is determined by the County Assessor, any property taxes generated from an increase in the EAV (payment in lieu of taxes or "PILOTS") is used to pay redevelopment costs, determined by:

*(2) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid into a special fund called the "Special Allocation Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof...(R.S. Mo. 99.845(2)(a))*

## BASE EQUALIZED ASSESSED VALUATION

The initial assessed valuation for the Area has been certified by the County Assessor to be \$52,430. A copy of the certification is included in the Appendix.

## REAL PROPERTY TAX RATE

The real property tax levies of the various taxing districts that comprise the real property tax rate are detailed in **Table 4 – 2021 Property Tax Rate Information**. The State of Missouri Blind Pension Fund Tax and the Merchant's and Manufacturer's Replacement Tax, also known as the Commercial Surcharge, are not subject to capture by TIF per the TIF Act.

*Table 4 – 2021 Property Tax Rate Information*

### 2021 Real Property Tax Rates per \$100 <sup>1</sup>

Smithville Commons Redevelopment Area  
Smithville, MO

Jurisdiction	Current Property Tax Rate Subject to Capture by TIF (\$100)	Current Property Tax Rate (\$100)
Clay County Services	\$ 0.001462	\$ 0.001462
Clay County Development Services	\$ 0.001028	\$ 0.001028
Clay County Health	\$ 0.000857	\$ 0.000857
Clay County Mental Health	\$ 0.000857	\$ 0.000857
Northland Regional Ambulance District	\$ 0.003940	\$ 0.003940
Mid-Continent Public Library	\$ 0.003153	\$ 0.003468
Smithville	\$ 0.004126	\$ 0.004126
Smithville Fire District #1	\$ 0.004906	\$ 0.007769
Smithville School District	\$ 0.048404	\$ 0.048404
<b>Total Tax Rate for TIF</b>	<b>\$ 0.068733</b>	<b>\$ 0.071911</b>

Source: City of Smithville

<sup>1</sup> Actual tax rates will vary from year-to-year.

The property tax rates may be adjusted every year. Some adjustments are required to ensure compliance with the Missouri Constitution, which limits the amount of increase in tax levies (not including taxes from new construction) that may occur without voter approval. While any future adjustments that may occur are unknown (including an increase due to voter approval or decrease due to constitutional requirements or otherwise), the 2021 real property tax rate is used to project future property tax revenues. Real property tax rates are certified in the fall of each tax year. Additionally, additional revenues directly attributable to a voter-approved increase to a taxing district's real property tax rate are not considered PILOTs and not subject to capture by the TIF without the consent of such taxing district. Voter approved increases to the Mid-Continent Library and the Smithville Fire District #1 are not included.

Further, the Smithville School District receives a capital contribution of 60% of the increment derived from their real property tax rate. 40% of the increment flows into the Special Allocation Fund for payment of project costs pursuant to the Redevelopment Agreement. Both the Northland Regional Ambulance District and the Smithville Fire District #1 receive a reimbursement rate of 75% of the increment derived from their respective real property

tax rate pursuant to the TIF Act, with 25% of the respective increment flows into the Special Allocation Fund available for payment of project costs pursuant to the Redevelopment Agreement.

## REAL PROPERTY TAX (PILOTS) REVENUE PROJECTIONS

**Table 5**, below, shows estimated assessed values. These values are based on a review of existing property values within the Area as well as comparable retail properties in Clay County.

*Table 5 – Property Values*

ParcelID	Use	2021 Appraised Value	2021 Assessed Value	Estimated 2022 Appraised Value	Estimated 2022 Assessed Value
5802000100200	Vacant Land	\$ 738,400	\$ 88,610	\$ 738,400	\$ 88,610
5802000100205	Vacant Land	\$ 548,600	\$ 175,550	\$ 548,600	\$ 175,550
5802000100206	Commercial Site	\$ 1,456,800	\$ 466,180	\$ 1,456,800	\$ 466,180
5802000100207	Price Chopper	\$ 8,330,600	\$ 2,665,790	\$ 8,330,600	\$ 2,665,790
5802000100209	Vacant Land	\$ 600	\$ 70	\$ 600	\$ 70
5802000100208	Porters Ace Hardware	\$ 1,787,100	\$ 571,870	\$ 1,787,100	\$ 571,870
5802000100401	Vacant Land	\$ 46,300	\$ 5,560	\$ 46,300	\$ 5,560
5802000100210	Retail (includes Dominoes)	\$ 309,600	\$ 99,070	\$ 309,600	\$ 99,070
5802000100201	Scooter's Coffeehouse	\$ 369,800	\$ 118,340	\$ 369,800	\$ 118,340
5802000100202	Taco Bell	\$ 927,500	\$ 296,800	\$ 927,500	\$ 296,800
5802000100204	Burger King	\$ 458,100	\$ 146,590	\$ 927,500	\$ 296,800
<b>Totals</b>		<b>\$14,973,400</b>	<b>\$4,634,430</b>	<b>\$15,442,800</b>	<b>\$4,784,640</b>

For the purposes of this analysis, the total market value of the Area is assumed to grow at a rate of three percent (3%) each reassessment year. Reassessment occurs every odd-numbered calendar year. New construction, however, is assessed in the year following completion. Detailed projections of PILOT revenues are shown on **Table 6 - Projection of Incremental Real Property Taxes (PILOTS)**, on the following page.

Table 6 – Projection of Incremental Property Taxes (PILOTs)

Revenue Sources	Prog. Yr.	Projected Revenues by Year in Dollars									
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
		4	5	6	7	8	9	10	11	12	13
<b>Estimated Real Property Values and Tax Revenues</b>											
Total Market Value		\$ 14,973,400	\$ 15,442,800	\$ 15,906,084	\$ 15,906,084	\$ 16,383,267	\$ 16,383,267	\$ 16,874,765	\$ 16,874,765	\$ 17,381,007	\$ 17,381,007
Total Assessed Value		\$ 4,791,488	\$ 4,941,696	\$ 5,089,947	\$ 5,089,947	\$ 5,242,645	\$ 5,242,645	\$ 5,399,925	\$ 5,399,925	\$ 5,561,922	\$ 5,561,922
Estimated Base EAV		\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430
Estimated Incremental Assessed Value		\$ 4,739,058	\$ 4,889,266	\$ 5,037,517	\$ 5,037,517	\$ 5,190,215	\$ 5,190,215	\$ 5,347,495	\$ 5,347,495	\$ 5,509,492	\$ 5,509,492
Total Taxes Paid on Total Assessed Value (Full Rates)		\$ 345,998	\$ 356,845	\$ 367,550	\$ 367,550	\$ 378,577	\$ 378,577	\$ 389,934	\$ 389,934	\$ 401,632	\$ 401,632
Taxes Paid on Total Assessed Value (TIF Rate)		\$ 329,333	\$ 339,658	\$ 349,847	\$ 349,847	\$ 360,343	\$ 360,343	\$ 371,153	\$ 371,153	\$ 382,288	\$ 382,288
Taxes Paid on Estimated Base EAV (TIF Rate)		\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604
40% of School District PILOTs		\$ 91,756	\$ 94,664	\$ 97,534	\$ 97,534	\$ 100,491	\$ 100,491	\$ 103,536	\$ 103,536	\$ 106,673	\$ 106,673
75% of Ambulance District PILOTs		\$ 14,004	\$ 14,448	\$ 14,886	\$ 14,886	\$ 15,337	\$ 15,337	\$ 15,802	\$ 15,802	\$ 16,281	\$ 16,281
75% of Fire Protection District PILOTs		\$ 17,437	\$ 17,990	\$ 18,536	\$ 18,536	\$ 19,097	\$ 19,097	\$ 19,676	\$ 19,676	\$ 20,272	\$ 20,272
<b>Estimated Total Available PILOTs</b>		<b>\$ 202,533</b>	<b>\$ 208,952</b>	<b>\$ 215,288</b>	<b>\$ 215,288</b>	<b>\$ 221,814</b>	<b>\$ 221,814</b>	<b>\$ 228,535</b>	<b>\$ 228,535</b>	<b>\$ 235,459</b>	<b>\$ 235,459</b>

Revenue Sources	Prog. Yr.	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
		14	15	16	17	18	19	20	21	22	23
<b>Estimated Real Property Values and Tax Revenues</b>											
Total Market Value		\$ 17,902,438	\$ 17,902,438	\$ 18,439,511	\$ 18,439,511	\$ 18,992,696	\$ 18,992,696	\$ 19,562,477	\$ 19,562,477	\$ 20,149,351	\$ 20,753,832
Total Assessed Value		\$ 5,728,780	\$ 5,728,780	\$ 5,900,643	\$ 5,900,643	\$ 6,077,663	\$ 6,077,663	\$ 6,259,993	\$ 6,259,993	\$ 6,447,792	\$ 6,641,226
Estimated Base EAV		\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430	\$ 52,430
Estimated Incremental Assessed Value		\$ 5,676,350	\$ 5,676,350	\$ 5,848,213	\$ 5,848,213	\$ 6,025,233	\$ 6,025,233	\$ 6,207,563	\$ 6,207,563	\$ 6,395,362	\$ 6,588,796
Total Taxes Paid on Total Assessed Value (Full Rates)		\$ 413,681	\$ 413,681	\$ 426,091	\$ 426,091	\$ 438,874	\$ 438,874	\$ 452,040	\$ 452,040	\$ 465,602	\$ 479,570
Taxes Paid on Total Assessed Value (TIF Rate)		\$ 393,756	\$ 393,756	\$ 405,569	\$ 405,569	\$ 417,736	\$ 417,736	\$ 430,268	\$ 430,268	\$ 443,176	\$ 456,471
Taxes Paid on Estimated Base EAV (TIF Rate)		\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	\$ 3,604	
40% of School District PILOTs		\$ 109,903	\$ 109,903	\$ 113,231	\$ 113,231	\$ 116,658	\$ 116,658	\$ 120,188	\$ 120,188	\$ 123,824	
75% of Ambulance District PILOTs		\$ 16,774	\$ 16,774	\$ 17,281	\$ 17,281	\$ 17,805	\$ 17,805	\$ 18,343	\$ 18,343	\$ 18,898	
75% of Fire Protection District PILOTs		\$ 20,886	\$ 20,886	\$ 21,519	\$ 21,519	\$ 22,170	\$ 22,170	\$ 22,841	\$ 22,841	\$ 23,532	
<b>Estimated Total Available PILOTs</b>		<b>\$ 242,590</b>	<b>\$ 242,590</b>	<b>\$ 249,935</b>	<b>\$ 249,935</b>	<b>\$ 257,500</b>	<b>\$ 257,500</b>	<b>\$ 265,292</b>	<b>\$ 265,292</b>	<b>\$ 273,318</b>	

## SALES TAX COLLECTION

The State of Missouri's Department of Revenue ("MoDOR") collects and distributes all sales taxes. Each month (or quarterly or annually for smaller retailers), retailers report to MoDOR their total taxable sales for the prior month and pay their sales tax obligation according to the total sales tax rate in the area. In the month following the retailer's report, MoDOR remits to each affected taxing district the sales taxes owed less a one percent (1%) collection fee and a two percent (2%) timely payment discount. This process creates a lag of ninety days from the sale event to the deposit of sales taxes with each affected taxing district (e.g., Clay County, the CID, or the City) and then to the Special Allocation Fund.

## ECONOMIC ACTIVITY TAXES GENERATED BY THE DISTRICT

The TIF Act defines Economic Activity Taxes (EATs) as follows:

2. ...fifty percent of the total additional revenue from taxes imposed by the municipality, or other taxing district, which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotel and motels, licenses, fees or special assessments and personal property taxes, other than payments in lieu of taxes, shall be allocated to, and paid by the collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund. (R.S. Mo. 99.845).

Simply put, fifty percent (50%) of the economic activity taxes (in this case, retail sales taxes) that exceed the certified Economic Activity Tax Base are available for deposit into the Special Allocation Fund.

## BASE SALES TAXES

Clay County and the City have certified that the Economic Activity Tax Base is \$0 which figure is the total of the sales tax collections associated with the CID and other local sales taxes. The Developer shall make a payment to the City in an amount equal to the lesser of (1) the difference between (a) \$289,138.50 and (b) the sales tax revenues actually received by the City from all economic activity in Redevelopment Area in each applicable calendar year or (2) \$50,000, if the sales tax revenues received by the City from the economic activity within the Redevelopment Area for calendar year does not equal or exceed \$289,138.50.



## SALES TAX RATES

The following sales taxes are subject to capture for deposit into the special allocation fund for the TIF District include:

1. Clay County (0.875%) – County sales taxes captured by TIF are calculated as fifty percent (50%) of the effective 2017 sales tax rates imposed by the County. County sales taxes captured by TIF are comprised of County General Fund (0.75%) and County Law Enforcement Fund (0.125%). Sales taxes generated from the County Children's Services tax (0.25%) are not captured by TIF.
2. City of Smithville (1.5%) – City sales taxes captured by TIF are calculated as fifty percent of sales tax revenues collect from the 1.5 percent sales tax rate which is comprised of the City General Fund (1%) and City Transportation Sales Tax Fund (0.5%). Sales taxes generated from the City's Capital Improvement Sales Tax (0.5%) and Park and Stormwater Sales Tax (0.5%) are not captured by TIF.
3. Smithville Area Fire Protection (0.5%) – Fire district sales taxes captured by TIF are calculated as twenty-five percent (25%) of the fire district's 0.5% sales tax rate.
4. Kansas City Zoological District (0.125%)
5. Smithville Commons CID Sales Tax (1%)

TIF sales tax collections end on October 2, 2040.

## PROJECTED ECONOMIC ACTIVITY TAXES (EATs) REVENUES FOR TIF

Detailed projections of estimated sales tax revenues captured by TIF are shown on **Tables 7A, 7B, and 7C – Projection of Estimated Incremental Retail Sales and Sales Tax Revenues**, on the following page.

**Table 7A** shows estimated incremental retail sales generated the Project. Based on these estimates of incremental retail sales, **Table 7B** shows the estimated gross sales tax revenues to be generated for local taxing districts by the Project's projected retail sales. **Table 7C** shows a projection of the total estimated incremental EATs sales tax revenues generated by the Project for TIF. EATs sale tax revenues for TIF are calculated as described in the previous section, *Sales Tax Rates*.

Table 7A, 7B, and 7C – Projection of Estimated Incremental Retail Sales and Sales Tax Revenues

Table 7A - Estimated Incremental Taxable Sales Retail Sales

Estimated Taxable Sales Volume	Estimated Retail Sales	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
		\$ 36,592,500	\$ 38,068,575	\$ 39,577,232	\$ 41,899,449	\$ 43,476,233	\$ 44,780,520	\$ 45,676,130	\$ 46,589,653	\$ 47,521,446	\$ 48,471,875	\$ 49,441,312	\$ 50,430,138	\$ 51,438,741	\$ 52,467,516	\$ 53,516,866	\$ 54,587,204	\$ 55,678,948	\$ 56,792,527	\$ 57,928,377	\$ 59,086,945	\$ 60,268,684	\$ 61,474,057

Table 7B - Estimated Gross Total Local Sales Taxes

Local Sales Taxes	Rates	Projected Revenues by Year in Dollars																					
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
County General Fund	0.750%	\$ 266,210	\$ 276,949	\$ 287,924	\$ 304,818	\$ 316,290	\$ 325,778	\$ 332,294	\$ 338,940	\$ 345,719	\$ 352,633	\$ 359,686	\$ 366,879	\$ 374,217	\$ 381,701	\$ 389,335	\$ 397,122	\$ 405,064	\$ 413,166	\$ 421,429	\$ 429,858	\$ 438,455	\$ 447,224
County Childrens Services	0.250%	\$ 88,737	\$ 92,316	\$ 95,975	\$ 101,606	\$ 105,430	\$ 108,593	\$ 110,765	\$ 112,980	\$ 115,240	\$ 117,544	\$ 119,895	\$ 122,293	\$ 124,739	\$ 127,234	\$ 129,778	\$ 132,374	\$ 135,021	\$ 137,722	\$ 140,476	\$ 143,286	\$ 146,152	\$ 149,075
County Law Enforcement Fund (Public Safety)	0.125%	\$ 44,368	\$ 46,158	\$ 47,987	\$ 50,803	\$ 52,715	\$ 54,296	\$ 55,382	\$ 56,490	\$ 57,620	\$ 58,772	\$ 59,948	\$ 61,147	\$ 62,369	\$ 63,617	\$ 64,889	\$ 66,187	\$ 67,511	\$ 68,861	\$ 70,238	\$ 71,643	\$ 73,076	\$ 74,537
City General Fund	1.000%	\$ 354,947	\$ 369,265	\$ 383,899	\$ 406,425	\$ 421,719	\$ 434,371	\$ 443,058	\$ 451,920	\$ 460,958	\$ 470,177	\$ 479,581	\$ 489,172	\$ 498,956	\$ 508,935	\$ 519,114	\$ 529,496	\$ 540,086	\$ 550,888	\$ 561,905	\$ 573,143	\$ 584,606	\$ 596,298
City Transportation Sales Tax Fund	0.500%	\$ 177,474	\$ 184,633	\$ 191,950	\$ 203,212	\$ 210,860	\$ 217,186	\$ 221,529	\$ 225,960	\$ 230,479	\$ 235,089	\$ 239,790	\$ 244,586	\$ 249,478	\$ 254,467	\$ 259,557	\$ 264,748	\$ 270,043	\$ 275,444	\$ 280,953	\$ 286,572	\$ 292,303	\$ 298,149
City Capital Improvement Sales Tax	0.500%	\$ 177,474	\$ 184,633	\$ 191,950	\$ 203,212	\$ 210,860	\$ 217,186	\$ 221,529	\$ 225,960	\$ 230,479	\$ 235,089	\$ 239,790	\$ 244,586	\$ 249,478	\$ 254,467	\$ 259,557	\$ 264,748	\$ 270,043	\$ 275,444	\$ 280,953	\$ 286,572	\$ 292,303	\$ 298,149
City Park and Stormwater Sales Tax	0.500%	\$ 177,474	\$ 184,633	\$ 191,950	\$ 203,212	\$ 210,860	\$ 217,186	\$ 221,529	\$ 225,960	\$ 230,479	\$ 235,089	\$ 239,790	\$ 244,586	\$ 249,478	\$ 254,467	\$ 259,557	\$ 264,748	\$ 270,043	\$ 275,444	\$ 280,953	\$ 286,572	\$ 292,303	\$ 298,149
Smithville Area Fire Protection	0.500%	\$ 177,474	\$ 184,633	\$ 191,950	\$ 203,212	\$ 210,860	\$ 217,186	\$ 221,529	\$ 225,960	\$ 230,479	\$ 235,089	\$ 239,790	\$ 244,586	\$ 249,478	\$ 254,467	\$ 259,557	\$ 264,748	\$ 270,043	\$ 275,444	\$ 280,953	\$ 286,572	\$ 292,303	\$ 298,149
Kansas City Zoological District	0.125%	\$ 44,368	\$ 46,158	\$ 47,987	\$ 50,803	\$ 52,715	\$ 54,296	\$ 55,382	\$ 56,490	\$ 57,620	\$ 58,772	\$ 59,948	\$ 61,147	\$ 62,369	\$ 63,617	\$ 64,889	\$ 66,187	\$ 67,511	\$ 68,861	\$ 70,238	\$ 71,643	\$ 73,076	\$ 74,537
Smithville Commons CID	1.000%	\$ 354,947	\$ 369,265	\$ 383,899	\$ 406,425	\$ 421,719	\$ 434,371	\$ 443,058	\$ 451,920	\$ 460,958	\$ 470,177	\$ 479,581	\$ 489,172	\$ 498,956	\$ 508,935	\$ 519,114	\$ 529,496	\$ 540,086	\$ 550,888	\$ 561,905	\$ 573,143	\$ 584,606	\$ 596,298
<b>Total Estimated Gross Local Sales Taxes Generated</b>	<b>5.250%</b>	<b>\$ 1,863,473</b>	<b>\$ 1,938,642</b>	<b>\$ 2,015,471</b>	<b>\$ 2,133,729</b>	<b>\$ 2,214,027</b>	<b>\$ 2,280,448</b>	<b>\$ 2,326,057</b>	<b>\$ 2,372,578</b>	<b>\$ 2,420,030</b>	<b>\$ 2,468,430</b>	<b>\$ 2,517,799</b>	<b>\$ 2,568,155</b>	<b>\$ 2,619,518</b>	<b>\$ 2,671,908</b>	<b>\$ 2,725,346</b>	<b>\$ 2,779,853</b>	<b>\$ 2,835,450</b>	<b>\$ 2,892,159</b>	<b>\$ 2,950,003</b>	<b>\$ 3,009,003</b>	<b>\$ 3,069,183</b>	<b>\$ 3,130,566</b>

Table 7C - Estimated Incremental Sales Taxes Captured by TIF

EATs Sales Taxes for TIF	Rates	Projected Revenues by Year in Dollars																					
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
County General Fund	0.750%	\$ 133,105	\$ 138,474	\$ 143,962	\$ 152,409	\$ 158,145	\$ 162,889	\$ 166,147	\$ 169,470	\$ 172,859	\$ 176,316	\$ 179,843	\$ 183,440	\$ 187,108	\$ 190,851	\$ 194,668	\$ 198,561	\$ 202,532	\$ 206,583	\$ 210,714	\$ 214,929	\$ 219,227	\$ 223,612
County Law Enforcement Fund (Public Safety)	0.125%	\$ 22,184	\$ 23,079	\$ 23,994	\$ 25,402	\$ 26,357	\$ 27,148	\$ 27,691	\$ 28,245	\$ 28,810	\$ 29,386	\$ 29,974	\$ 30,573	\$ 31,185	\$ 31,808	\$ 32,445	\$ 33,093	\$ 33,755	\$ 34,430	\$ 35,119	\$ 35,821	\$ 36,538	\$ 37,269
City General Fund	1.000%	\$ 177,474	\$ 184,633	\$ 191,950	\$ 203,212	\$ 210,860	\$ 217,186	\$ 221,529	\$ 225,960	\$ 230,479	\$ 235,089	\$ 239,790	\$ 244,586	\$ 249,478	\$ 254,467	\$ 259,557	\$ 264,748	\$ 270,043	\$ 275,444	\$ 280,953	\$ 286,572	\$ 292,303	\$ 298,149
City Transportation Sales Tax Fund	0.500%	\$ 88,737	\$ 92,316	\$ 95,975	\$ 101,606	\$ 105,430	\$ 108,593	\$ 110,765	\$ 112,980	\$ 115,240	\$ 117,544	\$ 119,895	\$ 122,293	\$ 124,739	\$ 127,234	\$ 129,778	\$ 132,374	\$ 135,021	\$ 137,722	\$ 140,476	\$ 143,286	\$ 146,152	\$ 149,075
Smithville Area Fire Protection *	0.500%	\$ 44,368	\$ 46,158	\$ 47,987	\$ 50,803	\$ 52,715	\$ 54,296	\$ 55,382	\$ 56,490	\$ 57,620	\$ 58,772	\$ 59,948	\$ 61,147	\$ 62,369	\$ 63,617	\$ 64,889	\$ 66,187	\$ 67,511	\$ 68,861	\$ 70,238	\$ 71,643	\$ 73,076	\$ 74,537
Kansas City Zoological District	0.125%	\$ 22,184	\$ 23,079	\$ 23,994	\$ 25,402	\$ 26,357	\$ 27,148	\$ 27,691	\$ 28,245	\$ 28,810	\$ 29,386	\$ 29,974	\$ 30,573	\$ 31,185	\$ 31,808	\$ 32,445	\$ 33,093	\$ 33,755	\$ 34,430	\$ 35,119	\$ 35,821	\$ 36,538	\$ 37,269
Smithville Commons CID	1.000%	\$ 177,474	\$ 184,633	\$ 191,950	\$ 203,212	\$ 210,860	\$ 217,186	\$ 221,529	\$ 225,960	\$ 230,479	\$ 235,089	\$ 239,790	\$ 244,586	\$ 249,478	\$ 254,467	\$ 259,557	\$ 264,748	\$ 270,043	\$ 275,444	\$ 280,953	\$ 286,572	\$ 292,303	\$ 298,149
<b>Total Estimated EATs Sales Taxes for TIF</b>	<b>4.000%</b>	<b>\$ 665,526</b>	<b>\$ 692,372</b>	<b>\$ 719,811</b>	<b>\$ 762,046</b>	<b>\$ 790,724</b>	<b>\$ 814,446</b>	<b>\$ 830,735</b>	<b>\$ 847,349</b>	<b>\$ 864,296</b>	<b>\$ 881,582</b>	<b>\$ 899,214</b>	<b>\$ 917,198</b>	<b>\$ 935,542</b>	<b>\$ 954,253</b>	<b>\$ 973,338</b>	<b>\$ 992,805</b>	<b>\$ 1,012,661</b>	<b>\$ 1,032,914</b>	<b>\$ 1,053,572</b>	<b>\$ 1,074,644</b>	<b>\$ 1,096,137</b>	<b>\$ 1,118,059</b>

\* Smithville Area Fire Protection receives 75% of the incremental sales taxes generated by their sales tax levy and, as a result, 25% of this jurisdiction's incremental sales taxes are subject to capture by TIF.

## PROJECTED TOTAL REVENUES

No private independent market study has been prepared or provided to PGAV. Assumptions have been made regarding the performance of existing and contemplated retail uses. The actual tax revenues generated will vary from these projections.

The sales figures used in this document reflect taxable sales only. Pharmaceutical sales and SNAP food stamp sales are not subject to sales tax, and therefore we have not included these sales in our projections. Retail sales are estimated to grow at a rate of one percent (1%) on an average annual basis after stabilization. Stabilization occurs at a retailer after a maturation period, which occurs in the retail stores early life. Typically, over the first two or three years of a retailer store's operations, sales volume increases steadily, and at rates of 10% or more. After this initial period, sales "stabilize" or reach a relatively level sales volume that grows more slowly, or gradually, over time.

Projections of growth in assessed value are based on our firm's observations of changes in assessed valuations and tax rates associated with similar commercial retail property over time. Our firm's observation is that a well-maintained commercial retail center with low vacancy will experience increases in the property tax bill associated with such a property at an average rate of 1.5% each year. Since future changes in tax rates are difficult to predict with any degree of certainty, our estimates of growth in real property tax revenue rely on the reassessment schedule (every odd year in Missouri) since we know that the assessment may change every odd year.

**Table 8 – Revenue Projection Summary**, below, shows the total projected PILOTs and Sales Tax Revenues estimated to be available for the repayment of the Bonds. Estimated revenues generated from PILOTs totals \$4.3 million. This figure is calculated as the sum of estimated annual PILOT revenues shown in **Table 6 - Projection of Incremental Property Taxes (PILOTs)**. Estimated Incremental EATs for TIF totals \$16.6 million. This figure is calculated as the sum of the estimated annual EATs sales tax revenues as shown in **Tables 7C – Projection of Incremental EATs for TIF**. “Bottom-Half CID Sales Tax Not Captured by TIF” totals \$4.4 million. This figure is calculated as 50 percent of the total estimated incremental CID sales taxes generated as shown in **Table 7B – Estimated Gross Total Local Sales Taxes**. The Smithville Commons Redevelopment Area is estimated to generate a total of \$25.3 million over the remaining life of the TIF district for repayment of bonds.

Table 8 – Revenue Projection Summary

Revenue Projections Summary Smithville Commons Redevelopment Area Smithville, MO				
Year	Estimated PILOTs	Estimated Incremental EATs for TIF	Bottom-Half CID Sales Tax Not Captured by TIF	Total Revenues
2022	\$ 208,952	\$ 665,526	\$ 177,474	\$ 1,051,952
2023	\$ 215,288	\$ 692,372	\$ 184,633	\$ 1,092,293
2024	\$ 215,288	\$ 719,811	\$ 191,950	\$ 1,127,048
2025	\$ 221,814	\$ 762,046	\$ 203,212	\$ 1,187,072
2026	\$ 221,814	\$ 790,724	\$ 210,860	\$ 1,223,397
2027	\$ 228,535	\$ 814,446	\$ 217,186	\$ 1,260,167
2028	\$ 228,535	\$ 830,735	\$ 221,529	\$ 1,280,799
2029	\$ 235,459	\$ 847,349	\$ 225,960	\$ 1,308,768
2030	\$ 235,459	\$ 864,296	\$ 230,479	\$ 1,330,234
2031	\$ 242,590	\$ 881,582	\$ 235,089	\$ 1,359,260
2032	\$ 242,590	\$ 899,214	\$ 239,790	\$ 1,381,594
2033	\$ 249,935	\$ 917,198	\$ 244,586	\$ 1,411,719
2034	\$ 249,935	\$ 935,542	\$ 249,478	\$ 1,434,955
2035	\$ 257,500	\$ 954,253	\$ 254,467	\$ 1,466,220
2036	\$ 257,500	\$ 973,338	\$ 259,557	\$ 1,490,395
2037	\$ 265,292	\$ 992,805	\$ 264,748	\$ 1,522,845
2038	\$ 265,292	\$ 1,012,661	\$ 270,043	\$ 1,547,996
2039	\$ 273,318	\$ 1,032,914	\$ 275,444	\$ 1,581,676
2040	\$ -	\$ 1,053,572	\$ 206,583	\$ 1,260,155
<b>TOTALS</b>	<b>\$ 4,315,093</b>	<b>\$ 16,640,385</b>	<b>\$ 4,363,066</b>	<b>\$ 25,318,544</b>

## BASIS FOR PROJECTIONS

This Report and the financial projections contained herein are based on estimates, assumptions, and information provided by the Developer and various other sources considered to be reliable. The Developer has provided PGAV information with respect to tenants that will engage in retail operations within the Area. PGAV has conducted independent research with respect to the economic characteristics of these tenants. PGAV neither verified nor audited the information that was provided by others. Information provided by others is assumed to be reliable, but PGAV assumes no responsibility for its accuracy or certainty. The analysis is based, in part, on assumptions and conditions provided by these various sources. PGAV believes that the assumptions used in this analysis constitute a reasonable basis for its preparation.

No professional standards or guidance relevant to the preparation of this Report exist or have been developed by any professional agency. The National Federation of Municipal Analysts has developed recommended guidelines for the production of expert work products such as this Report, and PGAV adheres to these guidelines in its work. PGAV has prepared this Report based on standards and methodology the firm has developed over the course of preparing hundreds of similar analyses of historical trends and projections of sales taxes associated with various types of taxing districts in support of bond financings throughout the country over the past 25 years.

PGAV's methodology for preparing this Report includes the review of economic and demographic data, both current and historic, in order to develop assumptions about future growth. In light of this information, PGAV develops reasonable assumptions about future growth and applies those assumptions to the projections of future revenue in this Report.

The projections presented in this document are forward-looking and involve certain assumptions and judgments regarding future events. Although the projections formulated in this Report are based on currently available information, they are also based on assumptions about the future state of the national and regional economy and the local real estate markets, as well as assumptions about future actions by various parties, which cannot be assured or guaranteed. The ability to achieve the results described herein depends on the timing and probability of a complex series of future events, both internal and external to the Redevelopment Project. Any event or action that alters an assumed event, assumption, or condition used to achieve the projections contained herein will cause a deviation from all financial projections contained in this analysis and may render them obsolete. These projections are not provided as predictions or assurances that a certain level of performance will be achieved or that certain events will occur. The actual results will vary from the projections described herein, and the variations may be material. Because the future is uncertain, there is risk associated with achieving the results projected. PGAV assumes no responsibility for any degree of risk involved. PGAV assumes no liability should market conditions change.

Accordingly, PGAV does not express an opinion as to whether or not the Redevelopment Project will achieve the results projected herein if economic, environmental, legislative, or physical events or conditions occur that would significantly affect the projected revenue streams. Specifically, there are a number of situations that could occur that would have major impacts on the revenue projections presented herein. Examples of events that could affect the projected availability of revenues include: changes in taxing provisions and/or market acceptance of commercial additions to the Redevelopment Project that affect the amount of sales tax revenues generated within the Redevelopment Project; and changes in legislation.

The terms of PGAV's engagement for this study do not provide for reporting on events subsequent to the date of this Report. Therefore, PGAV accepts no responsibility to either update or revise this Report subsequent to its issuance.

This Report is intended solely for the internal use of the County, the District, the City, the City's legal counsel, the City's financial advisor, bond underwriter, and its counsel, and bond counsel. Neither this Report nor its contents may be referred to or quoted, in whole or in part, for any purpose including, but not limited to, any official statement for a bond issue and consummation of a bond sale, any registration statement, prospectus, loan, or other agreement or document, without prior review and written approval by PGAV regarding any representations therein with respect to PGAV's organization and work product. Included in any offering statement must be a document signed by a representative of PGAV which document constitutes PGAV's written consent to this Report's use in such offering statement.

### **CONFLICTS OF INTEREST**

PGAV has no financial interest in the issuance and/or sale of the Bonds.

### **PAYMENT TO PGAV**

Payment to PGAV for the preparation of this Report is not contingent on the sale of the Bonds.

### **OTHER WORK FOR ISSUER OR DISTRICT**

PGAV has not conducted any work on behalf of the City or the Issuer in the prior five years.



## **SECTION 4 – CONDITIONS AND ASSUMPTIONS**

### **CONTINUED PUBLIC SUPPORT**

The successful ongoing administration of the statutory mechanisms generating revenues within the Area will require the commitment of the governing authority of the County and the City, property owner(s) and retailers. Likewise, it is assumed that the Missouri legislature will not make any future changes to State law or pass other legislation that will negatively affect economic development districts in existence prior to such changes or legislation.

### **COURT ACTION**

The results of future court decisions, unknown at this time, which could impact, either positively or negatively, the future performance of the Redevelopment Project as envisioned.

### **COMPETENT STAFF SUPPORT**

The future success of the Redevelopment Project will depend, to a great degree, on the presence of competent support on the part of the Trustee and the governing authority of the City, the County, and the District in order to adhere to schedules and to execute the administrative duties required to provide funds for debt payments.

### **NATURAL DISASTERS**

Future success of the retailers within the Redevelopment Project could be affected by fires, floods, storms, or other "acts of God," or civil unrest that could interrupt, halt or otherwise disturb commercial retail activity within the City.

### **ECONOMIC AND MARKET STABILITY**

National, regional, and local economic stability will need to prevail over the life of the Redevelopment Area and continue to support the need for retail uses at this location. In addition, prolonged labor strikes or terrorist attacks at the national, regional, or local level could adversely affect the business environment or business productivity at this location.

# APPENDIX

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**CITY OF SMITHVILLE, MISSOURI**

**and**

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

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**TRUST INDENTURE**

**Dated as of May 17, 2022**

**Relating to:**

**[\$[Principal Amount]  
City of Smithville, Missouri  
Tax Increment Revenue Bonds  
(Smithville Commons Project)  
Series 2022**

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## **TRUST INDENTURE**

**THIS TRUST INDENTURE** (the “Indenture”), made and entered into as of May \_\_, 2022, by and between the **CITY OF SMITVHILLE, MISSOURI**, a fourth-class city and political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the “City”), 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 out under the laws of the United States of America, and having a corporate trust office located in Kansas City, Missouri, as trustee (the “Trustee”);

### **RECITALS:**

**1.** The City is authorized and empowered under the Revised Statutes of Missouri, as amended, to issue bonds for the purpose of providing funds to finance the costs of certain redevelopment projects and to pay certain costs related to the issuance of such bonds.

**2.** A plan for redevelopment known as the “Smithville Commons Tax Increment Financing Plan” (the “Original Redevelopment Plan”), as amended by the First Amendment to the Smithville Commons Tax Increment Financing Plan (the “First Amended Plan,” together with the Original Redevelopment Plan, the “Redevelopment Plan”), for an area designated therein as the redevelopment area (the “Redevelopment Area”), as legally described in the Redevelopment Plan, has been prepared and reviewed by the Tax Increment Financing Commission of the City of Smithville, Missouri (the “Commission”) and the City, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “TIF Act”).

**3.** On August 1, 2017, the Board of Aldermen adopted (a) Ordinance No. 2969-17 (i) approving the Redevelopment Plan and finding the Redevelopment Area to be a “blighted area” within the meaning of the TIF Act and (ii) designating Development Associates Smithville, LLC, a Missouri limited liability company (the “Developer”), as the developer to implement the Redevelopment Projects of the Redevelopment Plan (as therein defined), (b) Ordinance No. 2971-17, authorizing the execution and delivery of a contract (the “Redevelopment Agreement”) between the City and the Developer, and (c) Ordinance No. 2972-17 authorizing the execution and delivery of a Reimbursement Agreement with the Northland Regional Ambulance District and a Reimbursement Agreement with the Smithville Area Fire Protection District to provide for the reimbursement of revenues to the respective taxing jurisdiction (the “Reimbursement Agreements”).

**4.** On October 3, 2017, the Board of Aldermen adopted Ordinance No. 2970-17 which approved and designated an area (the “Redevelopment Project”) within the Redevelopment Area for redevelopment contemplated as a commercial and retail development and adopted tax increment financing for the Redevelopment Project.

**5.** On November 21, 2017, the Board of Aldermen adopted Ordinance No. 2986-17 which approved the First Amended Plan and the First Amendment to the Redevelopment Agreement, which provided for an amended capital contribution to the Smithville School District.

**6.** The Smithville Commons Community Improvement District (the “District”) is authorized and empowered under the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the “CID Act”), to fund, promote, plan, design, construct, improve, maintain, and operate certain improvements, or to assist in any such activity. Pursuant to the CID Act, on August 1, 2017 Ordinance No. 2974-17 was approved by the Board of Aldermen creating the District for the purpose of funding certain improvements and services (the “CID Project”). The voters

of the District have approved the imposition of a sales tax at the rate of 1.0% for the purpose of paying the cost of the CID Project and financing the costs of formation and operation of the District.

7. The City has determined that it is in the best interests of the City to issue its Tax Increment Revenue Bonds (Smithville Commons Project) Series 2022, in the aggregate principal amount of \$[Principal Amount] (the “Bonds”), for the purpose of (a) financing certain Redevelopment Project Costs, (b) funding a debt service reserve for the Bonds, and (c) paying the costs of issuance of the Bonds.

8. On \_\_\_\_\_, 2022, the Board of Aldermen of the City adopted Ordinance No. \_\_\_\_\_ (the “Bond Ordinance”), authorizing the issuance of the Bonds pursuant to this Indenture for the above purposes.

9. Pursuant to the Bond Ordinance, the City is authorized to execute and deliver this Indenture and a Financing Agreement between the City and the District (the “Financing Agreement”) for the purpose of issuing and securing the Bonds as hereinafter provided.

10. All things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, legal and binding obligations of the City, and to constitute this Indenture a valid, legal and binding pledge and assignment of the property, rights, interests and revenues herein made for the security of the payment of the principal of and interest on the Bonds issued hereunder, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

#### **NOW THEREFORE, THIS INDENTURE WITNESSETH:**

#### **GRANTING CLAUSES**

That the City, 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 is hereby acknowledged, and in order to secure the payment of the principal of and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the City of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby transfer, pledge and assign, without recourse, 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 Net Revenues derived by the City under and pursuant to and subject to the provisions of the Redevelopment Agreement or otherwise (excluding the City’s rights to payment of its fees and expenses and to be indemnified in certain events) and the Pledged Revenues; and

(b) All moneys and securities from time to time held by the Trustee under the terms of this Indenture (except payments required to be made to meet the requirements of Section 148(f) of the Code, as defined below, whether or not held in the Rebate Fund, as defined below) 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 City 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/or 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, except as herein otherwise expressly provided;

**PROVIDED, NEVERTHELESS**, and these presents are upon the express condition, that if the City or its successors or assigns pays or causes to be paid the principal of such Bonds with interest, according to the provisions set forth in the Bonds, or provides 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 required for payment or redemption thereof when and as authorized by the provisions of **Article IX** hereof, and also pays or causes to be paid all other sums payable hereunder by the City, then these presents and the estate and rights hereby granted shall cease, terminate and become void; 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 City does hereby agree and covenant with the Trustee and with 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 elsewhere defined herein, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

**“Ambulance District”** means the Northland Regional Ambulance District and its successors and assigns.

**“Ambulance District PILOTS Reimbursement”** means 75% of the property taxes imposed by the Ambulance District and treated as Payments in Lieu of Taxes, which amount is paid to or retained by the Ambulance District pursuant to the Reimbursement Agreements.

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

**“Arbitrage Instructions”** means the investment restrictions related to the funds and accounts held by the Trustee contained in the Tax Compliance Agreement, as the same may be amended or supplemented in accordance with the provisions thereof.

**“Authorized City Representative”** means the Mayor, City Administrator or Assistant City Administrator, or such other Person at the time designated to act on behalf of the City as evidenced by

written certificate furnished to the Trustee containing the specimen signature of such Person and signed on behalf of the City by its Mayor. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized City Representative.

**“Authorized Denominations”** means \$100,000 or any integral multiple of \$5,000 in excess thereof or, if the Outstanding principal amount of the Bonds is less than \$100,000, an amount equal to the Outstanding principal amount of the Bonds.\$5,000 or any integral multiple thereof.

**“Authorized District Representative”** means the authorized representative of the District designated to act on behalf of the District as evidenced by a written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the District by its chief executive officer.

**“Authorized Developer Representative”** means the managing member of the Developer, or such other person at the time designated to act on behalf of the Developer as evidenced by a written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Developer by its authorized member.

**“Bonds”** means the Tax Increment Revenue Bonds (Smithville Commons Project) Series 2022 issued under this Indenture.

**“Bond Counsel”** means Gilmore & Bell, P.C. or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing and experienced in matters relating to the tax exemption of interest payable on obligations of states and their instrumentalities and political subdivisions, and which is selected by the City and acceptable to the Trustee.

**“Bond Ordinance”** means Ordinance No. \_\_\_\_\_ of the City adopted on \_\_\_\_\_, 2022, authorizing the execution and delivery of this Indenture and the Financing Documents, and the issuance of the Bonds.

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

**“Business Day”** means any day other than a Saturday, Sunday or any other day on which banking institutions in the city in which the corporate trust office of the Trustee is located are required or authorized by law to close.

**“Cede & Co.”** means Cede & Co., as nominee of The Depository Trust Company, New York, New York, or any successor nominee of the Securities Depository with respect to the Bonds.

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

**“CID Agreement”** means the Cooperative Agreement among the City, the District and the Developer dated as of July 16, 2019.

**“CID Operating Costs”** means the actual, reasonable expenses which are reasonably necessary for the operation of the District which shall include, but is not limited to, costs associated with notices, publications, meetings, supplies, equipment, photocopying, insurance, the engagement of special legal counsel, financial auditing services, and other consultants or services including companies engaged by the District (or the City on behalf of the District) to review applications for reimbursement for payment of

District improvement costs, and shall also include reasonable attorneys' fees for the formation of the District.

**"CID Revenues"** means the revenues received by the District from the 1% sales tax imposed by the District within its boundaries and within the Redevelopment Project **exclusive** of (a) the District's CID Operating Costs to be paid from CID Revenues other than the Economic Activity Tax Revenues derived from the CID sales tax, (b) Economic Activity Tax Revenues derived from the CID sales tax, and (c) the administrative fee retained by the City in the amount of 1% of all revenues received by the District from such sales tax imposed by the District to be paid from CID Revenues other than the Economic Activity Tax Revenues derived from the CID sales tax.

**"City"** means the City of Smithville, Missouri, a fourth-class city and political subdivision of the State.

**"City Administrative Fee"** means all documented costs and expenses reasonably incurred by the City for planning, legal, financial, administrative and other costs associated with the review, consideration, approval and implementation of the Redevelopment Plan, including the Redevelopment Project and the Redevelopment Agreement, plus 1% of the total revenues distributed to the District.

**"Code"** means the Internal Revenue Code of 1986, as amended, and the applicable regulations, temporary regulations and proposed regulations thereunder.

**"Debt Service Fund"** means the fund by that name created in **Section 401** hereof.

**"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 interest 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.

**"Debt Service Reserve Fund"** means the fund by that name created in **Section 401** hereof.

**"Debt Service Reserve Requirement"** means (1) with respect to the Bond Proceeds Account, the sum of \$\_\_\_\_\_ to be deposited into the Bond Proceeds Account of the Debt Service Reserve Fund for the Bonds, which is a sum, at the date of original issuance and delivery of the Bonds, is not greater than the least of (A) **10%** of the original aggregate principal amount of the Bonds, (B) the maximum annual Debt Service Requirements on the Bonds in any future fiscal year following such date, or (C) **125%** of the average future annual Debt Service Requirements on the Bonds, plus (2) with respect to the Business Interruption Account, the sum of \$\_\_\_\_\_ to be deposited into the Business Interruption Account of the Debt Service Reserve Fund.

**"Developer"** or **"Redeveloper"** means Development Associates Smithville, LLC, a Missouri limited liability company, and any successors or assigns thereto permitted under the Redevelopment Agreement.

**"District"** means the Smithville Commons Community Improvement District and its successors and assigns.

**"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 Project over the amount of such taxes generated by economic activities within the Redevelopment Project in the calendar year ending December 31, 2016, 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, and taxes levied for the purpose of public transportation pursuant to Section 94.660, RSMo., excluding the Fire District EATs Reimbursement, and excluding the Grocery Store Sales Tax Payment.

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

**“Extraordinary Expense Fund”** means the fund by that name created in Section 401.

**“Financing Agreement”** means the Financing Agreement between the City and the District related to the Bonds, as amended from time to time.

**“Financing Documents”** means this Indenture, the Financing Agreement, the Redevelopment Agreement, the Tax Compliance Agreement, the CID Agreement, the Reimbursement Agreements, the Private Placement Agreement and any other documents entered into in connection with the issuance of the Bonds or the payment thereof.

**“Fire District”** means the Smithville Area Fire Protection District.

**“Fire District EATs Reimbursement”** means 75% of the sales taxes collected by the Fire District from all Fire District sales tax revenues from within the Redevelopment Area while tax increment financing is in effect in such area, which amount is retained by the Fire District pursuant to the Reimbursement Agreements.

**“Fire District PILOTS Reimbursement”** means 75% of the property taxes collected by the Fire District and treated as Payments in Lieu of Taxes, which amount is paid to the Fire District by the City pursuant to the Reimbursement Agreements.

**“First Amended Plan”** means the First Amendment to the Smithville Commons Tax Increment Financing Plan.

**“First Amendment to the Redevelopment Agreement”** means the First Amendment to the Tax Increment Financing Agreement Between the City of Smithville and Development Associates Smithville, LLC dated November 21, 2017.

**“Fiscal Year”** means the fiscal year adopted by the City for accounting purposes, which as of the execution of this Indenture commences on November 1 and ends October 31.

**“Force Majeure”** means strikes, lockouts, other labor or industrial disturbances, civil disturbances, future valid orders of any governmental authorities, act of the public enemy, war, riot, sabotage, blockade, embargo, failure or inability to secure material or labor by reason of priority or similar regulation or orders of any governmental authorities, lightning, earthquake, fire, storm, hurricane, pandemic, flood, washout, explosion, act of God, or any other similar cause beyond the reasonable control of the Developer.

**“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 and backed by the full faith and credit thereof.



**“Grocery Store Sales Tax Payment”** means a payment from the Developer to the City in an amount equal to the lesser of (1) the difference between (a) \$289,138.50 and (b) the sales tax revenues actually received by the City from all economic activity in the Redevelopment Area in the applicable calendar year or (2) \$50,000, if the sales tax revenues received by the City from the economic activity within the Redevelopment Area for a calendar year does not equal or exceed \$289,138.50, as described in the Redevelopment Agreement.

**“Immediate Notice”** means notice given no later than the close of business on the date required by the provisions of this Indenture by telegram, telex, telecopier or other telecommunication device to such phone numbers or addresses as are specified in **Section 1102** hereof or such other phone number or address as the addressee shall have directed in writing, the receipt of which is confirmed by telephone, promptly followed by written notice by first-class mail, postage prepaid to such addressees.

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

- (a) Government Securities;
- (b) bonds, notes or other obligations of the State, or any political subdivision of the State, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;
- (c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, that are continuously and fully secured by any one or more of the securities described in clause (a), (b) or (d) and have a market value at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the City;
- (d) obligations of Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks and Farm Service Agency;
- (e) certificates of deposit, U.S. dollar denominated deposit accounts or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, provided that such certificates of deposit or time deposits 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 (d) above, inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit or time deposits;
- (f) money market mutual funds that are invested in Government Securities; and
- (g) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State.

**“Letter of Representations”** means, collectively, the blanket letters from the City and the Trustee to the Securities Depository representing the matters necessary to qualify the Bonds pursuant to **Section 208**.

**“Net Revenues”** means (a) all moneys on deposit (including investment earnings thereon) in the PILOTS Account of the Special Allocation Fund but excluding the Ambulance District PILOTS Reimbursement, the Fire District PILOTS Reimbursement, the School District PILOTS Reimbursement and the City Administrative Fee, (b) subject to annual appropriation by the City, all moneys on deposit (including investment earnings thereon) in the Economic Activity Tax Account of the Special Allocation Fund, but excluding the Fire District EATs Reimbursement, the Grocery Store Sales Tax Payment and the City Administrative Fee determined based on the amount of Economic Activity Tax Revenues, and (c) subject to annual appropriation by the District, all CID Revenues (including investment earnings thereon) paid by or on behalf of the District to the Trustee as provided in **Section 401** herein. Net 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 which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum until such suit or claim is resolved in favor of the City, (iii) any amounts set aside in escrow pursuant to State law that the City reasonably believes were collected and/or paid to the City erroneously.

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

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

- (a) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;
- (b) Bonds which are deemed to have been paid in accordance with **Section 902** hereof;
- (c) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in **Section 206** hereof; and
- (d) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

**“Owner”** or **“Bondowner”** or **“Registered Owner”** means the Person in whose name any Bond is registered on the Register.

**“Paying Agent”** means the Trustee and any other bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated by this Indenture as paying agent for the Bonds at which the principal of and interest on such Bonds shall be payable.

**“Payment Date”** means any date on which the principal of or interest on any Bonds is 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 Project over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project, as provided for by Section 99.845 of the TIF Act, excluding the Ambulance District PILOTS Reimbursement, the Fire District PILOTS Reimbursement and the School District PILOTS Reimbursement.

**“Person”** means any natural person, firm, partnership, association, corporation, limited liability company or public body.

**“Placement Agent”** means UMB Bank, N.A., Kansas City, Missouri.

**“Placement Agreement”** means the Private Placement Agreement among the City, the Developer and the Placement Agent related to the purchase and sale of the Bonds.

**“Pledged Revenues”** means all Net Revenues and all moneys held in the Project Fund, the Revenue Fund, the Debt Service Fund and the Debt Service Reserve Fund under this Indenture, together with investment earnings thereon.

**“Project”** means the construction of Project Improvements (as contemplated in the Redevelopment Agreement) in the City of Smithville, Missouri, as described on **Exhibit D** attached hereto.

**“Project Costs”** means the cost of the design and construction of the Project and other related costs of the Project.

**“Public Improvement Costs”** means all actual and reasonable costs and expenses which are incurred by or at the direction of the District with respect to the construction of District improvements, as described in the CID Agreement.

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

**“Record Date”** for the interest payable on any Payment Date means the 15<sup>th</sup> calendar day, whether or not a Business Day, of the month next preceding such Payment Date.

**“Redevelopment Agreement”** means the Tax Increment Redevelopment Agreement dated August 1, 2017 between the City and the Developer, as amended by the First Amendment to the Redevelopment Agreement.

**“Redevelopment Area”** means the area legally described in **Exhibit A** to the Redevelopment Agreement.

**“Redevelopment Plan”** means the Smithville Commons Tax Increment Financing Plan, as amended to date by the First Amended Plan and as it may be amended from time to time, as described in the recitals to this Indenture.

**“Redevelopment Project”** means the redevelopment project located within the Redevelopment Area as contemplated by the Redevelopment Agreement and the Redevelopment Plan.

**“Register”** means the registration books of the City kept by the Trustee to evidence the registration, transfer and exchange of Bonds.

**“Registrar”** means the Trustee when acting as such under this Indenture.

**“Reimbursable Project Cost”** means any cost for the Project pursuant to the Redevelopment Plan and the Redevelopment Agreement and, any Public Improvement Costs incurred by the Developer and approved by the City for reimbursement pursuant to the Redevelopment Plan and the Redevelopment Agreement.

**“Replacement Bonds”** means, if the City determines not to use the book-entry system of the Securities Depository pursuant to **Section 208**, one or more Bond certificates in principal amounts corresponding to the identifiable beneficial owners’ interests in the Bonds pursuant to the records of the Securities Depository.

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

**“Reimbursement Agreements”** means the Reimbursement Agreement (Northland Regional Ambulance District) between the City and the Ambulance District dated July 17, 2027 and the Reimbursement Agreement (Smithville Area Fire Protection District) between the City and the Fire District dated as of August 1, 2017.

**“Securities Depository”** means The Depository Trust Company, New York, New York, or any successor Securities Depository appointed pursuant to **Section 208**.

**“School District”** means the Smithville R-II School District of Clay County, Missouri.

**“School District PILOTS Reimbursement”** means 40% of the Payments in Lieu of Taxes received by the City that are attributable to ad valorem taxes imposed by the School District to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Project over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project, as provided for by Section 99.845 of the TIF Act, to be paid to the School District as reimbursement for capital improvement costs in accordance with the Redevelopment Agreement.

**“Special Allocation Fund”** means the Special Allocation Fund created within the Treasury of the City and ratified pursuant to **Section 401** herein and in accordance with Section 99.845 of the TIF Act and the TIF Ordinance for the projects within the Redevelopment Area, and within the Special Allocation Fund a PILOTS Account and an Economic Activity Tax Account.

**“State”** means the State of Missouri.

**“Supplemental Indenture”** means any indenture supplemental or amendatory to this Indenture entered into by the City and the Trustee pursuant to **Article X** hereof.

**“Tax Compliance Agreement”** means the Tax Compliance Agreement of even date herewith, between the City and the Trustee, as from time to time amended in accordance with the provisions thereof.

**“Taxing Districts”** means any political subdivision of the State having the power to levy taxes with boundaries in the Redevelopment Area.

**“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.

**“TIF Ordinance”** means Ordinance No. 2970-17 authorizing the adoption of tax increment financing within the Redevelopment Project.

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

**“Trustee”** means UMB Bank, N.A., Kansas City, Missouri, in its capacity as trustee hereunder, and its successor or successors and any other association or corporation which at any time may be substituted in its place pursuant to and at the time serving as trustee under this Indenture.

#### **Section 102. Rules of Construction.**

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, associations and corporations, including public bodies, as well as natural persons.

(c) The table of contents hereto and the headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

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

### **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. The total principal amount of the Bonds is limited to \$[Principal Amount].

(b) *Title of Bonds.* The general title of the Bonds authorized to be issued under this Indenture shall be “Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022.”

(c) *Form of Bonds.* The Bonds shall be substantially in the form set forth in **Exhibit A** attached hereto, 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 as fully registered Bonds in the Authorized Denominations.

(e) *Numbering.* Unless the City directs otherwise, the Bonds shall be numbered from R-1 upward.

(f) *Dating.* The Bonds shall be dated their date of delivery.

(g) *Method and Place of Payment.* The principal of 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 debts due the United States of America. Payment of the principal of or interest on any Bond shall be made (i) by check or draft of the Trustee mailed to the person in whose name such Bond is registered on the Register as of the close of business of the Trustee on the Record Date for such Payment Date or (ii) or in the case of a principal or interest payment to the Securities Depository or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice delivered to the Trustee not less than 5 days prior to the Record Date from and signed by such owner containing electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Owner wishes to have such transfer directed.

## **Section 202. Nature of Obligations.**

(a) The Bonds and the interest thereon shall be special, limited obligations of the City payable solely from the Pledged 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.

(b) The Bonds and the interest thereon do not constitute a debt of the City, the State or any political subdivision thereof, and do 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 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.

(c) 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 or upon any obligation, covenant or agreement contained in this Indenture, against any past, present or future elected official of the City or any trustee, officer, official, employee or agent of 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 member of the City, 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.

(d) **The obligations of the City with respect to the application of Economic Activity Tax Revenues and Payments in Lieu of Taxes to the repayment of the Bonds terminate on October 2, 2040, whether or not the principal amount thereof or interest thereon has been paid in full.**

## **Section 203. Execution, Authentication and Delivery of Bonds.**

(a) The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, and shall have the corporate seal of the City affixed thereto or imprinted thereon. If any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature 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 the Persons who, at the actual time of the execution of such Bond, are 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** hereto, 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 has 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 Registrar and as such shall keep the Register for the registration and for the transfer of Bonds as provided in this Indenture. Each Bond when issued shall be registered in the name of the Owner thereof on the Register.

(b) Any Bond may be transferred 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 his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the City 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 in any Authorized Denomination authorized by this Indenture. The Bonds may only be purchased by or transferred to Approved Investors.

(c) Any Bond, upon surrender thereof at the corporate trust office of the Trustee or such other payment office as the Trustee shall designate, together with an assignment duly executed by the Owner or his 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 Bonds of the same series and maturity, of any Authorized Denomination authorized by this Indenture, bearing interest at the same rate, and registered in the name of the Owner.

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

(e) No service charge shall be made for any registration, transfer or exchange of Bonds, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, and such charge shall be paid before any such new Bond shall be delivered. The fees and charges of the Trustee for making any transfer or exchange and the expense of any bond printing necessary to effect any such transfer or exchange shall be paid by the City. In the event any registered owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such registered owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such registered owner hereunder or under the Bonds.

(f) At reasonable times and under reasonable regulations established by the Trustee, the Register may be inspected and copied by the City 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.

(g) The Person in whose name any Bond is registered on the 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 interest on any such Bond shall be made only to or upon the order of the registered Owner thereof or his 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. Description of Bonds.**

(a) There shall be issued and secured by this Indenture the Bonds in an aggregate principal amount of \$[Principal Amount].

(b) 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 Payment Date to which interest has been paid or duly provided for, payable semiannually on June 1 and December 1 in each year, beginning on December 1, 2022.

**SERIAL BONDS**

<b><u>Maturity</u></b> <b><u>December 1</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>
2022	\$	%
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		

**TERM BONDS**

<b><u>Maturity</u></b> <b><u>December 1</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>
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(c) The Trustee is hereby designated as the Paying Agent for the payment of the principal of and interest on the Bonds.

(d) The Bonds shall be executed substantially in the form and manner set forth in **Exhibit A** attached hereto and delivered to the Trustee for authentication. Prior to or simultaneously with the authentication and delivery of the Bonds by the Trustee, there shall be filed with the Trustee the following:

(1) A copy of the Bond Ordinance, certified by the City Clerk of the City, approving the issuance of the Bonds and authorizing the execution of this Indenture and the other Financing Documents.

(2) An original executed counterpart of this Indenture and the other Financing Documents.

(3) An opinion of Bond Counsel to the effect that the Bonds constitute valid and legally binding obligations of the City and that the interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes.

(4) A copy of the Redevelopment Plan, certified by the City Clerk of the City.

(5) A request and authorization to the Trustee on behalf of the City, executed by an Authorized City Representative, to execute the Bonds, to deliver the Bonds as directed by the Placement Agent upon payment of the purchase price thereof. The Trustee shall be entitled to conclusively rely upon such request and authorization as to the name of the purchaser(s) and the amount of such purchase price.

(6) An opinion of Bond Counsel to the effect that the Bonds are exempt from registration under the Securities Act of 1933, as amended, and this Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(7) An executed investor letter in the form attached hereto as **Exhibit E** from each of the original purchasers of the Bonds.

(8) Such other certificates, statements, receipts, opinions and documents required by any of the foregoing documents or as the Trustee (or its counsel) or Bond Counsel shall reasonably require for the delivery of the Bonds.

(e) When the documents mentioned in paragraph (d) of this Section have been filed with the Trustee, and when the Bonds have been executed and authenticated as required by this Indenture, the Trustee shall deliver the Bonds as directed in writing by the Placement Agent, but only upon payment to the Trustee of the purchase price thereof.

**Section 206. Mutilated, Lost, Stolen or Destroyed Bonds.** If any Bond becomes mutilated or is lost, stolen or destroyed, the City 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, such mutilated Bond shall first be surrendered to the Trustee. 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 the City and the Trustee satisfactory to the Trustee to save and hold harmless both the Trustee and the City. If any such Bond has matured, is about to mature or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof. Upon the issuance of any substitute Bond, the City and the Trustee may require the payment of an amount by the Owner sufficient to reimburse the City 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 immediately canceled upon the

payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee and periodically destroyed by the Trustee in accordance with applicable record retention requirements. The Trustee shall, at their written request, execute a certificate describing the Bonds so canceled, and shall file an executed counterpart of such certificate with the City.

#### **Section 208. Book-Entry System.**

(a) The Bonds will initially be registered on the Register maintained by the Trustee in the name of Cede & Co., and beneficial owners will not receive certificates representing their respective interests in the Bonds, except if the Trustee issues Replacement Bonds as provided below. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among the participants in the Securities Depository (the “DTC Participants”) and receive and transmit notices with respect to, and payments of principal of and interest on, the Bonds until and unless the Trustee authenticates and delivers Replacement Bonds to the beneficial owners as described below.

(b) The Trustee agrees to give the various written notices to the Securities Depository in accordance with the Letter of Representations, including, without limitation, on or prior to each Payment Date a notice to the Securities Depository specifying the amounts of each payment on such Payment Date allocable to interest and to principal.

(c) If the Securities Depository determines to discontinue providing its services with respect to the Bonds and the City cannot obtain a qualified successor Securities Depository, or if DTC Participants holding a majority interest in the Bonds determine not to use the book-entry system of the Securities Depository, the City shall execute and the Trustee shall authenticate and deliver one or more Replacement Bonds to the DTC Participants in principal amounts corresponding to the identifiable beneficial owners’ interests in the Bonds. The Trustee may conclusively rely on information provided by the Securities Depository as to the identities and addresses of the DTC Participants and the beneficial owners and their interests in the Bonds. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository, or the Trustee as agent of the Securities Depository, has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable, with respect to such Replacement Bonds.

(d) If the Securities Depository resigns, is unable to properly discharge its responsibilities or is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation, the Trustee, with the written consent of the City, may appoint a successor Securities Depository, provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any successor Securities Depository must be a securities depository that is a registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation. Upon the appointment of a successor Securities Depository, the former Securities Depository will surrender the Bonds, together with assignments duly executed in accordance with the provisions of **Section 204**, to the Trustee for transfer to the successor Securities Depository, and the Trustee shall cause the authentication and delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein and as directed by the successor Securities Depository.

### **ARTICLE III**

#### **REDEMPTION OF BONDS**

**Section 301. Redemption of Bonds Generally.** The Bonds shall be subject to redemption prior to maturity in accordance with the terms and provisions set forth in this Article.

**Section 302. Redemption of Bonds.**

(a) *Optional Redemption.*

The Bonds are subject to optional redemption by the City in whole or in part at any time on or after December 1, 20\_\_\_\_, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Bonds maturing December 1, 20\_\_\_\_ and thereafter are subject to special mandatory redemption by the City in order of maturity on each December 1 commencing December 1, 20\_\_\_\_, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Bonds are subject to special mandatory redemption by the City, in whole but not in part, on any date in the event that moneys in the applicable account of the Debt Service Fund and the Debt Service Reserve Fund are sufficient to redeem all of the Bonds at a redemption price of 100% of such Bonds Outstanding, together with accrued interest thereon to the date fixed for redemption.

(c) *Mandatory Redemption.* The Bonds maturing December 1, \_\_\_\_ (the "Term Bonds") will be subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements set forth below at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The Trustee shall redeem on December 1 in each year, the following principal amounts of such Bonds:

**December 1**

**Amount**

\_\_\_\_\_  
\*Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the City may: (1) deliver to the Trustee for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Trustee funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof whereupon the Trustee shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the City under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date that, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection (c)) and canceled by the Trustee and not theretofore applied as a credit against any redemption obligation under this subsection (c). Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the City to redeem Term

Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the requirements of this Section shall be accordingly reduced. 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 45th day next preceding each mandatory Redemption Date, furnish the Trustee a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with respect to such mandatory redemption payment and any Term Bonds to be credited pursuant to (3) above.

### **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 and paid prior to maturity, such Bonds or portions of Bonds to be redeemed shall be selected in Authorized Denominations by the Trustee from such maturities and in such amounts as the City may determine, and Bonds of less than a full maturity shall be selected by the Trustee in Authorized Denominations by lot or in such other equitable manner as it 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 Authorized Denomination unit of face value shall be treated as though it was a separate Bond of the denomination of the minimum Authorized Denomination. If one or more, but not all, of the minimum Authorized Denomination units of principal amount represented by any Bond are selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination unit or units, the Owner of such Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the interest to the date fixed for redemption) of the minimum Authorized Denomination 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 minimum Authorized Denomination fails 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 minimum Authorized Denomination unit or units of principal amount called for redemption (and to that extent only) and shall cease to accrue interest on the principal amount so called for redemption.

### **Section 304. Notice of Redemption of Bonds.**

(a) In the case of Bonds called for redemption under **Section 302**, the Trustee shall call Bonds for redemption and payment as herein provided and shall give notice of redemption as provided below upon receipt by the Trustee at least 35 days prior to the redemption date of a written request of the City. The foregoing provisions of this Section shall not apply in the case of any mandatory redemption of Bonds under this Bond Indenture, and the Trustee shall call Bonds for redemption and shall give notice of redemption pursuant to such mandatory redemption requirements without the necessity of any action by the City.

Unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of any Bond shall be given by the Trustee on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 20 days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Bond shall not affect the validity of any proceedings for the redemption of any other Bonds.



- (b) 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 of the Bonds to be redeemed (such identification to include interest rates, maturities, CUSIP numbers and such additional information as the Trustee may reasonably determine),
  - (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 corporate trust office of the Trustee or such other payment office as the Trustee may designate.

In addition to the foregoing notice, the Trustee shall also comply with any mandatory requirements or guidelines published by the Securities and Exchange Commission relating to providing notices of redemption. The failure of the Trustee to comply with any such requirements shall not affect or invalidate the redemption of said Bonds.

- (c) The Trustee shall mail by first-class mail to the City a copy of such redemption notice.

Any provision in this Indenture to the contrary notwithstanding, any notice of optional redemption pursuant to **Section 302** 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.

So long as the Securities Depository is effecting book-entry transfers of the Bonds, the Trustee shall provide the notices specified in this Section only to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Bond to notify the beneficial owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

**Section 305. Effect of Call for Redemption.** On or prior to the date fixed for redemption, moneys or Government Securities shall be deposited with the Trustee as provided in **Section 402** hereof to pay the Bonds called for redemption and accrued interest thereon to the redemption date. Upon the happening of the above conditions, and notice having been given as provided in **Section 304** hereof, 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 are on deposit at the place of payment at the time, 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

### FUNDS AND REVENUES

#### **Section 401. Creation of Funds; Application of Bond Proceeds.**

(a) The following funds of the City are hereby created and established with the Trustee:

(1) Revenue Fund, which shall contain a PILOTs Account, an EATs Account, and a CID Account.

(2) Debt Service Fund, which shall contain a Bond Payment Account and a Redemption Account.

(3) Debt Service Reserve Fund, with a Bond Proceeds Account and a Business Interruption Account.

(4) Project Fund.

(6) Rebate Fund.

(7) Extraordinary Expense Fund.

Each fund and account shall be maintained by the Trustee as a separate and distinct trust fund and the moneys therein shall 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 account, each series of the Bonds and all disbursements therefrom.

(b) The net proceeds received from the sale of the Bonds shall be deposited or paid simultaneously with the delivery of the Bonds as follows:

(1) the accrued interest, if any, received from the sale of the Bonds shall be deposited in the Bond Payment Account of the Debt Service Fund;

(2) an amount equal to \$\_\_\_\_\_ from the proceeds of the Bonds shall be deposited in the Bond Proceeds Account of the Debt Service Reserve Fund; and

(3) the remaining moneys from the proceeds of the Bonds shall be deposited into the Project Fund.

(c) The Special Allocation Fund held by the City is hereby ratified and confirmed. Moneys in the Special Allocation Fund shall be paid by the City on the tenth day of each month (or the next Business Day thereafter if the tenth day is not a Business Day) to the Trustee, with (A) all Net Revenues as of the last day of the preceding month consisting of Payments in Lieu of Taxes (excluding amounts held for the Ambulance District PILOTs Reimbursement, the Fire District PILOTs Reimbursement, the School District PILOTs Reimbursement and amounts retained as the City Administrative Fee) accompanied by written notice identifying the Net Revenues as Payments in Lieu of Taxes and directing the Trustee that such amounts are to be deposited into the PILOTs Account of the Revenue Fund, and (B) subject to annual appropriation by the City and **Section 602** herein, all Net Revenues as of the last day of the preceding month consisting of Economic Activity Tax Revenues (excluding the Fire District EATs Reimbursement, the

Grocery Store Sales Tax Payment and amounts retained as the City Administrative Fee) accompanied by written notice identifying the Net Revenues as Economic Activity Tax Revenues and directing the Trustee that such amounts are to be deposited into the EATS Account of the Revenue Fund. The Trustee shall notify the City and the Placement Agent if the Trustee has not received such Net Revenues on or before the 12<sup>th</sup> calendar day of each month (or the next Business Day thereafter if the 12<sup>th</sup> day is not a Business Day), or if any funds are received without the required notice related thereto directing the deposit of such funds into the appropriate account of the Revenue Fund.

(d) Any CID Revenues collected by or on behalf of the District, and transferred to the Trustee by the District or the City pursuant to the Financing Agreement and as provided herein on or before the tenth day of each month (or the next Business Day thereafter if the tenth day is not a Business Day) and accompanied by written notice identifying such amounts as CID Revenues shall be deposited into the CID Account in the Revenue Fund. The Trustee shall notify the City, the Placement Agent, and the District if the Trustee has not received such Net Revenues on or before the 12<sup>th</sup> calendar day of each month (or the next Business Day thereafter if the 12<sup>th</sup> day is not a Business Day), or if any funds are received without the required notice related thereto directing the deposit of such funds into the appropriate account of the Revenue Fund.

**Section 402. Revenue Fund.** Moneys in the Revenue Fund on the 40<sup>th</sup> day prior to each Payment Date (or at any time in the event of rebate payable to the United States of America) shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows, drawing *first* on the CID Revenue Account in the Revenue Fund, *second* on the PILOTs Account in the Revenue Fund, and *third* on the EATs Account in the Revenue Fund:

*First*, for transfer 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, as directed in writing by the City in accordance with the Arbitrage Instructions and an amount equal to all fees, charges, advances and expenses related to the calculations necessary to determine the amount of rebate, if any, that may be due and payable;

*Second*, to the Trustee, an amount equal to all fees, charges, advances and expenses of the Trustee due and payable pursuant to this Indenture (fees, charges, advances and expenses of the Trustee incurred in connection with the Trustee's ordinary services under this Indenture shall not exceed \$5,000 per Fiscal Year; provided the Trustee or other person or entity shall also be entitled to compensation for (i) services, if any, as dissemination agent and (ii) extraordinary services rendered and reimbursed for extraordinary out of pockets costs and expenses incurred, in accordance with **Section 802** of this Indenture);

*Third*, for payment to the City of an amount sufficient for payment of any fees and expenses that may be owing pursuant to **Section 609** and **Section 610** hereof, upon delivery to the Trustee of a written request (which shall be accompanied by an invoice) for such amounts;

*Fourth*, for transfer to the Bond Payment Account in the Debt Service Fund an amount sufficient to pay the interest on the Bonds on the next two succeeding Payment Dates;

*Fifth*, for transfer to the Bond Payment Account in the Debt Service Fund an amount sufficient to pay the principal of and premium, if any, due on the Bonds by their terms on the next two succeeding Payment Dates;

*Sixth*, for deposit to the Bond Proceeds Account of the Debt Service Reserve Fund until the Bond Proceeds Account has been funded or restored in an amount equal to the Debt Service Reserve Requirement applicable to the Bond Proceeds Account;

*Seventh*, for deposit to the Business Interruption Account of the Debt Service Reserve Fund until the Business Interruption Account has been funded or restored to the Debt Service Reserve Requirement applicable to the Business Interruption Account;

*Eighth*, transfer to the Extraordinary Expense Fund, an amount (not to exceed \$10,000 per Fiscal Year) sufficient to cause the balance in said fund to equal \$20,000; and

*Ninth*, for transfer to the Redemption Account of the Debt Service Fund, all remaining funds to redeem Bonds pursuant to the Special Mandatory Redemption provisions contained in **Section 302(b)** of this Indenture in Authorized Denominations which shall be applied to the payment of the principal of and accrued interest on all Bonds which are subject to redemption on the next succeeding Payment Date.

If necessary, on the Business Day prior to each Payment Date, drawing *first* on the CID Account in the Revenue Fund, *second* on the PILOTs Account in the Revenue Fund, and *third* on the EATs Revenue Account in the Revenue Fund, the Trustee shall transfer to the Bond Payment Account in the Debt Service Fund an amount sufficient to pay the principal of or interest on the Bonds due on the next Payment Date.

**For purposes of the transfers set forth above, the CID Revenues allocable to pay the Debt Service Requirements for the Bonds shall not exceed 9.2% of the Debt Service Requirements for the Bonds for each calendar year (or such other percentage as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Project Fund and eligible for payment from the CID Revenues).**

#### **Section 403. Debt Service Fund.**

(a) Except as otherwise provided herein, all amounts paid and credited to the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds as the same mature and become due or upon the redemption thereof.

(b) The City hereby authorizes and directs the Trustee to withdraw sufficient moneys from the Debt Service Fund to pay the principal of and interest on the Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Bonds.

(c) The Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Bonds Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by **Article III** hereof, so long as said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption. The Trustee, upon the written instructions from the City, signed by the Authorized City Representative, shall use moneys in the Redemption Account of the Debt Service Fund on a best efforts basis for the purchase of Bonds in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

(d) Except as provided in **Section 402**, if the moneys in the Debt Service Fund are insufficient to pay all accrued interest on the Bonds on any Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the Persons entitled thereto without any discrimination

or privilege, and any unpaid portion shall accrue to the next Payment Date, with interest thereon at the rate or rates specified in the Bonds to the extent permitted by law. Except as provided in **Section 402**, if the moneys in the Debt Service Fund are insufficient to pay the principal of the Bonds on the maturity date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(e) After payment in full of the principal of and interest on the Bonds (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under this Indenture, 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) CID Revenues shall be paid to the District.

#### **Section 404. Project Fund.**

(a) Moneys in the Project Fund shall be disbursed by the Trustee from time to time, upon receipt of a written request of the Authorized City Representative and containing the statements, representations and certifications set forth in the form of such request attached as **Exhibit B** hereto and otherwise substantially in such form, to pay costs related to the issuance of the Bonds or to pay, or reimburse the Developer for payment of, the costs of the Project as described on **Exhibit D**. Any moneys remaining on deposit in the Project Fund when the portion of the Project financed with the proceeds of the Bonds is completed, as stated in a certificate delivered by the Authorized City Representative to the Trustee, shall immediately be transferred by the Trustee to the Bond Payment Account in the Debt Service Fund.

(b) In making payments and disbursements pursuant to this Section, the Trustee may rely upon the written requests and accompanying certificates and statements. The Trustee is not required to make any independent investigation or inspection in connection with the matters set forth in the written requests.

**Section 405. Debt Service Reserve Fund.** Except as otherwise provided in this Indenture, moneys in the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the Bonds if moneys otherwise available for such purpose as provided in **Section 403** hereof are insufficient to pay the same as they become due and payable. In the event the balance of moneys in the Debt Service Fund is insufficient to pay principal of or interest on the Bonds when due and payable, moneys in the Debt Service Reserve Fund shall be transferred into the Debt Service Fund in an amount sufficient to make up such deficiency, using the moneys in the Business Interruption Account until all such money has been expended and then moneys in the Bond Proceeds Account. The Trustee may use moneys in the Debt Service Reserve Fund for such purpose whether or not the amount in the Debt Service Reserve Fund at that time equals the Debt Service Reserve Requirement. Such moneys shall be used first to make up any deficiency in the payment of interest and then principal. Moneys in the Bond Proceeds Account and the Business Interruption Account of the Debt Service Reserve Fund shall also be used to pay the last Bonds becoming due unless such Bonds and all interest thereon be otherwise paid. The amount on deposit in the Debt Service Reserve Fund shall be valued by the Trustee 45 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) and the Trustee shall give immediate written notice to the City if such amount is less than the Debt Service Reserve Requirement. For the purpose of determining the amount on deposit in the Debt Service Reserve Fund, the value of any investments shall be valued at their fair market value on the date of valuation. Moneys in the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement shall be deposited by the Trustee without further authorization in the Debt Service Fund.

#### **Section 406. 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 Arbitrage Instructions. Subject to the transfer provisions provided in subsection (b) 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 neither the City, the District nor 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 Arbitrage Instructions (which is incorporated herein by reference).

(b) Pursuant to the Arbitrage Instructions, the Trustee, on behalf of the City, shall remit from the Rebate Fund rebate installments and the final rebate payments to the United States in accordance with the written direction of, or on behalf of, the City. 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 therefore, 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) CID Revenues shall be paid to the District.

(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, the preceding Section and the Arbitrage Instructions shall survive the defeasance or payment in full of the Bonds.

#### **Section 407. Extraordinary Expense Fund.**

(a) Amounts on deposit in the Extraordinary Expense Fund shall be used only for the purpose of paying the fees, expenses and other costs, including legal fees, incurred by the City in connection with the defense or interpretation of the Indenture, or an audit, questionnaire or other request for information from the Internal Revenue Service, the Securities Exchange Commission or other federal or state entity or regulatory authority in connection with the Bonds, including legal fees incurred and any rebate obligations, fines or penalties owed. The Trustee will disburse moneys from the Extraordinary Expense Fund upon receipt by the Trustee of a written request signed by the Authorized City Representative that includes identification of the persons or entities owed such fees, expenses and other costs.

(b) In making payments and disbursements pursuant to this Section, the Trustee may conclusively rely upon the written requests and accompanying certificates and statements. The Trustee is not required to make any independent inspection or investigation in connection with the matters set forth in the written requests.

(c) Upon the payment in full of the principal of and interest due on the Bonds (or provision having been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under this Indenture, all amounts remaining on deposit in the Extraordinary Expense Fund with respect to the Bonds shall be paid to the City for deposit into the Special Allocation Fund.

**Section 408. Non-Presentation of Bonds.** If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof, and provided the Trustee is holding sufficient funds for the payment thereof, all liability of the City to the Owner 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 Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on such Owner's part under this Indenture or on, or with respect to, said Bond.

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 have become due shall be paid by the Trustee to the City without liability for interest thereon, free from the trusts created by this Indenture. Thereafter, Owners shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid by the Trustee. The City 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.

**Section 409. Separation of Revenues.** The Trustee shall establish separate subaccounts within the Funds and Accounts or otherwise segregate moneys within such Funds and Accounts, on a book-entry basis or in such other manner as the Trustee may deem necessary or convenient, to separately account for the CID Revenues consistent with the purposes for which the CID Revenues are authorized.

## **ARTICLE V**

### **SECURITY FOR DEPOSITS AND INVESTMENT OF MONEYS**

**Section 501. Moneys to be Held in Trust.** All moneys deposited with or paid to the Trustee for the account of any fund 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 (except for the Rebate Fund) constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as otherwise provided herein.

**Section 502. Investment of Moneys.**

(a) Moneys in all funds and accounts under any provision of this Indenture shall be continuously invested and reinvested by the Trustee in Investment Securities at the written direction of the City given by the Authorized City Representative or, if such written directions are not received, then in Investment Securities described in subparagraph (f) of the definition thereof. Moneys on deposit in all funds and accounts may be invested only in Investment Securities which mature or are subject to redemption at the option of the owner thereof prior to the date such funds are expected to be needed. The Trustee may make investments through its investment division or short-term investment department.

(b) All investments and the interest earnings or profit therefrom 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 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. In determining the balance in any fund or account, investments shall be valued at the lower of their original cost or their fair market value on the most recent Payment Date, except as otherwise provided in **Section 405** hereof. The Trustee shall not be liable for any loss resulting from any investment made in accordance herewith.

## **ARTICLE VI**

### **PARTICULAR COVENANTS AND PROVISIONS**

**Section 601. Authority to Issue Bonds and Execute Indenture.** The City covenants that it is duly authorized under the laws of the State 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 limited obligations of the City according to the import thereof.

**Section 602. Covenant to Request Appropriations.**

***Annual Appropriation.*** The City intends, on or before the last day of each Fiscal Year, to budget and appropriate moneys constituting Economic Activity Tax Revenues to the repayment of the principal of and interest on the Bonds for that Fiscal Year. 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 such funds during such Fiscal Year. If the Board of Aldermen shall have made the appropriation, the failure of the City to deliver the foregoing notice on or before the 15<sup>th</sup> 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 request the City confirm in writing whether or not such appropriation has been made.

***Payments to Constitute Current Expenses of the City.*** The City acknowledges that the application of Economic Activity Tax Revenues under this Indenture 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 Indenture constitute a pledge of the general credit, tax revenues, funds or moneys of the City. The City's obligations to apply Economic Activity Tax Revenues under the Indenture 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 Indenture 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 limitation or requirements 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 Indenture 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 this Indenture.

**Section 603. Performance of Covenants.** The City covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings pertaining thereto.

**Section 604. Instruments of Further Assurance.** The City covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, 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. The Redevelopment Agreement, the CID Agreement, the Financing Agreement and all other documents or instruments required by the Trustee shall be delivered to and held by the Trustee.

**Section 605. General Limitation on City 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 CITY 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 and such other documents as may be necessary to be kept and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the Owners of the Bonds and the rights of the Trustee hereunder. Unless otherwise notified in writing by the City, the Trustee may conclusively rely upon the originally filed financing statements in filing any continuation statements. The City hereby authorizes the filing of uniform commercial code financing statements to reflect the security interests granted hereby. In carrying out its duties under this Section, the Trustee shall be entitled to rely on an Opinion of Counsel specifying what actions are required to comply with this Section.

**Section 607. Possession and Inspection of Books and Documents.** The City and the Trustee covenant and agree that all books and documents in their possession relating to the Bonds, the Special Allocation Fund, the Net Revenues and to the distribution of proceeds thereof shall at all reasonable times and upon reasonable notice be open to inspection by such accountants or other agencies or Persons as the other party may from time to time designate. On or before October 31 of each year (or if such date is not a Business Day, the immediately preceding Business Day), commencing October 31, 2022, the Trustee shall provide written notice to 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 Debt Service Reserve Fund as of such date; and
- (c) the amount of scheduled debt service payable on the Bonds during the immediately succeeding Fiscal Year.

**Section 608. Tax Covenants.** The City and the Trustee covenant and agree with respect to the interest on any of the Bonds that is excluded from gross income for federal income tax purposes:

(a) The City shall not use or permit the use of any proceeds of the Bonds or any other funds of the City, and the Trustee shall not use any proceeds of the Bonds or any other funds of the City held by the Trustee, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the City or the Trustee in any manner, and shall not take or permit to be taken any other action or actions, which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148(a) of the Code, or “federally guaranteed” within the meaning of Section 149(b) of the Code. If at any time the City is of the opinion that for purposes of this subsection (a) it is necessary to restrict or limit the yield on or change in any way the investment of any moneys held by the Trustee under this Indenture, the City shall so instruct the Trustee in writing and the Trustee shall act in accordance with such instructions. The City shall be deemed in compliance with this Section to the extent it follows the Arbitrage Instructions or an opinion of Bond Counsel with respect to the investment of funds hereunder. The Trustee shall be deemed in compliance with this Section to the extent it follows the written instructions of the City or an opinion of Bond Counsel with respect to the investment of funds hereunder.

(b) The City shall not (to the extent within its power or direction) use or permit the use of any proceeds of the Bonds or any other funds of the City, directly or indirectly, in any manner, and shall not

take or permit to be taken any other action or actions, which would result in any of the Bonds being treated as other than an obligation described in Section 103(a) of the Code.

(c) The City will not (to the extent within its power or direction) use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Bond to be a “private activity bond” within the meaning of Section 141 (a) of the Code.

(d) The Trustee agrees to comply with any written letter or opinion of Bond Counsel which sets forth the requirements to comply with any statute, regulation or ruling that may apply to the 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.

(e) The foregoing covenants of this Section shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article IX** hereof or any other provision of this Indenture, until the final scheduled payment of all Bonds Outstanding.

**Section 609. Collection of Payments.** The City shall, at the expense of the Trust Estate, (a) take all lawful action within its control to cause the assessment of the real property and improvements within the Redevelopment Area, and the collection of Payments in Lieu of Taxes, at the times and in the manner required by the TIF Act, (b) take such lawful action within its control as may be required to cause the Director of Revenue of the State of Missouri and all other Persons to pay all Economic Activity Tax Revenues which are due to the City under the TIF Act, and (c) take all lawful action within its control to collect, or enforce all remedies to collect, the CID Revenues required to be paid by the District to the City pursuant to the CID Agreement. The Trustee shall, upon written direction of a majority of the Owners of the Bonds then Outstanding and upon being indemnified as provided in **Section 801(I)**, and at the expense of the Trust Estate, take such lawful action within its control to cause the assessment of the real property and improvements within Redevelopment Area at the times and in the manner required by the TIF Act, and cause the payment of the sales taxes associated with the Economic Activity Tax Revenues that are due to the City pursuant to the Redevelopment Agreement. The City covenants and agrees that, so long as the Bonds are Outstanding, the City will not authorize or grant real property tax abatement within the Redevelopment Area.

**Section 610. Enforcement of Agreements.**

(a) The City shall enforce the provisions of the Financing 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 Financing 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 Financing 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 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, or less than 30 days if so directed by a majority of the Owners, 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 shall have the right 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 Financing 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 Financing Documents without the prior written consent of the Trustee, whose consent may be based upon the advice or opinion of counsel. The Trustee may withhold its consent to any such proposed modification, amendment or waiver of the Financing Documents if the proposed modification, amendment or waiver may adversely affect the security for the Bonds 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. In exercising such judgment and in providing any consent pursuant to this Section, the Trustee may rely on an Opinion of Counsel.

**Section 611. Monthly Report.** The City shall provide to the Trustee, no later than the fifteenth day of each month, commencing June 15, 2022, a report of the Economic Activity Tax Revenues, Payments in Lieu of Taxes, and CID Revenues received by the City and transferred to the Trustee, which report shall be substantially in the form attached hereto as **Exhibit C**.

## **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 performance or observance of any of the covenants, agreements or conditions on the part of the City 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 City by the Trustee, or (ii) to the Trustee (which notice of default the Trustee shall be required to accept) and the City 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 City within such period and diligently pursued until the default is corrected; or

(b) The filing by the City of a voluntary petition in bankruptcy, or failure by the City to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the City to carry on its operation, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of federal bankruptcy law, or under any similar acts which may hereafter be enacted.

(c) The failure to pay the principal of, redemption premium, if any, or interest on the Bonds when due.

The Trustee shall give written notice of any Event of Default to the City as promptly as practicable after the occurrence of an Event of Default of which the Trustee has notice as provided in **Section 801(h)** hereof.

**Section 702. No Acceleration.** The Bonds shall not in any event be subject to acceleration prior to maturity.

**Section 703. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession.** If an Event of Default has occurred and is continuing, the City, 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 City pertaining thereto, 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, but not limited to, (i) reasonable compensation to the Trustee, its agents and counsel, and (ii) any reasonable charges of the Trustee hereunder, and the Trustee shall apply the remainder of the moneys so received in accordance with **Section 708** hereof.

Whenever all that is due upon the Bonds has been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the City, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of the Trust Estate, the Trustee shall render annually to the City 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 Owners 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.** 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 interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the City as herein set forth.

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 801(1)** hereof, 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, deems most expedient in the interests of the Owners; provided, however, that the Trustee shall not be required to take any action which in its good faith conclusion could result in personal liability to it.

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 Owner, and any recovery or judgment shall, subject to **Section 708** hereof, be for the equal benefit of all the Owners of the Outstanding Bonds.

**Section 706. Limitation on Exercise of Remedies by Owners.** No Owner 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:

(i) a default has occurred of which the Trustee has notice as provided in **Section 801(h)** hereof, and

(ii) such default has become an Event of Default, and

(iii) 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(1)** hereof, and

(iv) 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, 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 Owners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their 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 Owner to payment of the principal of and interest on any Bond at and after its maturity or the obligation of the City to pay the principal of 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 Owners to Direct Proceedings.** Any other provision herein to the contrary notwithstanding, 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 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 determines that the proceeding so directed would involve it in personal liability or the Trustee has not been indemnified as provided in **Section 801** hereof.

**Section 708. Application of Moneys in Event of Default.** Upon an Event of Default, all moneys held or received by the Trustee pursuant to this Indenture or the Financing Documents pursuant to any right given or action taken under this Article shall, after payment of the reasonable fees, costs, advances and expenses of the Trustee and the proceedings resulting in the collection of such moneys (including without limitation attorneys' fees and expenses), subject to the limitations contained in **Article IV** herein, be deposited in the Debt Service Fund. All moneys in the Debt Service Fund, the Debt Service Reserve Fund, the Project Fund and the Revenue Fund shall be applied as follows:

*First* – To the payment to the Owners 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 is not 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.

*Second* – To the payment to the Owners entitled thereto of the unpaid principal of any of the Bonds that 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 dates, and, if the amount available is not sufficient to pay in full such principal due on any particular date, together with such interest, then to the payment ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

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.

**For purposes of the transfers set forth above, the CID Revenues allocable to pay the Debt Service Requirements for the Bonds shall not exceed 9.2% of the Debt Service Requirements for the Bonds for each calendar year (or such other percentages as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Project Fund and eligible for payment from the CID Revenues).**

**Section 709. Remedies Cumulative.** No remedy conferred by this Indenture upon or reserved to the Trustee or to the Owners 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 Owners 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.** If the Trustee has proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely, then the City, the Trustee, the District and the Owners 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 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 any Event of Default in the payment of the principal of any Outstanding Bonds at their maturity or upon the redemption thereof, or unless, prior to such waiver or rescission, all arrears of payments of principal when due, all fees, charges and expenses of the City 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 City, 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 as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) 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. If any Event of Default has occurred and is continuing, 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 under reasonably similar circumstances 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 hereunder or perform any duties hereunder either directly or through agents, attorneys, receivers, employees or such other professionals but shall not be answerable for the conduct of the same in accordance with the standard specified above, provided the Trustee has exercised reasonable care in making such selection. The Trustee may act and conclusively rely upon the opinion or advice of counsel, who may, without limitation, be counsel to the City or an employee of the Trustee, concerning all matters of trust hereof and the duties hereunder, and, subject to the restrictions of **Section 802** hereof, may in all cases pay such reasonable compensation to all such agents, attorneys, receivers, employees and other such professionals as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith and shall be fully protected in reliance upon such opinion or advice of counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the Certificate of Authentication of the Trustee endorsed on the Bonds), or for the recording, re-recording or filing of this Indenture or any security agreements in connection therewith (except as provided in **Section 606** herein), or for insuring any of the improvements constructed in the Redevelopment Area or collecting any insurance moneys, or for the validity of the execution by the City of this Indenture or of any 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** hereof. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application by the City of any of the Bonds or the proceeds thereof or of any money paid to or upon the order of the City under any provision of this Indenture.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the owner of Bonds with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting 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 therefore 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 deems it desirable that a matter be proven or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by an Authorized City Representative, an Authorized District Representative or Authorized Developer Representative as sufficient evidence of the facts therein contained. Prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by said subsection it 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 of any default or Event of Default, other than a failure to make any payment on the Bonds when due, unless the Trustee is specifically notified in writing of such Event of Default by the City or by the Owners of at least 10% in aggregate principal amount of all Bonds then Outstanding.

(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 any and all of the Project, the Redevelopment Area, including all books, papers and records of the City or the District pertaining to the Bonds, and to take copies of 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.

(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 funds, or any action whatsoever within the purview of this Indenture, appraisals or other information, or corporate 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 City to the authentication of any Bonds, the withdrawal of any funds or the taking of any other action by the Trustee.

(l) Anything herein to the contrary notwithstanding, before taking any action under this Indenture, other than any action under **Article II** hereof 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, in its discretion, require that satisfactory indemnity be furnished to it by the

Owners or other parties for the reimbursement of all reasonable fees, costs, liabilities, losses, claims and expenses to which it or its agents or counsel may be put and to protect it against all liability including environmental, 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 City 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 to hold the foregoing as a repository for Bondowners to verify compliance with this Indenture or 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.

(w) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in this Section;

(ii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(iii) subject to subsection (l) above, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial or environmental liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it;

(iv) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder; and

(v) the Trustee shall not be liable for any error of judgment made in good faith by any one of its directors, officers or employees unless it is established that the Trustee was negligent in ascertaining the pertinent facts.

**Section 802. Fees, Charges and Expenses of the Trustee.** The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) by the City for its ordinary services rendered hereunder and all agent and counsel fees and other ordinary costs and expenses reasonably made or incurred by the Trustee in connection with such ordinary services and, if it becomes necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefore and to reimbursement for reasonable and necessary extraordinary costs and 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 therefore. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and as Registrar for the Bonds. Upon the occurrence of an Event of Default

and during its continuance, the Trustee shall have a first lien with right of payment prior to payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, costs and expenses incurred. If moneys in the Revenue Fund are insufficient to make payment to the Trustee for its fees and expenses, as provided in subparagraph *Second* of **Section 402** on any Payment Date, the unpaid portion shall be carried forward to the next Payment Date, together with interest thereon at the Trustee's base lending rate plus 2%.

**Section 803. Notice of Default.** If a default or Event of Default occurs of which the Trustee is required to take notice or notice is given to the Trustee as provided in **Section 801(h)** hereof, then the Trustee shall give written notice thereof to the City and within 30 days (five Business Days if the maturity of the Bonds has been accelerated pursuant to **Section 702** hereof) by first class mail to the Owners of all Bonds then Outstanding as shown by the Register.

**Section 804. Intervention by the Trustee.** In any judicial proceeding to which the City is a 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 Owners and shall do so if requested in writing by the Owners of at least 25% in the aggregate principal amount of Bonds then Outstanding, provided that the Trustee shall first have been provided indemnity provided under **Section 801(i)** hereof as it may require against the reasonable costs, expenses and liabilities which it may incur in or by reason of such proceeding, including without limitation attorneys' fees and expenses.

**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, provided such corporation or association is otherwise eligible under **Section 808** hereof, 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. Resignation or Removal 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 City and the Owners, and such resignation shall take effect upon the appointment of a successor Trustee pursuant to **Section 807** hereof. If at any time the Trustee ceases to be eligible in accordance with the provisions of this Indenture, it shall resign immediately in the manner provided in this Section. The Trustee may be removed for cause or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the City and signed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding. If no Event of Default has occurred and is continuing, or no condition exists which will become an Event of Default as provided in **Section 701(a)** hereof, the Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the Owners and signed by the City. The City or the Owners of a majority in aggregate principal amount of the Bonds then Outstanding may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee. No resignation or removal of the Trustee shall become effective until a successor Trustee has accepted its appointment under **Section 809** hereof.

**Section 807. 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 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 has occurred and is

continuing), or (ii) 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 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 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 809.

**Section 808. Qualifications of Trustee and Successor Trustees.** The Trustee and every successor Trustee appointed hereunder shall be a trust institution or commercial bank qualified to do business in the State, shall be in good standing and qualified to accept such trusts, shall be subject to examination by a federal or state bank regulatory authority, and shall have a reported capital and surplus of not less than \$50,000,000, or must provide a guaranty of the full and prompt performance by the Trustee of its obligations under this Indenture and any other agreements made in connection with the Bonds, on terms satisfactory to the City, by a guarantor with such combined capital and surplus. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

**Section 809. Vesting of Trusts in Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor and the obligations of the predecessor Trustee hereunder shall cease and terminate; but such predecessor shall, nevertheless, on the written request of the City, and upon the payment of its outstanding fees and expenses, 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 held by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any 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 City.

**Section 810. 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 or the Financing Documents, and in particular in case of the enforcement of either upon an Event of Default, or if 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.

(b) If 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, 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 City 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 City.

(d) If any co-trustee or separate trustee dies, becomes incapable of acting, resigns or is 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 811. Annual Statement.** Unless providing statements more frequently, the Trustee shall render an annual statement for each Fiscal Year to the City and, if so requested and the expense thereof is paid, to any Owner requesting the same. The annual statement shall show in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and shall include a break-down of money deposited into each account of the Revenue Fund and the balance in any funds and accounts created by this Indenture as of the beginning and close of such accounting period.

**Section 812. Paying Agents; Registrar; Appointment and Acceptance of Duties; Removal.**

(a) The Trustee is hereby designated and agrees to act as Paying Agent and as Registrar for and in respect of the Bonds.

(b) The City may appoint one or more additional Paying Agents for the Bonds. Each Paying Agent other than the Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the City and the Trustee a written acceptance thereof. The City may remove any Paying Agent other than the Trustee and any successors thereto, and appoint a successor or successors thereto; provided that any such Paying Agent designated by the City shall continue to be a Paying Agent of the City for the purpose of paying the principal of and interest on the Bonds until the designation of a successor as such Paying Agent and acceptance by such successor of the appointment. Each Paying Agent is hereby authorized to pay or redeem Bonds when such Bonds are duly presented to it for payment or redemption, which Bonds shall thereafter be delivered to the Trustee for cancellation.

(c) The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the City and the Trustee. The Paying Agent may be removed by the City at any time by an instrument signed by the City and filed with the Paying Agent and the Trustee. In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

If the City fails to appoint a Paying Agent hereunder, or the Paying Agent resigns or is removed, or is dissolved, or if the property or affairs of the Paying Agent are taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the City has not appointed its successor as Paying Agent, the Trustee shall ipso facto be deemed to be the Paying Agent for all purposes of this Indenture until the appointment by the City of the Paying Agent or successor Paying Agent, as the case may be. The Trustee shall give each Owner notice by first-class mail of the appointment of a Paying Agent or successor Paying Agent other than the Trustee.

## **ARTICLE IX**

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

#### **Section 901. Satisfaction and Discharge of the Indenture.**

(a) When the principal of and interest on all the Bonds have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 902** hereof, and provision also is made for paying all other sums payable hereunder, including the fees and expenses of the Trustee and the Paying Agents to the date of payment of the Bonds, then the right, title and interest of the Trustee under this Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release this Indenture and shall execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the City any property at the time subject to this Indenture which may then be in the Trustee's possession, except amounts in the Debt Service Fund required to be paid to the City under **Article IV** hereof, and except funds or securities in which such moneys are invested and held by the Trustee for the payment of the principal of and interest on the Bonds.

(b) The City is hereby authorized to accept a certificate of the Trustee stating that the whole amount of the principal and interest so due and payable upon all of the Bonds then Outstanding has been paid or provision for such payment has been made in accordance with **Section 902** hereof as evidence of satisfaction of this Indenture, and upon receipt thereof the City shall cancel and erase the inscription of this Indenture from its records.

#### **Section 902. Bonds Deemed to Be Paid.**

(a) Bonds shall be deemed to be paid within the meaning of this Article 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 this Indenture, or otherwise), either (1) has been made or caused to be made in accordance with the terms hereof, 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 Internal Revenue 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 this Indenture have been met. At such time as a Bond is deemed to be paid hereunder as aforesaid, such Bond shall no longer be secured by or be entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Securities.

(b) Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (2) of subsection (a) above 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 has been given in accordance with **Article III** hereof or irrevocable instructions have been given to the Trustee to give such notice.

(c) Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust

pursuant to the provisions of this Section for the payment of Bonds and interest thereon shall be applied to and be used solely for the payment of the particular Bonds and interest thereon with respect to which such moneys and Government Securities have been so set aside in trust.

(d) If the entire amount necessary to pay Outstanding Bonds has not been deposited with the Trustee, and the final payment to pay Outstanding Bonds is more than 90 days subsequent to such deposit, the Trustee shall receive a verification report of a firm of independent certified public accountants that the moneys and Government Securities deposited with the Trustee are sufficient to pay when due the principal or redemption price, if any, and interest on the Bonds on or prior to the applicable redemption or maturity date.

(e) Upon the payment in full of the principal of and interest on the Bonds (or provision has been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under this Indenture, all amounts remaining on deposit in the Funds consisting of the CID Revenues shall be paid to the District and all other amounts remaining on deposit in the Funds shall be paid to the City for deposit into the Special Allocation Fund.

## **ARTICLE X**

### **SUPPLEMENTAL FINANCING DOCUMENTS**

**Section 1001. Supplemental Financing Documents Not Requiring Consent of Owners.** The City and the Trustee may from time to time, without the consent of or notice to any of the Owners, enter into such supplements to the Financing Documents as are not inconsistent with the terms and provisions hereof, for any one or more of the following proposes:

(a) to cure any ambiguity or formal defect or omission in any Financing Document or to release property which was included by reason of an error or other mistake;

(b) to grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;

(c) to subject to any Financing Document additional revenues, properties or collateral;

(d) to modify, amend or supplement the Indenture 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 any state of the United States;

(e) to provide for the refunding of any Bonds in accordance with the terms hereof;

(f) to evidence the appointment of a separate trustee or the succession of a new trustee hereunder;

(g) to modify or eliminate any of the terms of any Financing Documents; provided, however, that:

(1) such amendment to a Financing Document shall expressly provide that any such modifications or eliminations shall become effective only when there is no Bond Outstanding issued prior to the execution of such amended Financing Document; and

(2) the Trustee may, in its discretion, decline to enter into any such amendment to a Financing Document which, in its opinion, may not afford adequate protection to the Trustee when the same becomes operative;

(h) to make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the security of the Owners. In exercising such judgment the Trustee may rely on an Opinion of Counsel.

**Section 1002. Supplemental Financing Documents Requiring Consent of Owners.** In addition to supplements to Financing Documents permitted by **Section 1001** hereof and subject to the terms and provisions contained in this Section, and not otherwise, with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, the City and the Trustee may from time to time enter into such other amendment to the Financing Documents as shall be deemed necessary and desirable by the City for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in a Financing Document; provided, however, that nothing in this Section contained shall permit or be construed as permitting:

(a) an extension of the maturity of the principal of or the scheduled date of payment of interest on any Bond or any change of the redemption date on any Bond;

(b) a reduction in the principal amount, redemption premium or any interest payable on any Bond;

(c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds;

(d) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture; or

(e) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee.

If at any time the City requests the Trustee to enter into any amendment to a Financing Document for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such amendment to be sent to each Owner. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as shall be prescribed by the City following the sending 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 amendment 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 City from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such amendment as in this Section permitted and provided, the Financing Documents shall be and be deemed to be modified and amended in accordance therewith.

**Section 1003. Opinion of Bond Counsel.** Notwithstanding anything to the contrary in **Sections 1001 or 1002** hereof, before the City and the Trustee enter into any amendment to a Financing

Document pursuant to **Sections 1001 or 1002** hereof, there shall have been delivered to the Trustee an opinion of Bond Counsel stating that such amendment is authorized or permitted by this Indenture, the TIF Act and the CID Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the City 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**

### **MISCELLANEOUS PROVISIONS**

**Section 1101. Consents and Other Instruments by Owners.** Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners 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, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument (other than the assignment of a Bond) 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.

(b) 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 Register. In all cases where Bonds are owned by persons other than the City, the Developer or an assignee of the City or the Developer, 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 City, the Developer or any affiliate or any Person controlling, controlled by or under common control with either of them, shall be disregarded and deemed not to be Outstanding under this Indenture.

**Section 1102. Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given to or filed with the City or the Trustee if the same is duly mailed by registered or certified mail, postage pre-paid, return receipt requested, or sent by telegram, telecopy or telex or other similar communication, or when given by telephone, confirmed by telephone, on the same day, addressed as follows, provided that notices to the Trustee shall be effective only upon receipt:

(1) To the City at:  
City of Smithville, Missouri  
107 West Main Street  
Smithville, Missouri 64089  
Attention: City Administrator  
Telephone: (816) 532-3897

(2) To the Trustee at:  
UMB Bank, N.A.

1010 Grand Boulevard, 4<sup>th</sup> Floor  
Kansas City, Missouri 64106  
Attn: Corporate Trust Services  
Telephone: (816) 860-3248

- (3) To the Developer at:  
Development Associates Smithville, LLC  
c/o Cadence Commercial Real Estate  
10985 Cody, Suite 220  
Overland Park, Kansas 66210

With a copy to:

Korb Maxwell  
Polsinelli  
900 W. 48<sup>th</sup> Place, Suite 900  
Kansas City, MO 64112  
Telephone: (816) 360-4327

- (4) To the District at:  
  
Development Associates Smithville, LLC  
c/o Cadence Commercial Real Estate  
10985 Cody, Suite 220  
Overland Park, Kansas 66210

With a copy to:

Korb Maxwell  
Polsinelli  
900 W. 48<sup>th</sup> Place, Suite 900  
Kansas City, MO 64112  
Telephone: (816) 360-4327

- (5) To the Owners:

By first-class mail addressed to each of the Owners of all Bonds at the time Outstanding, as shown by the Register. Any notice so mailed to the Owners of the Bonds shall be deemed given at the time of mailing whether or not actually received by the Owners.

In the event of any notice to a party other than the City, a copy of said notice shall be provided to the City. The above parties may from time to time designate, by notice given hereunder to the other parties, such other address to which subsequent notices, certificates or other communications shall be sent.

**Section 1103. Limitation of Rights Under the Indenture.** With the exception of rights herein expressly conferred and as otherwise provided in this Section, nothing expressed or mentioned in or to be implied by this Indenture or the Bonds is intended or shall be construed to give any Person other than the parties hereto, 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.

**Section 1104. 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 1105. Business Days.** If any date for the payment of principal of 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; provided, however, any interest that accrues on any unmatured or unredeemed Bonds from the due date shall be payable on the next succeeding Payment Date.

**Section 1106. Immunity of Officers, Employees and Members of City.** 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 or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future officer, director, member, employee or agent of the City, the governing body of the City, or of any successor public corporation, as such, either directly or through the City or any successor public corporation, 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, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Bonds.

**Section 1107. No Sale.** The City covenants and agrees that, except as provided herein or in the Redevelopment Agreement, it will not sell, convey, assign, pledge, encumber or otherwise dispose of any part of the moneys subject to this Indenture.

**Section 1108. Severability.** If any provision of this Indenture is 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 1109. 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 1110. 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. In addition, 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.

**Section 1111. Governing Law.** This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.



**Section 1112. Anti-Discrimination Against Israel Act.**

(a) The State has adopted the “Anti-discrimination Against Israel Act,” Section 34.600, Revised Statutes of Missouri (the “Act”), which provides that “[a] public entity shall not enter into a contract with a company to acquire or dispose of services, supplies, information technology, or construction unless the contract includes a written certification that the company is not currently engaged in and shall not, for the duration of the contract, 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 Act provides that any contract that fails to comply with the Act’s provisions shall be void as against public policy.

(b) The Trustee hereby certifies and agrees that, to the extent the Act is applicable to this Indenture, the Trustee is not currently engaged in and shall not, for the duration of this Indenture, 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 with the State of Israel, in all respects within the meaning of the Act.

(c) The foregoing certification shall not be deemed an admission or agreement that the Act is applicable to this Indenture but the foregoing certification is provided if the Act is applicable. If the Act is initially deemed or treated as applicable to this Indenture, but it is subsequently determined not to apply to this Indenture for any reason including by reason of applicable federal law, including without limitation, 50 U.S.C. Section 4607, the repeal or amendment of the Act or any ruling of a court of competent jurisdiction as to the unenforceability or invalidity of the Act, then the foregoing certification shall cease and not exist.

**IN WITNESS WHEREOF**, the City of Smithville, Missouri has caused these presents 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, UMB Bank, N.A., has caused these presents to be signed in its name and behalf by its duty authorized officer, all as of the day and year first above written.

**CITY OF SMITHVILLE, MISSOURI**

[SEAL]

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Mayor

ATTEST:

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City Clerk

Indenture

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

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

Indenture

**EXHIBIT A**

**FORM OF BONDS**

**THE TRANSFER OF THIS BOND IS SUBJECT TO RESTRICTIONS. THIS BOND MAY ONLY BE TRANSFERRED TO APPROVED INVESTORS IN ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED IN THE INDENTURE.**

**EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE (DESCRIBED HEREIN), THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (DESCRIBED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.**

**UNITED STATES OF AMERICA  
STATE OF MISSOURI**

Registered  
No. R-\_\_\_\_

Registered  
\$ \_\_\_\_\_

**CITY OF SMITHVILLE, MISSOURI**

**SPECIAL OBLIGATION REVENUE BOND  
(SMITHVILLE COMMONS PROJECT)  
SERIES 2022**

**Rate of Interest:**

**Maturity Date:**

**Dated Date:**

**CUSIP No.**

\_\_\_\_\_ %

\_\_\_\_\_

REGISTERED OWNER:

\_\_\_\_\_

PRINCIPAL AMOUNT:

\_\_\_\_\_ DOLLARS.

The **CITY OF SMITHVILLE, MISSOURI**, a fourth-class city and an incorporated political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the "City"), for value received, hereby promises to pay to the registered owner shown above, or registered assigns, the Principal Amount shown above on the Maturity Date shown above, and to pay interest thereon from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the Rate of Interest per annum shown above. Interest shall be payable semiannually on June 1 and December 1 in each year (each, an "Interest Payment Date"), beginning on December 1, 2022. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined). REFERENCE IS MADE TO THE INDENTURE AND THE REDEVELOPMENT AGREEMENT FOR A COMPLETE DESCRIPTION OF THE CITY OBLIGATIONS HEREUNDER.

The principal of this Bond shall be paid at maturity or upon earlier redemption to the Person in whose name this Bond is registered on the Register at the maturity or redemption date thereof. The interest payable on this Bond on any Payment Date shall be paid by UMB Bank, N.A., Kansas City, Missouri (the "Trustee") to the person in whose name this Bond is registered on the Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Payment Date. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of a principal or interest payment the Securities Depository or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than 5 days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Bond is one of an authorized series of fully registered bonds of the City designated "City of Smithville, Missouri, Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022," in the aggregate principal amount of \$[Principal Amount] (the "Bonds"). **The obligations of the City with respect to the application of Economic Activity Tax Revenues and Payments in Lieu of Taxes to the repayment of the Bonds terminate on October 2, 2040, whether or not the principal amount thereof or interest thereon has been paid in full.**

The Bonds are being issued pursuant to a Trust Indenture dated as of May \_\_, 2022, between the City and the Trustee (the "Indenture"), for the purpose of (a) financing certain Redevelopment Project Costs, (b) funding the debt service reserve fund, and (c) paying the costs of issuance of the Bonds, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri.

The Bonds constitute special, limited obligations of the City payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. The Bonds shall not constitute debts or liabilities of the City, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds are subject to redemption as follows:

(a) *Optional Redemption.* The Bonds are subject to optional redemption by the City in whole or in part at any time on or after December 1, 20\_\_, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Bonds maturing December 1, 20\_\_ are subject to special mandatory redemption by the City in order of maturity on each December 1 commencing December 1, 20\_\_, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on

deposit in the Redemption Account of the Debt Service Fund 40 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Bonds are subject to special mandatory redemption by the City, in whole but not in part, on any date in the event that moneys in the applicable account of the Debt Service Fund (and, with respect to the last series of Bonds Outstanding, the Debt Service Reserve Fund) are sufficient to redeem all of the Bonds of the applicable series at a redemption price of 100% of such Bonds Outstanding, together with accrued interest thereon to the date fixed for redemption.

[(c) *Mandatory Redemption.* The Bonds maturing December 1, 20\_\_ (the “Term Bonds”) will be subject to mandatory redemption and payment prior to maturity in the amounts and on the dates as set forth in the Indenture at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date.]

Bonds shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds or portions of Bonds to be redeemed shall be selected in Authorized Denominations by the Trustee from such maturities and in such amounts as the City may determine.

Unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of any Bond shall be given by the Trustee on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 20 days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Register.

The City, the Tax Increment Financing Commission of the City of Smithville, Missouri, the commissioners of said Commission, the elected officials, officers and employees of the City and any person executing the Bonds shall not be personally liable for such obligations by reason of the issuance thereof.

The Bonds are issuable in the form of fully registered Bonds without coupons in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof.

This Bond may be transferred or exchanged, as provided in the Indenture, only upon the books for the registration, transfer and exchange thereof (the “Register”) kept by the Trustee, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner’s duly authorized agent, whereupon a new Bond of the same series and maturity and in the same principal amount outstanding as the Bond which was presented for transfer or exchange shall be issued to the transferee in exchange therefore as provided in the Indenture, and upon payment of the charges therein prescribed. The City and the Trustee may deem and treat the Person in whose name this Bond is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. **The Bonds may only be purchased by or transferred to Approved Investors.** No such assignment, transfer or conveyance shall be effective as against the City unless and until such registered owner has delivered to the City and the Trustee written notice thereof that discloses the name and address of the purchaser or transferee and such assignment, transfer or conveyance shall be made only upon receipt by the Trustee of a letter in substantially the form attached to the Indenture executed by the proposed purchaser or transferee.

This Bond shall not be valid or binding on the City or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, happened and been performed in due time, form and manner as required by law.

**IN WITNESS WHEREOF**, the **CITY OF SMITHVILLE, MISSOURI** has executed this Bond by causing it to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, and its official seal to be affixed or imprinted hereon, and this Bond to be dated as of the Dated Date shown above.

Registration Date: \_\_\_\_\_

**CITY OF SMITHVILLE, MISSOURI**

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds described in the within-mentioned Indenture.

By: \_\_\_\_\_  
Mayor

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

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Authorized Signatory

By: \_\_\_\_\_  
City Clerk

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**ASSIGNMENT**

**FOR VALUE RECEIVED**, the undersigned sells, assigns and transfers unto

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(Print or Type Name, Address and Social  
Security Number or other Taxpayer Identification Number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ agent to transfer the within Bond on the books  
kept by the Trustee for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_.

---

**NOTICE:** The signature to this assignment must  
correspond with the name of the Registered  
Owner as it appears upon the face of the within  
Bond in every particular.

Medallion Signature Guarantee:

**EXHIBIT B**

Request No. \_\_\_\_\_

Date: \_\_\_\_\_

**WRITTEN REQUEST FOR DISBURSEMENT FROM THE  
PROJECT FUND – CITY OF SMITHVILLE, MISSOURI, TAX  
INCREMENT REVENUE BONDS (SMITHVILLE COMMONS  
PROJECT), SERIES 2022**

To: UMB Bank, N.A., as Trustee  
Kansas City, Missouri  
Attention: Corporate Trust Department

as Trustee under the Indenture of Trust, dated as of May \_\_, 2022, from the City of Smithville, Missouri to said Trustee (the “Indenture”)

Pursuant to **Section 404** of the Indenture, the City of Smithville, Missouri (the “City”) requests payment from the Project Fund in accordance with this request and said **Section 404** 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 and are reasonable costs that are payable or reimbursable under the Indenture and each item thereof is a proper charge against the Project Fund.
5. Each item listed above has not previously been paid or reimbursed from moneys in the Project 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.
6. With respect to any such requisition, the City (i) certifies they have reviewed any wire instructions set forth in such written disbursement direction to confirm such wire instructions are accurate, and (ii) agrees they will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with the disbursement direction.

**CITY OF SMITHVILLE, MISSOURI**

By: \_\_\_\_\_  
Authorized City Representative

**ATTACHMENT I  
TO WRITTEN REQUEST FOR DISBURSEMENT FROM  
THE PROJECT FUND – CITY OF SMITHVILLE, MISSOURI,  
TAX INCREMENT REVENUE BONDS  
(SMITHVILLE COMMONS PROJECT), SERIES 2022**

REQUEST NO. \_\_\_\_\_

DATED \_\_\_\_\_, \_\_\_\_

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**SCHEDULE OF PAYMENTS REQUESTED**

Person, firm or corporation to whom payment is due	Amount to be paid	General classification and description of the costs for which the Obligation to be paid was incurred
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**EXHIBIT C**

[Date]

UMB Bank, N.A.  
1010 Grand Blvd, 4<sup>th</sup> Floor  
Kansas City, Missouri 64106  
Attention: Corporate Trust Department

UMB Bank, N.A.  
1010 Grand Blvd.  
Kansas City, Missouri  
Attention:

Re: Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022

Ladies and Gentlemen:

Please be advised that during the month of \_\_\_\_\_, [year], the City of Smithville, Missouri received the following Economic Activity Tax Revenues attributable to the following sources to be deposited into the EATs Account of the Revenue Fund:

		<u>Percentage of Total</u>
Clay County	\$ _____	_____ %
Smithville	\$ _____	_____ %
Zoological District	\$ _____	_____ %
Smithville Area Fire District	\$ _____	_____ %

Total EATS: \$ \_\_\_\_\_

During such period, the City of Smithville, Missouri received the following Payments in Lieu of Taxes from property owners within the Redevelopment Area to be deposited into the PILOTs Account of the Revenue Fund:

<u>Taxpayer</u>	<u>Payments in Lieu of Taxes</u>	<u>Percentage of Total</u>
	\$ _____	_____ %

Total PILOTS: \$ \_\_\_\_\_

During such period, the City of Smithville, Missouri, received the following CID Revenues to be deposited into the CID Account in the Revenue Fund: \$ \_\_\_\_\_. Permitted percentage of CID Revenues for Debt Service (\_\_\_\_ %) \$ \_\_\_\_\_

From the Total PILOTS, the City has retained the following amounts pursuant to the Indenture:

Ambulance District PILOTs Reimbursement	\$ _____
Fire District PILOTs Reimbursement:	\$ _____
School District PILOTs Reimbursement:	\$ _____

From the Total EATs, the City has retained the following amounts pursuant to the Indenture:

Fire District EATs Reimbursement:	\$ _____
Grocery Store Sales Tax Payment	\$ _____

From the CID Revenues, the City has retained \$\_\_\_\_\_ as the City's 1.0% administrative fee and \$\_\_\_\_\_ as District Operating Expenses, pursuant to the Financing Agreement and the CID Agreement.

From the Payments in Lieu of Taxes and Economic Activity Tax Revenues, the City has retained \$\_\_\_\_\_ as the City Administrative Fee.

All moneys so received, totaling \$\_\_\_\_\_, have been transferred to UMB Bank, N.A., as Trustee (the "Trustee") under the Trust Indenture dated as of May \_\_, 2022 between the Trustee and the City of Smithville. All capitalized terms not defined herein shall have the meanings ascribed for them in said Indenture.

CITY OF SMITHVILLE, MISSOURI

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

## **EXHIBIT D**

### **PROJECT DESCRIPTION AND COSTS PAID WITH PROCEEDS OF BONDS**

The Project includes the construction of an approximately 65,500+ square foot grocery store anchor tenant building and other primary and secondary retail uses, including installing roadways and access points as described in the Redevelopment Plan.



**EXHIBIT E**

**FORM OF INITIAL INVESTOR LETTER**

City of Smithville, Missouri  
Smithville, Missouri  
ATTN: City Administrator

UMB Bank, N.A., as Trustee  
Kansas City, Missouri  
ATTN: Corporate Trust Department

UMB Bank, N.A., as Placement Agent  
Kansas City, Missouri

Re: Smithville, Missouri Tax Increment Revenue Bonds (Smithville Commons Project) Series 2022

Ladies and Gentlemen:

In connection with the purchase of the above-referenced Bonds (the “Bonds”), the undersigned (the “Investor”) hereby represents, warrants and agrees as follows:

1. The Investor understands that (a) the Bonds are being issued under and pursuant to a Trust Indenture dated as of May 15, 2022 (the “Indenture”), between the City of Smithville, Missouri (the “Issuer”) and UMB Bank, N.A., as trustee (the “Trustee”), and (b) the Bonds are payable solely out of certain revenues and receipts to be received by the Trustee as provided in the Indenture. Capitalized terms not defined herein have the meanings set forth in the Indenture.

2. The Investor understands that the Bonds are transferable only in the manner provided for in the Indenture and discussed below and warrants that it is acquiring the Bonds for its own account with the intent of holding the Bonds as an investment, and the acquisition of the Bonds is not made with a view toward its distribution or for the purpose of offering, selling or otherwise participating in a distribution of the Bonds. The Investor is an Approved Investor as defined in the Indenture.

3. The Investor agrees not to attempt to offer, sell, or otherwise distribute the Bonds to others unless authorized by the terms of the Indenture.

4. The Investor has been provided (a) such information as the Investor deems necessary to make an informed investment decision with respect to the purchase of the Bonds, (b) ample opportunity to ask questions of, and to receive answers from, appropriate officers of the City, the Developer and others related to the Project, the Redevelopment Plan and the terms and conditions of the Bonds, and (c) all additional information which it has requested.

5. The Investor is familiar with the Project and fully aware of terms and risks of the Bonds. The Investor believes the Bonds that it is acquiring are a security of the kind that it wishes to purchase and hold for investment and that the nature and amount thereof are consistent with its investment program. The Investor is able to bear the economic risk of an investment in the Bonds, including a complete loss of such investment.

Dated: \_\_\_\_\_

Investor Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

---

**FINANCING AGREEMENT**

**BETWEEN THE**

**SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT**

**AND THE**

**CITY OF SMITHVILLE, MISSOURI**

**DATED AS OF MAY \_\_, 2022**

**RELATING TO**

**[\$[Principal Amount]**

**TAX INCREMENT REVENUE BONDS**

**(SMITHVILLE COMMONS PROJECT)**

**SERIES 2022**

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# **FINANCING AGREEMENT**

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## **FINANCING AGREEMENT**

This **FINANCING AGREEMENT** (the “Financing Agreement”) is dated as of May \_\_, 2022 between the **SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision of the State of Missouri (the “District”) and the **CITY OF SMITHVILLE, MISSOURI**, a fourth-class city and political subdivision of the State of Missouri (the “City”).

### **RECITALS:**

**1.** The City is authorized and empowered under the Revised Statutes of Missouri, as amended, to issue bonds for the purpose of providing funds to finance the costs of certain redevelopment projects and to pay certain costs related to the issuance of such bonds.

**2.** A plan for redevelopment known as the “Smithville Commons Tax Increment Financing Plan” (the “Original Redevelopment Plan”), as amended by the First Amendment to the Smithville Commons Tax Increment Financing Plan (the “First Amended Plan,” together with the Original Redevelopment Plan, the “Redevelopment Plan”) for an area designated therein as the redevelopment area (the “Redevelopment Area”), as legally described in the Redevelopment Plan, has been prepared and reviewed by the Tax Increment Financing Commission of Smithville, Missouri (the “Commission”) and the City, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “TIF Act”).

**3.** On August 1, 2017, the Board of Aldermen adopted (a) Ordinance No. 2969-17 (i) approving the Redevelopment Plan and finding the Redevelopment Area to be a “blighted area” within the meaning of the TIF Act and (ii) designating Development Associates Smithville, LLC, a Missouri limited liability company (the “Developer”), as the developer to implement the Redevelopment Projects of the Redevelopment Plan (as therein defined), (b) Ordinance No. 2971-17, authorizing the execution and delivery of a contract (the “Redevelopment Agreement”) between the City and the Developer, and (c) Ordinance No. 2972-17 authorizing the execution and delivery of a Reimbursement Agreement with the Northland Regional Ambulance District and a Reimbursement Agreement with the Smithville Area Fire Protection District to provide for the reimbursement of revenues to the respective taxing jurisdiction (the “Reimbursement Agreements”).

**4.** On October 3, 2017, the Board of Aldermen adopted Ordinance No. 2970-17 which approved and designated an area (the “Redevelopment Project”) within the Redevelopment Area for redevelopment contemplated as a commercial and retail development and adopted tax increment financing for the Redevelopment Project.

**5.** On November 21, 2017, the Board of Aldermen adopted Ordinance No. 2986-17 which approved the First Amended Plan and the First Amendment to the Redevelopment Agreement, which provided for an amended capital contribution to the Smithville School District.

**6.** The Smithville Commons Community Improvement District (the “District”) is authorized and empowered under the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the “CID Act”), to fund, promote, plan, design, construct, improve, maintain, and operate certain improvements, or to assist in any such activity. Pursuant to the CID Act, on August 1, 2017 Ordinance No. 2974-17 was approved by the Board of Aldermen creating the District for the purpose of funding certain improvements and services (the “CID

Project”). The voters of the District have approved the imposition of a sales tax at the rate of 1.0% for the purpose of paying the cost of the CID Project and financing the costs of formation and operation of the District.

7. The City has determined that it is in the best interests of the City to issue its Tax Increment Revenue Bonds (Smithville Commons Project) Series 2022, in the aggregate principal amount of \$[Principal Amount] (the “Bonds”), for the purpose of (a) financing certain Redevelopment Project Costs, (b) funding a debt service reserve for the Bonds, and (c) paying the costs of issuance of the Bonds.

8. On \_\_\_\_\_, 2022, the Board of Aldermen of the City adopted Ordinance No. \_\_\_\_\_ (the “Bond Ordinance”), authorizing the issuance of the Bonds pursuant to the Trust Indenture (the “Indenture”) dated as of the date hereof between the City and UMB Bank, N.A., as trustee for the above purposes.

9. Pursuant to the Bond Ordinance, the City is authorized to execute and deliver this Financing Agreement between the City and the District for the purpose of issuing and securing the Bonds as hereinafter provided.

10. The City and the District are entering into this Financing Agreement pursuant to which the City and the District will transfer certain funds to be used to pay debt service of the Bonds.

#### **AGREEMENT:**

**NOW THEREFORE**, for and in consideration of the premises and the mutual representations, covenants and agreements contained herein, the City and the District 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 City and the Trustee 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 and the Project, and the imposition of the District Sales Taxes (defined below), all in accordance with the CID Act.

## **Section 2.2. Collection and Application of District Sales Taxes.**

(a) The District hereby ratifies and confirms the establishment of an account held by the City (the "District Revenue Fund") into which all proceeds of the 1.0% sales tax imposed by the District on retail sales within the boundaries of the District (the "District Sales Taxes") are to be deposited. The District confirms that it has imposed the District Sales Taxes at the rate of 1.0% of retail sales. In no event while Bonds are Outstanding under the Indenture shall the District take any action to repeal or reduce the amount of District Sales Taxes imposed or enter into any agreements that would prohibit the District Sales Taxes from being generally applicable taxes. The District agrees that a portion of the District Sales Taxes in the District Revenue Fund shall be considered Economic Activity Tax Revenues subject to deposit into the Special Allocation Fund in accordance with Section 99.845 of the Revised Statutes of Missouri, as amended.

(b) The District hereby authorizes and directs the City to perform all functions incident to the administration, collection, enforcement and operation of the District Sales Taxes or to provide for the performance of such functions by the Missouri Department of Revenue. The District shall direct the transfer of all proceeds of its District Sales Taxes that may lawfully be collected to the City for deposit into the District 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 in the District 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 District Revenue Fund in accordance with applicable laws relating to the investment of the District's funds. All interest earned upon the balance in the District Revenue Fund shall be credited to the District Revenue Fund.

(c) The City, on behalf of 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 District, the Trustee, the Bondholders and the general public to the extent allowed under Missouri law.

(d) Subject to appropriation by the District, upon receipt of proceeds of the District Sales Taxes, the City shall transfer to the Economic Activity Tax Account of the City's Special Allocation Fund such amounts as are required to be deposited into the Special Allocation Fund pursuant to the TIF Act. Subject to appropriation by the District, on the 10th day (and if such day is not a Business Day, the next succeeding Business Day) of each calendar month during the term of this Financing Agreement, the District hereby directs the payment by the City to the Trustee of the portion of the District Sales Taxes representing Economic Activity Tax Revenues pursuant to the TIF Act.

(e) Subject to appropriation by the District, on the 10th day (and if such day is not a Business Day, the next succeeding Business Day) of each calendar month during the term of this Financing Agreement, the District hereby directs the payment by the City to the Trustee of all remaining CID Revenues on deposit in the District Revenue Fund.

**Section 2.3. Appropriation; Budget.** The District has adopted a budget for the 2022 fiscal year which appropriates the District Sales Taxes collected during such fiscal year for application as provided in **Sections 2.2(d) and (e)**. The District hereby covenants and agrees 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 Taxes collected during such fiscal year for deposit in the Revenue Fund under the Indenture. The City, on behalf of the District, shall deliver written notice to the Trustee no later than 15 days after the commencement of each fiscal year of the District if the Board of Directors of the District has not appropriated funds in an amount equal to the District Sales Taxes received during such fiscal year. The parties hereto acknowledge and agree that the payment of District Sales Taxes 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 Financing 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 Taxes 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 the Indenture and in **Section 2.2(d) and (e)** herein.

**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 the business affairs of the District in accordance with accounting principles generally accepted in the United States of America, and the District will furnish to the City such information not otherwise available to the City 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. The City, on behalf of the District, will furnish to the Trustee annually by each October 31 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 this Financing Agreement and such information as the Trustee may reasonably request concerning the District Sales Taxes, including such statistical and other operating information requested, in order to enable such parties to determine whether the covenants, terms and provisions of this Financing Agreement have been complied with. For that purpose all pertinent books, documents and vouchers relating to the Project, the District and its District Sales Taxes shall at all times during regular business hours be open to inspection.

**Section 2.5. Budget and Reporting Requirements.** The District (or the City on its behalf) shall comply with the budgetary and reporting requirements contained in the Revised Statutes of Missouri, including without limitation the following:

(a) The District shall prepare and submit a proposed annual budget to the City in accordance with Section 67.1471.2 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. Administrative Fees and Operating Expenses.**

(a) The City shall be entitled to retain from the District Sales Taxes the amount equal to 1.0% of the total District Sales Taxes collected by the City on behalf of the District (including the portion of such collections required to be deposited in the Special Allocation Fund), as payment for the City's services in the administration of the District and the collection of the District Sales Taxes pursuant to the CID Agreement.

(b) The District shall pay, or shall reimburse itself for the payment of, from that portion of the District Sales Taxes which is not required to be deposited in the Special Allocation Fund, the operating costs of the District described in the CID Agreement (the "District Operating Expenses"), as budgeted and approved by the District.

(c) Promptly following the adoption of each annual budget by the Board of Directors of the District, the City, on behalf of 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 District Operating Expenses for such fiscal year 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 CID 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 City.

**Section 2.8. Indemnification.** To the extent permitted by law, the District agrees to indemnify the City and any past, present or future elected official, trustee, officer, employee or agent of the City for and to hold them harmless against all liabilities, claims, costs and expenses incurred without negligence or willful misconduct on the part of the City or such past, present or future elected official, trustee, officer, employee or agent of the City, on account of any action taken or omitted to be taken by the City 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 City 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 2.9. 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 180 days 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 and the City 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 2.10. 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. 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 hereby directs the City to transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

### **ARTICLE III**

#### **THE CITY**

**Section 3.1. Representations by the City.** The City represents and warrants to the Trustee and the District, 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 elected official, officer or employee of the City has any significant or conflicting interest, financial or otherwise, in the Project or in the transactions contemplated hereby.

(e) The City has duly completed all required proceedings and approvals in connection with the execution and delivery of this Financing Agreement and the collection of Revenues hereunder, all in accordance with the TIF Act and the CID Act.

**Section 3.2. Assignment by the City.** The City, 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 City for its benefit).

**Section 3.3. Restriction on Transfer of City's Interests.** The City will not sell, assign, transfer or convey its interests in this Financing Agreement except pursuant to the Indenture and this Financing Agreement.

**Section 3.4. Application of Proceeds.** The City covenants and agrees to cause the proceeds of the Bonds and the District Sales Tax 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 and the Economic Activity Tax Revenues it has received on or before the 10th day of each month.

**Section 3.5. Enforcement of Agreements.**

(a) The City shall enforce the provisions of the Financing 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 Financing 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 Financing 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.

## **ARTICLE IV**

### **EVENTS OF DEFAULT AND REMEDIES**

**Section 4.1. Events of Default Defined.** The term "Event of Default" shall mean any one or more of the following events:

(a) Failure by the District or the City to timely transfer any Net Revenues to the City or the Trustee (as applicable), as provided herein.

(b) Failure to make any payment on the Bonds when due.

(c) Failure by the District or the City to observe and perform any covenant, condition or agreement under this Financing Agreement, the Indenture or any other document entered into in connection with the financing of the Project, 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 defaulting party, during which time such default is neither cured by the defaulting party 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 defaulting party 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 District or the City 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 Project 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 defaulting party within 30 days after notice thereof has been given to the defaulting party.

**Section 4.2. Remedies on an Event of Default.** Whenever any Event of Default shall have occurred and be continuing, the Trustee, as the assignee of the City, shall give written notice to the defaulting party 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 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 801(l)** of the Indenture.

**Section 4.3. 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 4.4. Agreement to Pay Attorneys' Fees and Expenses.** In connection with any Event of Default, 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 herein contained, the City and the District agree, should they be the defaulting party hereunder, subject to appropriation of funds, that they will, 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, if the City employs attorneys or incurs other expenses for the enforcement of the performance or

observance of any covenants or agreements herein contained, the defaulting party agrees that they will, to the extent they are the defaulting party or caused the City to be the defaulting party, on demand therefor, pay to the City the reasonable fees of such attorneys and such other reasonable expenses so incurred by the City.

**Section 4.5. Notice of an Event of Default.** The parties hereto shall each promptly give to the Trustee written notice of any Event of Default of which they shall have actual knowledge or written notice, but the parties hereto shall not be liable for failing to give such notice.

**Section 4.6. Remedial Rights Assigned to the Trustee.** Upon the execution and delivery of the Indenture, the City will thereby have assigned to the Trustee all rights and remedies conferred upon or reserved to the City by this Financing Agreement, reserving only the City'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 City 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 V**

### **MISCELLANEOUS**

**Section 5.1. 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 5.2. 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, as shown by an affidavit of the person so delivering such notice. 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 5.3. 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, 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 5.4. Binding Effect.** This Financing Agreement shall inure to the benefit of and shall be binding upon the parties hereto, and their respective successors and assigns.

**Section 5.5. 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 X** of the Indenture.

**Section 5.6. 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 5.7. No Pecuniary Liability.** All covenants, obligations and agreements 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 parties hereto 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 parties hereto, and all such liability is hereby expressly waived and released as a condition of and consideration for the execution of this Financing 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 City nor any of its directors, trustees, officers, officials, employees or agents shall be liable for any action taken by the City, or for any failure to take action, in accordance with the terms of this Financing Agreement.

**Section 5.8. 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 5.9. 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 5.10. Governing Law.** This Financing Agreement shall be governed by and construed in accordance with the laws of the State.

**Section 5.11. Electronic Transactions.** The transaction described herein may be conducted and related documents may be stored, delivered and received 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.





**SMITHVILLE COMMONS COMMUNITY  
IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Chairman

(Seal)

ATTEST:

By: \_\_\_\_\_  
Secretary

Financing Agreement

**CITY OF SMITHVILLE, MISSOURI**

By: \_\_\_\_\_  
Mayor

(Seal)

ATTEST:

By: \_\_\_\_\_  
City Clerk

**PRIVATE PLACEMENT AGREEMENT**

relating to

\$ \_\_\_\_\_

**CITY OF SMITHVILLE, MISSOURI  
TAX INCREMENT REVENUE BONDS  
(SMITHVILLE COMMONS PROJECT)  
SERIES 2022**

May \_\_\_, 2022

City of Smithville, Missouri  
107 West Main Street  
Smithville, Missouri 64089  
Attention: City Administrator

Development Associates Smithville, LLC  
c/o Cadence Commercial Real Estate  
10985 Code, Suite 220  
Overland Park, Kansas 66210  
Attention: Justin Kaufmann

Ladies and Gentlemen:

On behalf of the representations, warranties and covenants and upon the terms and conditions contained in this Private Placement Agreement (this “**Private Placement Agreement**” or this “**Agreement**”), the undersigned, UMB Bank, N.A. (the “**Placement Agent**”), hereby agrees to privately place for the City of Smithville, Missouri (the “**City**”) its \$ \_\_\_\_\_ aggregate principal amount of Tax Increment Revenue Bonds (Smithville Commons Project) Series 2022 (the “**Bonds**”) with the original purchasers set forth on **Exhibit A** to this Agreement. The Bonds are being issued by the City pursuant to a Trust Indenture, dated as May 15, 2022 (the “**Indenture**”), between the City and UMB Bank, N.A., as bond trustee (the “**Bond Trustee**” or the “**Trustee**”) and are payable from moneys pledged or provided pursuant to the terms of the Indenture and the Financing Agreement, dated as of May 15, 2022 (the “**Financing Agreement**”), between the City and the Smithville Commons Community Improvement District (the “**District**”).

The City is issuing the Bonds pursuant to the term of (i) the Bond Ordinance (as defined herein), (ii) the Indenture and (iii) the Tax Increment Redevelopment Agreement, dated as of August 1, 2017 (as amended, the “**Redevelopment Agreement**”), between the City and Development Associates Smithville, LLC, a Missouri limited liability company (the “**Developer**”). The Bonds are being issued for the purpose of (i) financing certain Project Costs (as defined in the Indenture), (ii) funding a debt service reserve fund for the Bonds, and (iii) paying the costs of issuance of the Bonds, all as more fully described in the Indenture.

This offer is made subject to acceptance of this Agreement by the City and the Developer on or before 5:00 p.m. (central time) on the date hereof.

Terms not otherwise defined in this Agreement shall have the meaning ascribed thereto in the Indenture.

**1. Introductory.** We understand that the City proposes to issue and sell the Bonds pursuant to an ordinance adopted by the governing body of the City on May 17, 2022 (the “**Bond Ordinance**”) and the Indenture.

The Bonds and the interest thereon will be special, limited obligations of the City payable solely and only from the amounts pledged therefor pursuant to the Indenture. The Bonds and the interest thereon shall not constitute an indebtedness of the City, the State of Missouri (the “**State**”) or any political subdivision thereof within the meaning of any constitutional, statutory or other debt limitation or restriction and are not payable in any manner by taxation. The issuance of the Bonds does not, directly, indirectly or contingently, obligate the City, the District, the State or any political subdivision thereof to levy any form of general taxation therefor or to make any appropriation for their payment. The City, the District, the State, any political subdivision thereof, and any of their respective directors, officers, employees or agents or any person executing the Bonds shall not be liable for such obligations except to the extent set forth in the Indenture and the Financing Agreement.

The City and the Developer each acknowledge and agree with respect solely to itself that (i) this Agreement is an arm’s-length commercial transaction, (ii) in connection with such transaction, the Placement Agent is acting solely as an agent for the City and not as an advisor (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), principal or a fiduciary of the City or the Developer, (iii) the Placement Agent has not assumed a fiduciary responsibility in favor of the City or the Developer with respect to the placement of the Bonds or the process leading thereto (whether or not the Placement Agent or any affiliate thereof has advised or is currently advising the City on other matters) or any other obligation to the City or the Developer except the obligations expressly set forth in this Agreement, (iv) the City and the Developer have each consulted with their own legal and financial advisors to the extent it deemed appropriate in connection with the placement of the Bonds and (v) the Placement Agent is acting solely as a placement agent with respect to the Bonds and is not serving as an underwriter in connection with the transactions described herein.

**2. Purchase, Sale and Delivery of the Bonds.** On the basis of the representations, warranties and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, at the Closing Date the Placement Agent agrees to privately place for the City and the City agrees to sell the Bonds to the purchasers identified by the Placement Agent at the prices set forth on **Schedule I** hereto. The Placement Agent initially agrees to privately place the Bonds at the prices set forth on **Schedule I** hereto. The Placement Agent will be paid from the proceeds of the Bonds a placement fee for its services under this Agreement in the amount of \$\_\_\_\_\_ (the “**Placement Fee**”).

The Bonds shall have the maturities and interest rates, shall be sold at the prices and be subject to redemption as set forth in the Indenture and on **Schedule I** hereto.

Payment for the Bonds shall be made by federal wire transfer in immediately available federal funds payable to the order of the Bond Trustee for the account of the City (the “**Closing**”), at the offices of Gilmore & Bell, P.C., Kansas City, Missouri (“**Bond Counsel**”), at 10:00 a.m. (local time), on May \_\_\_\_, 2022, or such other place, time or date as shall be mutually agreed upon by the City, the Developer and the Placement Agent. The date of such delivery and payment is herein called the “**Closing Date**.” The Bonds so to be delivered will be delivered as definitive bonds in fully registered form, with CUSIP numbers imprinted thereon, in such denominations as we request. On the Closing Date, the Trustee will, at the written request and authorization of the City, hold the Bonds pursuant to DTC’s FAST procedures.

**3. Transaction Documents.** On or prior to the Closing Date, the Placement Agent shall have received the following documents in form and substance satisfactory to the Placement Agent and its counsel:

(a) Bond Counsel Opinion. The approving opinion of Bond Counsel, dated the Closing Date, addressed to the City, the Trustee and the Placement Agent relating to the due authorization,

execution and delivery of the Bonds, the tax-exempt status of the interest on the Bonds for federal or Missouri income tax purposes, and certain other matters, all in form and substance acceptable to the Placement Agent and the City.

(b) Developer's Counsel Opinion. The opinion of Polsinelli PC, Kansas City, Missouri, counsel to the Developer, dated the Closing Date, addressed to the City, the Trustee, Bond Counsel and the Placement Agent, in form and substance reasonably acceptable to such parties and their counsel and to Bond Counsel.

(c) Developer's Certificate. A certificate of the Developer dated the Closing Date, signed by an authorized officer of each Developer, on behalf of the Developer, in form and substance reasonably satisfactory to the City, the Placement Agent, their respective counsel and to Bond Counsel.

(d) Bonds. The Bonds.

(e) Private Placement Memorandum. The Private Placement Memorandum executed and approved on behalf of the parties thereto by duly authorized officials thereof.

(f) Indenture. The Indenture, duly executed by the parties thereto.

(g) Financing Agreement. The Financing Agreement, duly executed by the parties thereto.

(h) Tax Compliance Agreement. The Tax Compliance Agreement, duly executed by the parties thereto.

(i) Continuing Disclosure Agreement. The Continuing Disclosure Agreement, duly executed by the parties thereto.

(j) District Resolution(s). Resolution(s) of the District authorizing and approving, as appropriate, the execution and delivery of the Transaction Documents to which it is a party, together with a certificate dated the Closing Date to the effect that such resolution(s) have not been modified, amended or repealed.

(k) Developer Resolution(s). Resolution(s) of the Developer authorizing and approving, as appropriate, the execution and delivery of the Transaction Documents to which it is a party, together with a certificate dated the Closing Date to the effect that such resolution(s) have not been modified, amended or repealed.

(l) Certificates. Other certificates listed on a closing agenda to be approved by counsel to the City, Bond Counsel, counsel to the Developer and counsel to the Placement Agent, including any certificates or representations of the Developer required in order for Bond Counsel to deliver the opinion referred to in **Section 3(a)** of this Agreement.

(m) Form 8038. A completed form 8038-G (Information Return for Tax-Exempt Governmental Obligations).

(n) Placement Agent's Counsel Opinion. The opinion of FisherBroyles, LLP, counsel to the Placement Agent, dated the Closing Date, addressed to the Placement Agent and the City, in form and substance acceptable to Bond Counsel.

(o) Other Closing Materials. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or counsel for the Placement Agent, the Developer

or the City 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.

The foregoing documents are hereinafter referred to as the “**Transaction Documents.**”

The City and the Developer have each authorized the use of the Private Placement Memorandum in connection with the offer, sale and distribution of the Bonds.

**4. Representations and Warranties of the City.** The City hereby represents and warrants to the Placement Agent and to the Developer that:

(a) Status. The City is and will be at Closing a political subdivision organized and existing under the laws of the State with the power and authority to issue the Bonds.

(b) Authorization By Law. The City is authorized by the laws of the State, including particularly the TIF Act, (i) to issue, sell and deliver the Bonds for the purposes set forth in the opening paragraphs hereof, (ii) to enter into and perform its obligations under the Transaction Documents to which it is a party, and (iii) to pledge and assign to the Trustee the Trust Estate (as defined in the Indenture) in accordance with the provisions of the Indenture.

(c) Power and Authority. The City has full power and authority to consummate the transactions to be performed by it under the Transaction Documents to which it is a party.

(d) Private Placement Memorandum. The information contained in the Private Placement Memorandum with respect to the City under the captions “THE CITY” and “ABSENCE OF LITIGATION - The City” does not and, as of the Closing Date, will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make any statement made therein, in light of the circumstances under which it was made, not misleading.

(e) Necessary Action. Prior to the Closing, the City shall have taken all necessary action to be taken by it for: (i) the issuance and sale of the Bonds upon the terms set forth herein; (ii) the approval, execution, delivery and receipt by the City of the 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; (iii) the pledge and assignment of the Trust Estate to the Trustee; and (iv) making the proceeds of the Bonds available to the Developer in the amounts and subject to the terms of the Indenture and the Development Agreement.

(f) Documents Binding. The Bonds when executed, issued, authenticated, delivered and paid for as herein and in the Indenture provided, and the Transaction Documents, to which the City is a party, when executed will have been duly authorized and issued and will constitute legal, valid and binding obligations of the City, enforceable in accordance with their respective terms (subject as to enforcement to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors’ rights generally or against municipal corporations such as the City from time to time in effect and further subject to the availability of equitable remedies).

(g) No Litigation. Except as described in the Private Placement Memorandum, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the City, threatened against the City wherein an unfavorable decision, ruling or finding would materially adversely affect the tax-exempt status of the interest on the Bonds for federal or Missouri income tax purposes (as described in the Private Placement Memorandum), the existence or powers of the City, the transactions contemplated hereby

or the validity or enforceability in accordance with their respective terms of this Agreement, the Indenture, the Financing Agreement, the Tax Compliance Agreement, the Bonds 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 or by the Private Placement Memorandum.

(h) No Conflict or Breach. The execution and delivery by the City of this Agreement, the Indenture, the Financing Agreement, the Tax Compliance Agreement, the Bonds and the other documents contemplated hereby to be executed and delivered by the City, and compliance with the provisions thereof, and the pledge of the Trust Estate to the Trustee pursuant to the Indenture, do not conflict with or constitute on the part of the City a breach of or a default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the City is or may be bound.

(i) Certificates. Any certificate signed by an authorized officer of the City and delivered to the Placement Agent shall be deemed a representation and warranty by the City to the Placement Agent as to the statements made therein.

**5. Developer's Representations and Warranties.** In order to induce the Placement Agent to enter into this Agreement and in order to induce the City to enter into the Transaction Documents to which it is a party, and to issue the Bonds, and in consideration of the foregoing and the execution and delivery of this Agreement, the Developer represents and warrants to and covenants on behalf of itself with the City and the Placement Agent as follows:

(a) Status. The Developer is a limited liability company duly organized, validly existing and in good standing under the laws of the State. The Developer has all material licenses and permits necessary in order to carry on its business as currently conducted and has obtained all material licenses and permits required to be obtained as of the date hereof in connection with the facilities financed or refinanced with the proceeds of the Bonds. The Developer is not in violation of and has not received any notice of an alleged violation of or liability under any zoning, land use, environmental, pollution control, hazardous waste or similar laws or regulations that would have a material adverse effect on the operations or financial affairs of the Developer or the acquisition, construction and equipping of the Redevelopment Project. The Developer has full right, power and authority to authorize, approve, enter into, execute and deliver the Transaction Documents to which it is a party and to perform such other acts and things as are provided for in the Transaction Documents.

(b) No Conflict or Breach. The execution, delivery, performance (where applicable) and approval by the Developer of the Transaction Documents to which it is a party, and full compliance with the provisions of such Transaction Documents, have been duly authorized by all necessary corporate action of the Developer and do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, the Developer's Articles of Organization or Operating Agreement, any law, court or administrative regulation, decree or order, or any agreement, indenture, mortgage, lease or instrument to which the Developer is a party or by which it is or may be bound.

(c) Corporate Action. The Developer has duly authorized all necessary action to be taken by it for: (i) the issuance and sale of the Bonds by the City upon the terms and conditions set forth herein and to be set forth in the Private Placement Memorandum, and (ii) the execution, delivery and performance (where applicable) of the 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 performed by the Developer in order to carry out, effectuate and consummate the transactions contemplated hereby and by such Transaction Documents.



(d) Private Placement Memorandum True and Correct. The description and information contained in the Private Placement Memorandum relating to: the Developer; the Developer's organization, operations, company structure, and affairs; application by the Developer of the proceeds to be received from the sale of the Bonds; the Redevelopment Project, the District; and the Transaction Documents to which the Developer is a party and the Developer's participation in the transactions contemplated by the Transaction Documents are, and with respect to the Private Placement Memorandum, as of its date, true and correct and do not, and with respect to the Private Placement Memorandum, as of its date, contain any untrue statement of any material fact and do not, and with respect to the Private Placement Memorandum, as of its date, omit to state any material fact necessary to make any statement made therein, in light of the circumstances under which it was made, not misleading.

(e) Tax Status of Bonds. The Developer will not take or omit to take any action which action or failure to act will 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.

(f) No Litigation. Except as may be described in the Private Placement Memorandum, to the Developer's knowledge after reasonable inquiry, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Developer, threatened against or affecting the Developer wherein an unfavorable decision, ruling or finding could have a material adverse effect on the financial condition of the Developer or the operation by the Developer of its property or the transactions contemplated by the Transaction Documents or on the validity or enforceability in accordance with its terms of any of the Transaction Documents or any other agreement or instrument to which the Developer is a party or by which it is bound or would in any way contest the existence or powers of the Developer.

(g) Documents Legal, Valid and Binding. The Developer shall, on or before the Closing, execute and deliver the applicable Transaction Documents and said Transaction Documents, when executed and delivered by the Developer and all of the other parties thereto, will be, and this Agreement is, the legal, valid and binding obligation of the Developer enforceable against it in accordance with its terms, subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies.

(h) Compliance with Laws and Regulations. The Developer shall conduct its affairs and carry on its business and operations in such manner as to comply in all material respects with any and all applicable laws of the United States of America and the several states thereof and to observe and conform in all material respects to all valid orders, regulations or requirements of any governmental authority applicable to the conduct of its business and operations and the ownership of its property.

(i) Project. To the best of Developer's knowledge after reasonable inquiry, any notification of or filing with, or consent or approval of any governmental agency or entity required with respect to the issuance of the Bonds or the acquisition, construction and equipping of the Project, either has been made or obtained or will be prior to the time such are required to be obtained. The financing as contemplated in the Private Placement Memorandum is consistent with and does not violate or conflict with the terms of the various consents or approvals of any such agencies or entities.

(j) Certificates. Any certificate signed by an authorized officer or agent of the Developer and delivered to the City or the Placement Agent shall be deemed a representation and warranty by the Developer to such parties as to the statements made therein.

(k) No Default Under Transaction Documents. To the best of Developer's knowledge after reasonable inquiry, 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 Developer under any of the Transaction Documents to which it is a party.

(l) Supplements to Private Placement Memorandum. If the Private Placement Memorandum is supplemented or amended pursuant to subsection (m) of this **Section 5**, at the time of such supplement or amendment thereto, the information contained in the Private Placement Memorandum with respect to the Developer and related matters as provided in subsection (d) of this **Section 5** as so supplemented or amended will not contain any 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.

(m) Subsequent Events. If between the date of the Private Placement Memorandum and the Closing Date any event shall occur which might or would cause the information contained in the Private Placement Memorandum with respect to the Developer and related matters in subsection (d) of this **Section 5** to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Developer shall notify the Placement Agent thereof, and if in the opinion of the Placement Agent, such event requires the preparation and publication of a supplement or amendment to the Private Placement Memorandum, the Developer will, at its expense, supplement or amend the Private Placement Memorandum in a form and in a manner approved by the Placement Agent.

(n) Payment of Taxes and Other Charges. The Developer shall pay or cause to be paid as they become due and payable all taxes, assessments and other governmental charges lawfully levied or assessed or imposed upon the Developer or its property or any part thereof or upon any income therefrom; provided, however, that the Developer shall not be required to pay and discharge or cause to be paid and discharged any such tax, assessment or governmental charge to the extent that the amount, applicability or validity thereof shall be contested in good faith by appropriate proceedings in accordance with applicable laws.

(o) Rights, Licenses and Permits. The Developer shall procure and maintain all material rights, licenses and permits necessary in the operation of its business and affairs; provided, however, that the Developer shall not be required to procure or maintain in effect any right, license or permit that the governing board of the Developer shall have determined in good faith is not in the best interests of the Developer and is no longer desirable in the conduct of its business and that lack of such compliance will not materially impair the ability of the Developer to pay or perform its obligations under the Transaction Documents.

(p) No Federal Guarantee. The Bonds are not federally guaranteed within the meaning of Section 149(b) of the Code.

**6. Placement Agent Undertaking Regarding Transfers.** On or before the Closing, the Placement Agent will provide evidence to the City that the Placement Agent has provided notice on the services of Bloomberg L.P. that the Bonds may only be transferred to Approved Investors (as defined in the Indenture).

## **7. Indemnity, Hold Harmless and Contribution.**

(a) Developer. The Developer agrees to indemnify and hold harmless the City, the Placement Agent, each director, member, officer, employee or agent of the City or of the Placement Agent and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the City, or of the Placement Agent through the ownership of voting securities, by contract or otherwise (collectively in this subsection (a) called the "**Indemnified Parties**"), from and against any and all

losses, claims, demands, damages, liabilities or reasonable expenses whatsoever caused by (i) any breach of the undertakings or representations of the Developer contained herein; or (ii) any untrue or misleading statement, whether actual or alleged, of a material fact contained in the Private Placement Memorandum or caused by any omission, whether actual or alleged, from the Private Placement Memorandum of any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, insofar as such statements appear in, or matter omitted pertains to material appearing in, any section of the Private Placement Memorandum that either: (A) was prepared from information furnished by the Developer or its agents (including, without limitation, attorneys, accountants or consultants); or (B) contains information about the Developer, the District or the Project; or (C) both.

In case a claim shall be made or any action shall be brought against one or more of the Indemnified Parties in respect of which indemnity can be sought against the Developer pursuant to the preceding paragraph, the Indemnified Parties shall promptly notify the Developer in writing, and the Developer shall promptly assume the defense thereof, including, with the consent of the Placement Agent and the City, which consents shall not be unreasonably withheld, the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless the employment of such counsel has been specifically authorized in writing by the Developer or there is a conflict of interest that would prevent counsel for the Developer from adequately representing the Developer and the Indemnified Parties. The Developer shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Developer or if there be a final judgment for the plaintiff in any such action which the Developer is required hereunder to assume the defense of, the Developer agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

(b) Survival. The covenants and agreements contained in this **Section 7** shall survive the delivery of the Bonds.

**8. Conditions to Obligations of Placement Agent.** The obligation of the Placement Agent to place the Bonds and the obligation of the City to sell the Bonds, in each case on the Closing Date, will be subject to the accuracy of the representations and warranties of the Developer and the City herein, to the accuracy of statements to be made on behalf of the City and the Developer hereunder, to the performance by the City and the Developer of their obligations hereunder and to the following additional conditions precedent:

(a) At the Closing Date, the Bond Ordinance, the Transaction Documents, and all official action of the City relating thereto and all actions taken by the Trustee and the Developer in connection therewith shall be in full force and effect and shall not have been amended, modified or supplemented, and the Private Placement Memorandum shall not have been amended or supplemented except as may have been agreed to by the Placement Agent.

(b) The Placement Agent shall have received each of the documents set forth in **Section 3** of this Agreement.

All opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Placement Agent.

**9. Right to Termination.** The Placement Agent shall have the right to cancel its obligation to place the Bonds upon written notification by the Placement Agent to the City and the Developer if between the date hereof and the date of the Closing:

(a) (i) legislation shall be enacted or be 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 introduced with an effective date which would, if enacted, apply to the Bonds, or (ii) a decision by a federal court of the United States or the United States Tax Court shall be rendered, or a ruling, regulation, release or other promulgation by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed with respect to federal taxation upon revenues or other income pledged by the City under the Indenture, or upon interest on the Bonds or securities of the general character of the Bonds, or (iii) other action or events shall have occurred or transpired, any of which has the purpose or effect, directly or indirectly, in the reasonable opinion of Bond Counsel or counsel to the Placement Agent, of materially adversely affecting the federal or State of Missouri income tax consequences of any of the transactions contemplated in connection herewith, or, in the reasonable opinion of the Placement Agent, materially adversely affects the market for the Bonds or the ability of the Placement Agent to enforce contracts for the sale of the Bonds at the contemplated offering price; or

(b) there shall exist any fact or any event shall have occurred which 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; or

(c) there shall have 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, in the reasonable opinion of the Placement Agent, would materially adversely affect the market for the Bonds or the ability of the Placement Agent to enforce contracts for the sale of the Bonds at the contemplated offering prices; or

(d) there shall be in force a general suspension of trading on the New York Stock Exchange or a general banking moratorium shall have been declared by federal, Missouri 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 Placement Agent to enforce contracts for the sale of the Bonds at the contemplated offering prices; or

(e) legislation shall be enacted or considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or introduced in either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or a decision, order or decree of a court of competent jurisdiction shall be rendered, or an order, ruling, regulation or Private Placement Memorandum of or on behalf of the Securities and Exchange Commission or the Municipal Securities Rulemaking Board shall be rendered or made, with the purpose or effect that the issuance, offering or sale of the Bonds, as contemplated by this Agreement or by the Private Placement Memorandum, is or would be in violation of any provision of the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended, or with the purpose or effect of otherwise prohibiting the issuance, offering or sale of the Bonds as contemplated by this Agreement or by the Private Placement Memorandum; or

(f) in the reasonable opinion of the Placement Agent, 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 authority or by any national securities

exchange; (ii) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions which 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, or (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, shall have announced the intended introduction of legislation to achieve the same effect as that described in clause (a) or (e) of this paragraph.

To the Placement Agent's actual knowledge, no events listed in the subsections above (excluding subsection (b)) that would permit the Placement Agent to cancel its obligations pursuant to this Agreement have occurred.

#### **10. Expenses.**

(a) If the Bonds are sold to the bond purchaser or purchasers by the City, the City shall cause the Trustee to pay solely out of the proceeds of the Bonds the following expenses incident to the performances of its obligations hereunder: (i) the cost of preparing, duplicating (or printing), mailing and delivering the Transaction Documents, including the costs of delivering electronic copies of the Preliminary Private Placement Memorandum and the Private Placement Memorandum; (ii) the Placement Fee and any applicable DALCOMP, MSRB, BMA, DTC and CUSIP charges; (iii) the fees and disbursements of Bond Counsel, the Trustee, the City, counsel to the City, the financial advisor to the City and counsel to the Placement Agent; and (iv) all other fees and expenses reasonably incurred in connection with the preparation of the Transaction Documents and/or the initial offering and sale of the Bonds except those to be paid by the Placement Agent pursuant to the last paragraph of this **Section 10**.

(b) Except as otherwise provided above in this **Section 10**, the Placement Agent shall pay all travel, postage, photocopying, telephone, fax, computer, word processing and other similar expenses incurred by them or any of them in connection with its placement of the Bonds.

**11. Notices.** Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to the City at its address set forth above, and any notice or other communication to the Developer may be given by delivering the same in writing to the Developer at its address set forth above. Any notice or other communication to be given to the Placement Agent under this Agreement may be given by delivering the same in writing to UMB Bank, N.A., 928 Grand Boulevard, 14<sup>th</sup> Floor, Kansas City, Missouri 64106, Attention: Scott Crist.

**12. Benefits; Successors.** This Agreement is made solely for the benefit of the City, the Developer and the Placement Agent and no other person shall acquire or have any right hereunder or by virtue hereof.

**13. Governing Law.** This Agreement shall be governed by the laws of the State.

**14. Survival.** All of the representations, warranties and agreements of the City, the Placement Agent and the Developer hereunder shall remain operative and be in full force and effect regardless of any investigations made by and on behalf of the Placement Agent, and shall survive the delivery of the Bonds to the Placement Agent.

**15. Counterparts.** This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

**16. Effectiveness.** This Agreement (i) shall become effective upon the execution of the acceptance hereof by the City and the Developer and (ii) supersedes all prior agreements between the City, the Developer and the Placement Agent regarding the issuance of the Bonds.

**17. 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. In addition, 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.

**18. Anti-Discrimination Against Israel Act.** Pursuant to Section 34.600 of the Revised Statutes of Missouri, the Placement Agent certifies it is not currently engaged in and shall not, for the duration of this Private Placement Agreement, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or (c) persons or entities doing business in the State of Israel.

*(Remainder of this page intentionally left blank)*

Very truly yours,

**UMB BANK, N.A.**, as Placement Agent

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

Accepted:

**CITY OF SMITHVILLE, MISSOURI**

By: \_\_\_\_\_  
Mayor

Date: May \_\_\_\_, 2022

Accepted:

**DEVELOPMENT ASSOCIATES  
SMITHVILLE, LLC**, a Missouri limited liability  
company

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

Date: May \_\_\_\_, 2022

**EXHIBIT A**

<u>Original Purchaser</u>	<u>20   Term Bond</u>	<u>20   Term Bond</u>	<u>Total Principal Amount</u>
Total			



**SCHEDULE I TO PRIVATE PLACEMENT AGREEMENT**

**MATURITY SCHEDULE**

**\$ \_\_\_\_\_**  
**CITY OF SMITHVILLE, MISSOURI**  
**TAX INCREMENT REVENUE BONDS**  
**(SMITHVILLE COMMONS PROJECT)**  
**SERIES 2022**

<u>Maturity</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>
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**TAX COMPLIANCE AGREEMENT**

**Dated as of May 15, 2022**

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**Among**

**CITY OF SMITHVILLE, MISSOURI,**

**SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT**

**And**

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

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**[\$[Principal Amount]  
City of Smithville, Missouri  
Tax Increment Revenue Bonds  
(Smithville Commons Project)  
Series 2022**

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**Exhibit D** – Sample Annual Compliance Checklist

**Exhibit E** – Sample Final Written Allocation

\* \* \*

## **TAX COMPLIANCE AGREEMENT**

**THIS TAX COMPLIANCE AGREEMENT** (the “Tax Agreement”), entered into as of May 15, 2022, among the **CITY OF SMITHVILLE, MISSOURI**, a political subdivision organized and existing under the laws of the State of Missouri (the “Issuer”), the **SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT** (the “District”) and **UMB BANK, N.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 Issuer of \$[Principal Amount] principal amount of Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022 (the “Bonds”), under a Trust Indenture dated the date of this Tax Agreement (the “Indenture”) between the Issuer and the Trustee and the Financing Agreement (the “Financing Agreement”) dated as of the date of this Tax Agreement between the Issuer and the Smithville Commons Community Improvement District (the “District”) for the purposes described in this Tax Agreement, in the Indenture, and in 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 the 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 Issuer 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 Issuer adopted a Tax-Exempt Financing Compliance Policy and Procedure (the “Tax Compliance Procedure”) for the purpose of setting out general procedures 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 Issuer 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 (a) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (b) 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 (c) representing grant repayments or sale or Investment proceeds of any purpose Investment.

**“Available Construction Proceeds”** means the sale proceeds of the Bonds, increased by (i) Investment earnings on the sale proceeds, (ii) earnings on amounts in a reasonably required reserve or replacement fund allocable to the Bonds but not funded from the Bonds, and (iii) earnings on such earnings, reduced by sale proceeds (A) in any reasonably required reserve fund or (B) used to pay issuance costs of the Bonds. Available Construction Proceeds do not include Investment earnings on amounts in a reasonably required reserve or replacement fund after the earlier of (a) the second anniversary of the Issue Date or (b) the date the Financed Facility is substantially completed. If the Issuer has elected under Code § 148(f)(4)(C)(vi)(IV) to rebate earnings on a reasonably required reserve or replacement fund, then Available Construction Proceeds do not include any earnings on such account.

**“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 any Bond or Bonds described in the recitals, authenticated and delivered under the Indenture.

**“Bond Compliance Officer”** means the Issuer’s Finance Director, or other person named in the Tax Compliance Procedure.

**“Bond Counsel”** means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the Issuer.

**“Bond Year”** means each one-year period (or shorter period for the first Bond Year) ending December 1, or another one-year period selected by the Issuer.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Compliance Account”** means the account by that name created under the Indenture, to provide for the payment of certain expenses as described in **Section 2.1(i)(2)** of this Tax Agreement.

**“Computation Date”** means each date on which arbitrage rebate for the Bonds is computed. The Issuer 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 Issuer selects May \_\_, 2027 as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

**“Debt Service Fund”** means, collectively, the Bond Payment Account and the Redemption Account which are contained in the Debt Service Fund established with the Trustee under the Indenture. The Bond Payment Account will be used to pay principal of and interest on any Bonds when they become due on scheduled mandatory redemption dates. The Redemption Account will be used to redeem the Bonds.

**“Debt Service Reserve Fund”** means the debt service reserve fund established with the Trustee under the Indenture.

**“District”** means the Smithville Commons Community Improvement District 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 District.

**“Financing Agreement”** means the Financing Agreement, dated the date of this Tax Agreement, between the Issuer and the District, as amended and supplemented in accordance with the provisions of the Financing Agreement.

**“Final Written Allocation”** means the Final Written Allocation of expenditures prepared by the Bond Compliance Officer in accordance with the Tax Compliance Procedure and **Section 4.2(b)** of this Tax Agreement.

**“Financed Facility”** means the portion of the Project being financed or refinanced with the proceeds of the Bonds as described on **Exhibit D**.

**“Financing Agreement”** means the Financing Agreement dated the date of this Tax Agreement, between the Issuer and the District as from time to time amended by Supplemental Financing Agreements in accordance with the provisions of the Financing Agreement.

**“Gross Proceeds”** means (a) sale proceeds (any amounts actually or constructively received by the Issuer 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, or other Investment 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, and (e) any other replacement proceeds.

Specifically, Gross Proceeds includes (but is not limited) to amounts held in the following funds and accounts:

- (1) Debt Service Fund, and therein a Bond Payment Account and a Redemption Account.
- (2) Debt Service Reserve Fund, and therein a Bond Proceeds Account and a Business Interruption Account.
- (3) Project Fund.
- (4) Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Bonds).

(5) Extraordinary Expense 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 the date of this Tax Agreement, between the Issuer and the Trustee, as 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. This term does not include a tax-exempt bond, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C), but it does include the investment element of most interest rate caps.

**“IRS”** means the United States Internal Revenue Service.

**“Issue Date”** means May \_\_, 2022.

**“Issuer”** means the City of Smithville, 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 Issuer.

**“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, the period beginning on the later of (a) the Issue Date or (b) the date the property is 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 Use”** means use of Bond proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Bond proceeds or the Financed Facility are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Regulations § 1.141-3.

**“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.

**“Post-Issuance Tax Requirements”** means those requirements related to the use of proceeds of the Bonds, the use of the Financed Facility and the investment of Gross Proceeds after the Issue Date of the Bonds.

**“Project”** means all of the property being acquired, developed, constructed, renovated, and equipped by the Issuer using Bond proceeds and Qualified Equity, all as described on **Exhibit D**.

**“Qualified Equity”** means funds (but excluding an existing equity ownership interest in real property or tangible personal property) that are not derived from proceeds of a tax-exempt financing that are spent on the Project on a date that is no earlier than a date on which such expenditures would be eligible for reimbursement by proceeds of the Bonds under Regulations § 1.150-2(d)(2) and ending not later than the date the Project is capable of and actually used at substantially its designed level.

**“Qualified Use Agreement”** means any of the following:

(a) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the Issuer’s governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement whereby (1) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (2) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(c) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (1) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (2) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (3) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(d) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm’s-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

**“Qualified User”** means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

**“Reasonable Retainage”** means Gross Proceeds retained by the Issuer for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed (a) for purposes of the 18-month spending test, 5% of net sale proceeds of the Bonds on the date 18 months after the Issue Date, or (b) for purposes of the 2-year spending test, 5% of the Available Construction Proceeds as of the end of the 2-year spending period.

**“Rebate Analyst”** means Gilmore & Bell, P.C. or any successor Rebate Analyst selected pursuant to this Tax Agreement.

**“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.

**“Revenue Fund”** means the Revenue Fund created under the Indenture, into which the Trustee shall deposit all Net Revenues.

**“Revenues”** means the amounts pledged under the Indenture to the payment of principal of, premium, if any, and interest on the Bonds, consisting generally of “Net Revenues” (as defined in the Indenture).

**“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 Issuer’s Tax-Exempt Financing Compliance Policy and Procedure, dated August 21, 2012, as it may from time to time be amended.

**“Tax-Exempt Bond File”** means documents and records for the Bonds, maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

**[“Tax Revenues”** means all (a) Economic Activity Tax Revenues (subject to appropriation by the Issuer), excluding the Fire District EATs Reimbursement, the Grocery Store Sales Tax Payment and the City Administrative Fee; (b) Payments in Lieu of Taxes, excluding Fire District PILOTs Reimbursement, the School District PILOTs reimbursement and the City Administrative Fee; and (c) CID Revenues (subject to appropriation by the District).]

**“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 Issuer and the District.** The Issuer represents and covenants as follows:

*(a) Organization and Authority.*

(1) The Issuer (1) is a political subdivision organized and existing under the laws of the State of Missouri, and (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.

(2) The District is (1) a community improvement district and political subdivision organized and existing under the laws of the State of Missouri, and (2) has lawful power and authority to enter into, execute and deliver the Financing Agreement 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 Financing Agreement 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 Issuer and 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 Issuer, 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—Use of Proceeds.* The proceeds of the Bonds will be used to finance the Financed Facility.

*(d) Governmental Obligations—Private Security or Payment – No Impermissible Agreements.*

(1) As of the Issue Date the Issuer expects that none of the principal and interest on the Bonds will be (under the terms of the Bonds or any underlying arrangement) directly or indirectly:

(i) secured by (A) any interest in property used or to be used for a Non-Qualified Use, or (B) any interest in payments in respect of such property; or

(ii) derived from payments (whether or not such payments are made to the Issuer) in respect of property, or borrowed money, used or to be used for a Non-Qualified Use.

(2) For purposes of the foregoing, taxes of general application, including Tax Revenues, are not treated as private payments or as private security. Tax Revenues will be the primary source of repayment of the Bonds. Tax Revenues are generally applicable taxes because they are an enforced contribution 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 Tax Revenues. An “impermissible agreement” generally includes any agreement described in Regulations § 1.141-4(e)(4)(ii), including the following:

(i) An agreement to be personally liable for a tax that does not impose personal liability.

(ii) An agreement to provide additional credit support such as a guaranty or to pay unanticipated shortfalls in tax collections.

(iii) An agreement as to the minimum market value of property subject to a property tax.

(iv) An agreement not to challenge or to seek deferral of a tax.

(v) Any similar agreement that causes a tax to fail to have a generally applicable manner of determination or collection.

(3) The Issuer will not permit any private security or payment with respect to the Bonds without first consulting with Bond Counsel.

(e) *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.

(h) *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).

(i) *Expenditure of Bond Proceeds.*

(1) The Issuer will evidence each allocation of the proceeds of the Bonds and Qualified Equity for the Project to an expenditure in writing. No allocation will be made more than 18 months following the later of (i) the date of the expenditure or (ii) the date the Financed Facility was placed in service.

(2) Reimbursement of Expenditures; Official Intent. The Issuer will not allocate any proceeds of the Bonds to reimburse and expenditure paid prior to the Issue Date.

(j) *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).

(k) *Bonds Not Federally Guaranteed.* The Issuer and 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).

(l) *IRS Form 8038-G.* Bond Counsel will prepare Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the Issuer contained in this Tax Agreement or otherwise provided by the Issuer and the District. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the Issuer for execution and for the Issuer’s records. The Issuer 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 “as-filed” copy along with proof of filing will be included as **Exhibit B**.

(m) *Hedge Bonds.* At least 85% of the net sale proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more.

(n) *Compliance with Future Tax Requirements.* The Issuer and the District understand that the Code and the Regulations may impose new or different restrictions and requirements on the Issuer in the future. The Issuer and 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.

(o) *Single Issue; No Other Issues.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c).

(p) *Interest Rate Swap.* As of the Issue Date the Issuer and the District have 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 Issuer and the District will not enter into any such arrangement in the future without first consulting with Bond Counsel.

(q) *Guaranteed Investment Contract.* As of the Issue Date of the Bonds, the Issuer and the District do not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The Issuer will be responsible for complying with **Section 4.4(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.

(r) *Bank Qualified Tax-Exempt Obligation.* The Bonds are not “qualified tax-exempt obligations” under Code § 265(b)(3).

**Section 2.2. Representations and Covenants of the Trustee.** The Trustee represents and covenants to the Issuer 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 Issuer, 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 (1) 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 (2) compliance with arbitrage rebate requirements of Code § 148(f). The Issuer will pay all costs and expenses incurred in connection with supplying the foregoing information.

**Section 2.3. Survival of Representations and Covenants.** All representations, covenants and certifications of the Issuer and the Trustee contained in this Tax Agreement or in any certificate or other instrument delivered by the Issuer 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 III** is to certify, under Regulations § 1.148-2(b), the Issuer’s expectations as to the sources, uses and investment of Bond proceeds and other money, in order to support the Issuer’s conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Agreement on behalf of the Issuer is an officer of the Issuer responsible for issuing the Bonds.

**Section 3.2. Reasonable Expectations.** The facts, estimates and expectations set forth in this **Article III** are based upon and in reliance upon the Issuer’s understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the Issuer’s knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the Issuer set forth in this Tax Agreement are reasonable. The Issuer 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 finance the Financed Facility.

**Section 3.4. Funds and Accounts.** The following funds and accounts have been established under the Indenture:

- Revenue Fund, and therein a PILOTs Account, an EATs Account, and a CID Account.
- Debt Service Fund, and therein a Bond Payment Account and a Redemption Account.
- Debt Service Reserve Fund, and therein a Bond Proceeds Account and a Business Interruption Account.
- Project Fund.
- Rebate Fund
- Extraordinary Expense Fund.

**Section 3.5. Amount and Use of Bond Proceeds and Other Money.**

(a) *Amount of Bond Proceeds.* The total proceeds to be received by the Issuer from the sale of the Bonds will be as follows:

Principal Amount	[\$[Principal Amount]].00
Total Proceeds Received by Issuer	\$

(b) *Use of Bond Proceeds.* The Bond proceeds are expected to be allocated to expenditures as follows:

(a) The accrued interest, if any, received from the sale on the Bonds will be deposited in the Debt Service Fund.

(b) an amount equal to \$\_\_\_\_\_ from the proceeds of the Bonds shall be deposited in the Bond Proceeds Account of the Debt Service Reserve Fund; and

(c) the remaining moneys from the proceeds of the Bonds shall be deposited into the Project Fund.

**Section 3.6. Multipurpose Issue.** The Issuer 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 for purposes pursuant to Regulations § 1.148-9(h)(3)(i).

**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. No Current Refunding.** No proceeds of the Bonds will be used to pay principal or interest on any other debt obligation.

**Section 3.9. Project Completion.** The Issuer has incurred, or will incur within 6 months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the Net Proceeds of the Bonds on the Financed Facility. The completion of the Financed Facility and the allocation of the Net Proceeds of the Bonds to expenditures will proceed with due diligence. At least 85% of the Net Proceeds of the Bonds will be allocated to expenditures on the Financed Facility within three years after the Issue Date.

**Section 3.10. Sinking Funds.** The Issuer is required to make periodic payments in amounts sufficient to pay the principal of and interest on the Bonds. Such payments will be deposited into the Debt Service Fund. Except for the Debt Service Fund and the Debt Service Reserve Fund, no sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds has been established or is expected to be established. 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 Issuer expects 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 a bond proceeds account in the debt service reserve fund to be funded at the time of issuance of the Bonds in an amount equal to \$\_\_\_\_\_, the Debt Service Reserve Requirement. The amount to be held in the Debt Service

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 Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement will be transferred to the Project Fund or, if the Financed Facility is complete, to the Debt Service Fund.

(b) *Debt Service Reserve Fund – Business Interruption Account.* The Indenture establishes the Business Interruption Account in the Debt Service Reserve Fund to be funded over time from Net Revenues until the amount on deposit in the account reaches \$\_\_\_\_\_, the Debt Service Reserve Requirement for the Business Interruption Account for the Bonds. Amounts on deposit in the Business Interruption Account of the Debt Service Reserve Fund are to be applied by the Trustee solely for the payment of the principal of and interest on the Bonds if other available moneys (including amounts on deposit in the Debt Service Fund and the Bond Proceeds Account of the Debt Service Reserve Fund) are insufficient to pay the Bonds as they become due and payable. Any amounts in the Business Interruption Account of the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement for the Business Interruption Account will be transferred to the Revenue Fund.

(c) *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, and that instead has been or will be used to acquire higher yielding Investments. Except for the Debt Service Fund and the Debt Service 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.

(d) *Other Funds and Accounts.* The Revenue Fund is expected to be used for the temporary deposit of Tax Revenues until such amounts are transferred to other funds and accounts in accordance with the Indenture. The Extraordinary Expense Fund is expected to be used for any expenses related to fees incurred by the City to interpret or defend the Indenture, or any audit or request from any federal or state entity or regulatory authority in connection with the Bonds. Therefore, amounts held in these funds and accounts are not 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. Purpose Investment Yield.** 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. Issue Price and Yield on Bonds.**

(a) *Issue Price.* In the Placement Agent's Closing Certificate, the Placement Agent has certified that (1) all of the Bonds have been the subject of an initial offering to the public at prices no higher than those shown on the inside cover page of the Private Placement Memorandum for the Bonds, without accrued interest (the "Offering Prices"), and (2) the Placement Agent expects that at least 10% of each maturity of the Bonds will be sold to the public at initial offering prices no higher than said Offering Prices. The aggregate initial offering price of the Bonds is \$[Principal Amount], without accrued interest.



(b) *Bond Yield.* Based on the Offering Prices of the Bonds, the Yield on the Bonds is \_\_\_\_\_%, as computed by Bond Counsel as shown on **Exhibit A**. The Issuer has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

#### **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 Issuer 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 Issuer, do not exceed the cost of the governmental purpose of the Bonds as described above.

**Section 3.15. Conclusion.** On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the Issuer 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 Issuer recognizes that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The Issuer further acknowledges that written evidence substantiating the 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 of the Issuer.* The Issuer intends for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be its 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 Issuer 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) *Bond Compliance Officer.* The Issuer and the District acknowledge that the investment and expenditure of proceeds of the Bonds are within the control of the Issuer, and that substantially all of the proceeds of the property financed by the Bonds is controlled by the Issuer. For these reasons, the District is relying on the Issuer and the Bond Compliance Officer to carry out the Post-Issuance Tax Requirements as set out in this Tax Agreement and the Tax Compliance Procedure. The Issuer has agreed to undertake the obligations imposed on it by the Tax Compliance Procedure. The District will cooperate with the Issuer when necessary to enable the Issuer to fulfill its Post-Issuance Tax Requirements will,

through its Bond Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction payments, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations §§ 1.141-12. In each case, all costs and expenses incurred by the Issuer shall be treated as a reasonable cost of administering the Bonds and the Issuer shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Indenture 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 Issuer 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 and Qualified Equity to Expenditures.* The Bond Compliance Officer will account for the investment and expenditure of Bond proceeds in the level of detail required by the Tax Compliance Procedure. The Bond Compliance Officer will supplement the expected allocation of Bond proceeds and Qualified Equity to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure. A sample form of Final Written Allocation is attached as **Exhibit E**.

(c) *Annual Compliance Checklist.* Attached as **Exhibit D** 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 Issuer 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 Restriction.** Except as described below, the Issuer will not invest Gross Proceeds at a Yield greater than the Yield on the Bonds:

(a) *Project Fund.* Bond proceeds deposited in the Project Fund and investment earnings on those proceeds may be invested without Yield restriction for up to 3 years following the Issue Date. If any unspent proceeds remain in the Project Fund after 3 years, those amounts may continue to be invested without Yield restriction so long as the Issuer pays to the IRS all Yield reduction payments in accordance

with Regulations § 1.148-5(c). These payments are required whether or not the Bonds are exempt from the arbitrage rebate requirements of Code § 148.

(b) *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.

(c) *Debt Service Reserve Fund- Bond Proceeds Account.* Money in the bond proceeds account of the Debt Service 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), 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.

(d) *Debt Service Reserve Fund – Business Interruption Account.* Money in the Business Interruption Account of the Debt Service Reserve Fund, in the aggregate, may be invested without Yield restriction to the extent that such amounts, when added to the Debt Service Reserve Requirement for the Bond Proceeds Account, does not exceed 15% of the original principal amount of the Bonds, so long as the Issuer pays to the IRS all Yield reduction payments in accordance with Regulations § 1.148-5(c).

(e) *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 Regulations § 1.148-5.

(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 Regulations § 1.148-5.

(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 issuer to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts.* The Issuer is applying Regulations § 1.148-5(d)(6)(iii)(A) 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 Issuer or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(i) The bid specifications are in writing and are timely forwarded to potential providers.

(ii) 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.

(iii) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (A) that the potential provider did not consult with any other potential provider about its bid, (B) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer, the Trustee, or any other person (whether or not in connection with the bond issue), and (C) that the bid is not being submitted solely as a courtesy to the Issuer, the Trustee, or any other person, for purposes of satisfying the requirements of the Regulations.

(iv) 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.

(v) The terms of the solicitation take into account the Issuer’s reasonably expected deposit and draw-down schedule for the amounts to be invested.

(vi) 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.

(vii) 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:

(i) 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, (A) 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, (B) 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 (C) 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.

(ii) At least one of the three bids received is from a reasonably competitive provider, as defined above.

(iii) 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 highest Yielding bona fide bid (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 Issuer and the Trustee retain the following records with the Bond documents until three years after the last outstanding Bond is redeemed:

(i) A copy of the Guaranteed Investment Contract.

(ii) 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 Issuer or the Trustee, and the certification as to fees paid, described in paragraph (d)(4) above.

(iii) 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.

(iv) 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 Issuer 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.*

(1) The 2-year spending exception is unavailable for the Bonds because the Issuer does not expect that at least 75% of the Available Construction Proceeds will be used for construction or rehabilitation expenditures for property owned by the Issuer.

(2) The following optional rebate spending exceptions can apply to the Bonds:

- (i) 6-month Exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c))
- (ii) 18-month Exception (Regulations § 1.148-7(d)).

(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 Issuer may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the Issuer must continue to comply with **Section 4.6** 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 or Available Construction 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 of the Bonds 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 of the Bonds 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) For purposes of applying the 18-month spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the Issuer uses due diligence to complete the Financed Facility and the failure does not exceed the lesser of 3% of the aggregate issue price the Bonds or \$250,000. **No such exception applies for any other spending period.**

(6) For purposes of applying the 18-month 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 (in the case of the 18-month exception) 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 Issuer, and not later than ten days following each Computation Date. The Issuer 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 and the Issuer 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. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is less than the arbitrage rebate due, the Issuer will, within 55 days after such Computation Date, pay to the Trustee from available Tax Revenues the amount of the deficiency for deposit into the Rebate Fund. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is greater than the Rebate Amount, the Trustee will transfer such surplus in the Rebate Fund to the Debt Service Fund. After the final Computation Date or at any other time if the Rebate Analyst has advised the Trustee, any money left in the Rebate Fund will be paid to the Issuer and may be used for any purpose not prohibited by law.

(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 Issuer) 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 the Issuer desires that a different firm act as the Rebate Analyst, then the Issuer 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 Issuer 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 and the Issuer will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with advice 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 Bondowners, 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 Issuer and the Trustee receive this Opinion of Bond Counsel.

**Section 5.3. Opinion of Bond Counsel.** The Issuer 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 Issuer 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 Issuer and the Trustee are making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. Neither the Issuer nor the Trustee is aware of any facts or circumstances which 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. The parties to this Tax Agreement understand 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 Issuer 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 or in the Indenture 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 Bondowners or the other party or 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. Electronic Transactions.** The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be sent, received and stored, by electronic means.

[Remainder of this page intentionally left blank.]

The parties to this Tax Agreement have caused this Tax Agreement to be duly executed by their duly authorized officers as of the Issue Date of the Bonds.

**CITY OF SMITHVILLE, MISSOURI**

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

**SMITHVILLE      COMMONS      COMMUNITY  
IMPROVEMENT DISTRICT**

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

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

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

**EXHIBIT A**

**DEBT SERVICE SCHEDULE AND PROOF OF BOND YIELD**

**EXHIBIT B**

**IRS FORM 8038-G**

## EXHIBIT C

## DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY

[illegible]

**EXHIBIT D****SAMPLE  
ANNUAL COMPLIANCE CHECKLIST**

<b>Name of tax-exempt bonds (“Bonds”) financing Financed Asset:</b>	<b>\$(Principal Amount) City of Smithville, Missouri Tax Increment Revenue Bonds (Smithville Commons Project), Series 2022</b>
<b>Issue Date of Bonds:</b>	<b>May __, 2022</b>
<b>Placed in service date of Project Facility:</b>	
<b>Name of Bond Compliance Officer:</b>	
<b>Period covered by request (“Annual Period”):</b>	

Item	Question	Response
<b>1. Private Security or Payment</b>	Has the Issuer or the District entered into any agreement or arrangement with any entity whereby the entity makes payments to the Issuer or the District for the use of any portion of the Financed Facility (e.g., a lease) or agrees to provide security for the Bonds (e.g., a guarantee)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has the Issuer or the District entered into any special agreement or arrangement with any entity relating to the payment of the taxes securing the Bonds (i.e., the PILOTS, the EATs, or the CID Sales Taxes)?	
	If Yes, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	

Item	Question	Response
<b>2. Rebate Calculations</b>	Has the Issuer 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.	

Item	Question	Response
<b>3. Continuing Disclosure Filings</b>	Was the annual report (including audited financial statements and any other financial information and operating data required for the Bonds) timely filed with the MSRB on EMMA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No, arrange to file the appropriate failure to file notice required for the Bonds with the MSRB on EMMA. In addition, contact Bond Counsel and file the deficient material with the MSRB on EMMA and include a description of the reason for the delay in the Tax-Exempt Bond File.	



Item	Question	Response
<b>4.</b> <b>Material</b> <b>Event</b> <b>Filings</b>	<p>Did any of the following events occur with respect to the Bonds?</p> <ul style="list-style-type: none"> <li>• principal and interest payment delinquencies;</li> <li>• non-payment related defaults, if material;</li> <li>• unscheduled draws on debt service reserves reflecting financial difficulties;</li> <li>• unscheduled draws on credit enhancements reflecting financial difficulties;</li> <li>• substitution of credit or liquidity providers, or their failure to perform;</li> <li>• 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;</li> <li>• modifications to rights of bondholders, if material;</li> <li>• bond calls, if material, and tender offers;</li> <li>• defeasances;</li> <li>• release, substitution or sale of property securing repayment of the Bonds, if material;</li> <li>• rating changes;</li> <li>• bankruptcy, insolvency, receivership or similar event of the obligated person;</li> <li>• the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, 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;</li> <li>• appointment of a successor or additional trustee or the change of name of the trustee, if material;</li> <li>• incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and</li> <li>• default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If “Yes,” was Bond Counsel contacted and notice of the material event filed with the MSRB on EMMA?</p> <p>If No, contact Bond Counsel immediately and prepare and file any required notice with the MSRB on EMMA.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Bond Compliance Officer:** \_\_\_\_\_

**Date Completed:** \_\_\_\_\_

## EXHIBIT E

### SAMPLE FINAL WRITTEN ALLOCATION

**[\$[Principal Amount]  
City of Smithville, Missouri  
Tax Increment Revenue Bonds  
(Smithville Commons Project)  
Series 2022**

#### **Final Written Allocation**

The undersigned is the Bond Compliance Officer of the City of Smithville, Missouri (the “Issuer”) and in that capacity is authorized to execute federal income tax returns required to be filed by the Issuer and to make appropriate elections and designations regarding federal income tax matters on behalf of the Issuer. This allocation of the proceeds of the bond issue referenced above (the “Bonds”) is necessary for the Issuer 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 Issuer 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 on May \_\_, 2022 (the “Issue Date”), by Issuer. The Bonds were issued in order to provide funds needed to construct, equip and furnish an economic development project (the “Project”). The Bonds were issued pursuant to an Ordinance of the Issuer and a Trust Indenture dated as of May 15, 2022 between the Issuer and UMB Bank, N.A., as trustee. Proceeds of the Bonds were deposited to the following accounts:

Debt Service Reserve Fund.  
Project Fund.

*Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs.* A portion of the costs of the Project was paid from sale proceeds of the Bonds and the remaining portion of the costs of the Project was paid from earnings from the investment of bond sale proceeds as shown on **Schedule 1** 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) are listed on page 1 of **Schedule 2** to this Final Written Allocation.

*Identification and Timing of Expenditures for Arbitrage Purposes.* For purposes of complying with the arbitrage rules, the Issuer allocates the proceeds of the Bonds to the various expenditures described in the invoices, requisitions or other substantiation attached as **Schedule 2** to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the Issuer for an amount it had previously paid or incurred. Amounts received from the sale of the Bonds and

retained as underwriters discount are allocated to that purpose and spent on the Issue Date. Amounts allocated to interest expense are treated as paid on the interest payment dates for the Bonds.

*Placed In Service.* The Project was “placed in service” on the date set out on **Schedule 2** to this Final Written Allocation. For this purpose, the assets are considered to be “placed in service” as of the date on which, based on all the facts and circumstances: (a) the constructing and equipping of the asset has reached a degree of completion which would permit its operation at substantially its design level; and (b) 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 Issuer reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

**CITY OF SMITHVILLE, MISSOURI**

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

Dated: \_\_\_\_\_

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:

\_\_\_\_\_  
Date of Review: \_\_\_\_\_

**SCHEDULE 1**  
**TO FINAL WRITTEN ALLOCATION**

**ALLOCATION OF SOURCES AND USES**

**SCHEDULE 2**  
**TO FINAL WRITTEN ALLOCATION**

**IDENTIFICATION OF FINANCED ASSETS**  
**&**  
**DETAILED LISTING OF EXPENDITURES**

## 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 “Code”), (1) the interest on the Bonds (including any original issuance 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 imposed on individuals and corporations, and (2) the interest on the Bonds is exempt from Missouri income taxation by the State of Missouri. The Bonds have not been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. See the caption “TAX MATTERS” in this Private Placement Memorandum.*

\$11,345,000\*

**CITY OF SMITHVILLE, MISSOURI  
TAX INCREMENT REVENUE BONDS  
(SMITHVILLE COMMONS PROJECT)  
SERIES 2022**

**Dated: Date of Delivery****Due: December 1, as shown on the inside cover page**

The Tax Increment Revenue Bonds (Smithville Commons Project) Series 2022 (the “Bonds”) are being issued by the City of Smithville, Missouri (the “City”) pursuant to a Trust Indenture, dated as of May 15, 2022 (the “Indenture”), between the City and UMB Bank, N.A., as bond trustee (the “Trustee”). **The Bonds are special, limited obligations of the City payable solely from Pledged Revenues (as defined herein), consisting of Net Revenues (as defined herein) and certain moneys on deposit under the Indenture.** Interest on the Bonds will be payable semiannually on June 1 and December 1 in each year, beginning on December 1, 2022.

THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE CITY AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY, THE DISTRICT (AS DEFINED HEREIN), THE STATE OF MISSOURI (THE “STATE”) OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER DEBT LIMITATION OR RESTRICTION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWERS OF THE CITY, THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. 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 Bonds may be transferred only in Authorized Denominations. The Bonds shall be sold to the original purchasers thereof on the closing date only upon prior delivery to the City and the Trustee of an Investor Letter in substantially the form of Exhibit E to the Indenture (the form of which is included as Appendix A-1 to this Private Placement Memorandum), signed by the original purchaser, stating that the transferee is an Approved Investor (as defined herein) and certain other matters set forth in the form thereof. The Bonds may be subsequently transferred to Approved Investors.**

The Bonds are subject to redemption prior to maturity in certain circumstances as described in this Private Placement Memorandum under the caption “THE BONDS – Redemption.”

Prospective investors are advised that none of the property comprising the Redevelopment Project is pledged as security for the Bonds. Neither the Developer nor any affiliate of the Developer or any partner, shareholder, officer, director, agent or representative of the Developer, has pledged its credit or assets or has provided any guaranty, surety or undertaking of any kind, moral or otherwise, to pay the principal of, premium, if any, and interest on the Bonds. **There is no mortgage securing the Bonds.**

An investment in the Bonds involves a high degree of risk, and prospective purchasers should read the section herein captioned “INVESTMENT CONSIDERATIONS AND RISKS.” The Bonds are not suitable investments for all persons, and prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should confer with their own legal and financial advisors and should be able to bear the risk of loss of their investment in the Bonds before considering a purchase of the Bonds.

The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Individual purchases of interests in the Bonds will be made in book-entry form only. Purchasers of such interests (the “Beneficial Owners”) will not receive certificates representing their interests in the Bonds. So long as Cede & Co., as nominee of DTC, is the owner of the Bonds, references herein to the owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. Principal of, redemption premium, if any, and interest on the Bonds is payable to the registered owners of the Bonds as described in this Private Placement Memorandum.

The Bonds are offered when, as and if issued by the City and accepted by the purchasers thereof, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Developer by Polsinelli PC, Kansas City Missouri; and for the Placement Agent by FisherBroyles, LLP. Piper Sandler & Co. served as municipal advisor to the City in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery through DTC on or about May \_\_\_, 2022.



acting as Placement Agent

The date of this Private Placement Memorandum is May \_\_\_, 2022

\* Preliminary; subject to change.

**DATED DATE, MATURITY DATES, PRINCIPAL AMOUNTS,  
INTEREST RATES AND PRICES\***

**\$11,345,000\***

**City of Smithville, Missouri  
Tax Increment Revenue Bonds  
(Smithville Commons Project)  
Series 2022**

**Dated: Date of Issuance and Delivery**

**Term Bonds**

\$1,550,000 \_\_\_\_\_% Term Bonds due December 1, 2025; Price: \_\_\_\_\_%

\$1,955,000 \_\_\_\_\_% Term Bonds due December 1, 2029; Price: \_\_\_\_\_%

\$2,515,000 \_\_\_\_\_% Term Bonds due December 1, 2033; Price: \_\_\_\_\_%

\$2,340,000 \_\_\_\_\_% Term Bonds due December 1, 2036; Price: \_\_\_\_\_%

\$2,985,000 \_\_\_\_\_% Term Bonds due December 1, 2039; Price: \_\_\_\_\_%

*The City may elect to issue all or a portion of the Bonds as taxable bonds in a separate series of Bonds. If all a portion of the Bonds were issued on a taxable basis, such Bonds would be issued pursuant to the Indenture on a parity basis with any of the Bonds issued on a tax-exempt basis. This Preliminary Private Placement Memorandum has been prepared on the assumption that all of the Bonds will be issued on a tax-exempt basis.*

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\* Preliminary; subject to change.





**CITY OF SMITHVILLE, MISSOURI**

107 W Main Street  
Smithville, Missouri 64089  
(816) 532-3897

**Elected Officials**

Damien Boley, Mayor

Marvin Atkins, Alderman (Ward 3)  
John Chevalier, Jr., Alderman (Ward 2)  
Dan Hartman, Alderman (Ward 1)  
Kelly Kobylski, Alderman (Ward 3)  
Ronald Russell, Alderman (Ward 2)  
Dan Ulledahl, Alderman (Ward 1)

**Administrative Officials**

Cynthia Wagner, City Administrator  
Anna Mitchell, Assistant City Administrator  
Stephen Larson, Finance Director  
Linda Drummond, City Clerk

**BOND COUNSEL**

Gilmore & Bell, P.C.  
Kansas City, Missouri

**MUNICIPAL ADVISOR TO THE CITY**

Piper Sandler & Co.  
Leawood, Kansas

**TRUSTEE**

UMB Bank, N.A.  
Kansas City, Missouri

**DEVELOPER**

Development Associates Smithville, LLC  
Overland Park, Kansas

**DEVELOPER'S & DISTRICT'S COUNSEL**

Polsinelli PC  
Kansas City, Missouri

**PLACEMENT AGENT**

UMB Bank, N.A.  
Kansas City, Missouri

**PLACEMENT AGENT'S COUNSEL**

FisherBroyles, LLP

## **REGARDING USE OF THIS PRIVATE PLACEMENT MEMORANDUM**

No dealer, broker, salesperson or other person has been authorized by the City, the District, the Developer or the Placement Agent to give information or to make any representations with respect to the Bonds, other than those contained in this Private Placement Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Private Placement Memorandum is being furnished by the City and the Developer for the purpose of each such investor's consideration of the purchase of the Bonds as described herein, and is not to be used for any other purpose or made available to anyone not directly concerned with the decision regarding such purchase. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Private Placement Memorandum, nor any sale hereunder implies that there has been no change in the matters described herein since the date hereof. 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 an offer, solicitation or sale. Interested investors are being provided the opportunity to ask questions and examine documents and records as they may desire, and are advised to contact the Placement Agent to secure further information concerning the Bonds.

**THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND THE INDENTURE HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF ANY 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. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.**

**AN INVESTMENT IN THE BONDS INVOLVES A HIGH DEGREE OF RISK, AND PROSPECTIVE PURCHASERS SHOULD READ THE SECTION HEREIN CAPTIONED "INVESTMENT CONSIDERATIONS AND RISKS." THE BONDS ARE NOT SUITABLE INVESTMENTS FOR ALL PERSONS, AND PROSPECTIVE PURCHASERS SHOULD CAREFULLY EVALUATE THE RISKS AND MERITS OF AN INVESTMENT IN THE BONDS, SHOULD CONFER WITH THEIR OWN LEGAL AND FINANCIAL ADVISORS AND SHOULD BE ABLE TO BEAR THE RISK OF LOSS OF THEIR INVESTMENT IN THE BONDS BEFORE CONSIDERING A PURCHASE OF THE BONDS. THE BONDS HAVE RISK CHARACTERISTICS WHICH REQUIRE CAREFUL ANALYSIS AND CONSIDERATION BEFORE A DECISION TO PURCHASE IS MADE. THE BONDS SHOULD BE PURCHASED BY INVESTORS WHO HAVE ADEQUATE EXPERIENCE TO EVALUATE THE MERITS AND RISKS OF THE BONDS.**

**PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS PRIVATE PLACEMENT MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATION FROM THE PLACEMENT AGENT, ITS AFFILIATES, OFFICERS AND EMPLOYEES OR ANY PROFESSIONAL ASSOCIATED WITH THIS OFFERING AS INVESTMENT OR LEGAL ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO FINANCIAL, LEGAL AND RELATED MATTERS CONCERNING THE INVESTMENT DESCRIBED HEREIN.**

**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 State 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”, “expect”, “estimate”, “anticipate”, “budget” or other similar words. Such forward looking statements include, among others, certain statements under the sections in this Private Placement Memorandum captioned **“PLAN OF FINANCE,” “PROJECTED ANNUAL DEBT SERVICE COVERAGE,” “INVESTMENT CONSIDERATIONS AND RISKS,” “THE SMITHVILLE COMMONS PROJECT,” “REVENUE STUDY”** and in **Appendix D** to this Private Placement Memorandum.

**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, 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 TO THE CITY AND THE DEVELOPER ON THE DATE HEREOF, AND THE CITY AND THE DEVELOPER ASSUME NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN THE EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR.**

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## PRIVATE PLACEMENT MEMORANDUM

relating to

\$11,345,000\*

### CITY OF SMITHVILLE, MISSOURI TAX INCREMENT REVENUE BONDS (SMITHVILLE COMMONS PROJECT) SERIES 2022

#### INTRODUCTION

The following introductory statement is subject in all respects to more complete information contained elsewhere in this Private Placement Memorandum. The order and placement of materials in this Private Placement Memorandum, including the Appendices, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Private Placement Memorandum, including the cover page and the Appendices, must be considered in its entirety. The offering of the Bonds to potential investors is made only by means of the entire Private Placement Memorandum.

For definitions of certain capitalized terms used herein and not otherwise defined, see the definitions included in the form of the Indenture attached as Appendix A-1 to this Private Placement Memorandum.

#### Purpose of the Private Placement Memorandum

The purpose of this Private Placement Memorandum is to furnish information relating to (1) the City of Smithville, Missouri (the “**City**”), (2) the City’s Tax Increment Revenue Bonds (Smithville Commons Project) Series 2022 being issued in the original principal amount of \$11,345,000\* (the “**Bonds**”), (3) the Smithville Commons Community Improvement District (the “**District**”) (4) the Redevelopment Project (as defined herein) being redeveloped by Development Associates Smithville, LLC, a Missouri limited liability company (the “**Developer**”).

#### The City

The City is a fourth class city and political subdivision duly organized and validly existing under the laws of the State of Missouri (the “**State**”). For further information concerning the City, see the caption “**THE CITY**” in this Private Placement Memorandum.

The City is authorized under the laws of the State, including, but not limited to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended (the “**TIF Act**”), to issue bonds for the purpose of providing funds to finance the costs of certain redevelopment projects and to pay certain costs related to the issuance of the Bonds.

#### The Developer

The Developer is a limited liability company organized and validly existing under the laws of the State of Missouri. See the caption “**THE SMITHVILLE COMMONS PROJECT – The Developer**” in this Private Placement Memorandum for further information with respect to the Developer.

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\* Preliminary; subject to change.



## The Bonds

The City will issue the Bonds pursuant to a Trust Indenture, dated as of May 15, 2022 (the “**Indenture**”), between the City and UMB Bank, N.A., as trustee (the “**Trustee**”), for the purpose of providing funds to (i) finance certain Redevelopment Project Costs (as defined in the Indenture), (ii) fund a debt service reserve fund for the Bonds, and (iii) pay the costs of issuance of the Bonds. See the caption “**PLAN OF FINANCE**” in this Private Placement Memorandum.

A description of the Bonds is contained in this Private Placement Memorandum under the caption “**THE BONDS**.” All references to the Bonds are qualified in their entirety by the definitive form thereof and the provisions with respect thereto included in the Indenture.

The Bonds are subject to redemption prior to maturity as described under the caption “**THE BONDS – Redemption**” in this Private Placement Memorandum.

**The Bonds are payable only from the Net Revenues and certain other funds held by the Trustee under the terms of the Indenture, all as described in this Private Placement Memorandum under the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.”**

## The Redevelopment Project

On August 1, 2017, the Board of Aldermen of the City adopted an ordinance approving the Smithville Commons Tax Increment Financing Plan (the “**Redevelopment Plan**”).

On October 3, 2017, the Board of Aldermen adopted an ordinance approving the redevelopment project provided for in the Redevelopment Plan (the “Redevelopment Project” or the “Project”) within an approximately 66.32 acre area of the City generally located between Cliff Drive and U.S. Highway 169 (the “**Redevelopment Area**”) and adopted tax increment financing therein pursuant to the TIF Act.

The Redevelopment Plan provides for the following Redevelopment Project within the Redevelopment Area:

- (i) acquisition of all property rights for the Redevelopment Area by the Developer;
- (ii) completion of site work and infrastructure improvements;
- (iii) construction of an approximately 65,000 square foot grocery store;
- (iv) construction of an approximately 15,120 square foot tractor and farm supply store;
- (v) construction of an approximately 12,000 square foot hardware store; and
- (v) construction of approximately 19,250 square feet of additional commercial space.

The City and the Developer entered into a Tax Increment Redevelopment Agreement dated August 1, 2017 (as amended and supplemented, the “**Redevelopment Agreement**”), pursuant to which the Developer agreed to redevelop the Redevelopment Area through the construction of the Redevelopment Project.

The Developer undertook the development of the Redevelopment Project, which provides for the redevelopment and financing of the retail center known as “Smithville Commons” in a single phase. See the caption “**THE SMITHVILLE COMMONS PROJECT**” in this Private Placement Memorandum.

## **The Smithville Commons Community Improvement District and CID Sales Tax**

On August 1, 2017, the Board of Aldermen of the City adopted an ordinance approving the petition for and establishing the Smithville Commons Community Improvement District (the “**District**”). The District is a political subdivision of the State with authority to impose certain taxes to carry out its purposes pursuant to the provisions of Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri (the “**CID Act**”). The boundaries of the District are coterminous to the boundaries of the Redevelopment Area.

The District was created for the purpose of imposing and levying a sales tax on retail sales occurring within the District. Voters of the District approved a CID sales tax in the amount of 1% that became effective on April 1, 2020 and will terminate 23 years later on March 31, 2043 (the “**CID Sales Tax**”).

Pursuant to the Cooperative Agreement, dated as of July 16, 2019 (the “**CID Agreement**”), among the City, the District and the Developer, the Indenture, and a Financing Agreement, dated as of May 15, 2022 (the “**Financing Agreement**”), between the City and the District, the CID Revenues (as defined herein) will be available for the payment of 9.2% of the debt service on the Bonds.

Fifty percent (50%) of the revenues from the CID Sales Tax, excluding certain items as described in the TIF Act, will be captured as Economic Activity Tax Revenues pursuant to the TIF Act and will be available, subject to annual appropriation by the City, as Economic Activity Tax Revenues for payment of the Bonds under the Indenture. See the captions “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” and “**THE SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT AND THE CID SALES TAX**” in this Private Placement Memorandum.

### **Security and Sources of Payment for the Bonds**

In General. The Bonds and the interest thereon are special, limited obligations of the City, payable solely from the Pledged Revenues held by the Trustee 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 “**Trust Estate**” consists of:

(a) All Net Revenues derived by the City under and pursuant to and subject to the provisions of the Redevelopment Agreement or otherwise (excluding the City’s rights to payment of its fees and expenses and to be indemnified in certain events) and the Pledged Revenues; and

(b) 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, as defined below, whether or not held in the Rebate Fund, as defined in the Indenture) 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 City 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 of the Indenture.

“**Pledged Revenues**” means all Net Revenues and all moneys held in the Project Fund, the Revenue Fund, the Debt Service Fund and the Debt Service Reserve Fund under the Indenture, together with investment earnings thereon.

“**Net Revenues**” means (a) all moneys on deposit (including investment earnings thereon) in the PILOTS Account of the Special Allocation Fund but excluding the Fire District PILOTS Reimbursement, the School District PILOTS Reimbursement and the City Administrative Fee, (b) subject to annual appropriation by the City, all moneys on deposit (including investment earnings thereon) in the Economic Activity Tax Account of the Special Allocation Fund, but excluding the Fire District EAT’s Reimbursement, the Grocery Store Sales Tax Payment and the City Administrative Fee determined based on the amount of Economic Activity Tax

Revenues, and (c) subject to annual appropriation by the District, all CID Revenues (including investment earnings thereon) paid by or on behalf of the District to the Trustee as provided in the Indenture and the Financing Agreement. Net 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 which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum until such suit or claim is resolved in favor of the City, (iii) any amounts set aside in escrow pursuant to State law that the City reasonably believes were collected and/or paid to the City erroneously.

**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 October 2, 2040 whether or not the principal amount thereof or interest thereon has been paid in full. However, CID Revenues allocable to repayment of the Bonds shall not exceed 9.2% of the Debt Service Requirements for the Bonds. See the caption “SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT AND CID SALES TAX” in this Private Placement Memorandum.**

<u>Source of Revenues</u>	<u>Start Date</u>	<u>End Date</u>
Payments in Lieu of Taxes and Economic Activity Tax Revenues	October 3, 2017	October 2, 2040
CID Sales Taxes	April 1, 2020	March 31, 2043

See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” in this Private Placement Memorandum.

Financing Agreement. In connection with the issuance of the Bonds, the City and the District are entering into the Financing Agreement pursuant to which the parties have agreed to certain reporting and budgeting procedures relating to the operation of the District and affirmed that the CID Revenues shall be collected, applied and administered in accordance with the CID Agreement.

Debt Service Reserve Fund. The Bonds are secured by amounts on deposit in the Debt Service Reserve Fund. The Bond Proceeds Account of the Debt Service Reserve Fund for the Bonds will be funded initially from proceeds of the Bonds in the amount of \$1,030,300\*. The Business Interruption Account of the Debt Service Fund will be funded in an amount up to \$1,030,300\* over time from funds deposited into and applied from the Revenue Fund. Amounts in the Debt Service Reserve Fund will be available to pay principal of and interest on the Bonds, in the event that there are not sufficient moneys available in the Debt Service Fund for the Bonds for such purpose, and to make the final payment of principal of and interest on the Bonds. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Indenture Funds and Accounts – Application of Moneys in the Revenue Fund**” and “- Debt Service Reserve Fund” in this Private Placement Memorandum

No Mortgage or General Obligation. The Bonds are not secured by a mortgage on any property in the Redevelopment Area. However, under the TIF Act, Payments in Lieu of Taxes that are due and owing 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 on real property in the Redevelopment Area, the lien for such unpaid Payments in Lieu of Taxes may be enforced as provided by Missouri law. See the caption “**TAX INCREMENT FINANCING IN MISSOURI - Assessment and Collection of Ad Valorem Taxes**” in this Private Placement Memorandum.

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\* Preliminary; subject to change.

**THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE CITY, THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY, THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT RESTRICTION OR LIMITATION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE DISTRICT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. 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.**

Prospective investors are advised that none of the property comprising the Redevelopment Area, the District or the Redevelopment Project is pledged as security for the Bonds and neither the Developer nor any affiliate of the Developer or any partner, shareholder, officer, director, agent or representative of such entities, has pledged its credit or assets or has provided any guaranty, surety or undertaking of any kind, moral or otherwise, to pay the principal of, premium, if any, and interest on the Bonds. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” in this Private Placement Memorandum.

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 or upon any obligation, covenant or agreement in the Indenture, the Financing Agreement or the Redevelopment Agreement, contained, against any past, present or future elected official of the City or the District or any trustee, officer, official, employee or agent of the City or the District, nor shall such recourse be had against the Developer, its principals, shareholders, members, affiliates, revenues or assets, as such, either directly or through the City or any successor thereto under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise.

#### **Restrictions on Transfers of the Bonds**

The Bonds contain certain restrictions on transferability. Prospective investors should review the captions “**THE BONDS – Registration, Transfer and Exchange**” and “**NOTICE TO INVESTORS**” in this Private Placement Memorandum.

#### **Investment Considerations and Risks**

Purchase of the Bonds will constitute an investment subject to significant risks, including the risk of nonpayment of principal and interest and the loss of all or part of the investment. There can be no assurance that the Redevelopment Area will be developed further nor that the Net Revenues will be sufficient to pay the principal of, premium, if any, and interest on the Bonds and to avoid a default on such Bonds in the future. Prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, confer with their own legal and financial advisors and be able to bear the risk of loss of their investment in the Bonds before considering a purchase of the Bonds. See the caption “**INVESTMENT CONSIDERATIONS AND RISKS**” in this Private Placement Memorandum.

#### **Revenue Study**

PGAV Planners, St. Louis, Missouri (the “**Consultant**”), has produced a report on the revenue generation potential of the Redevelopment Area based solely on the retail establishments currently operating a business and other retail space available to be leased within the Redevelopment Area (see the caption “**THE SMITHVILLE COMMONS PROJECT**” in this Private Placement Memorandum). Such report, entitled “**Smithville Commons Project Bond Revenue Study**” dated April 25, 2022 (the “**Revenue Study**”), is included in this Private Placement Memorandum as **Appendix D**. The Revenue Study includes a forecast of retail sales

of the Smithville Commons Project and a forecast of real property tax collections for the Smithville Commons Project based on actual and projected development activity within the Redevelopment Area.

The purpose of the Revenue Study is to provide a projection of the potential tax revenues available from the Redevelopment Area pursuant to the TIF Act and the CID Act to support the payment of debt service on the Bonds.

**The Consultant has not been engaged to perform, and has not performed, since the date of its report, any update of the projections contained in the Revenue Study.**

The financial forecast contained in the Revenue Study is based on certain assumptions, estimates and opinions as discussed in the Revenue Study. Certain of the assumptions, estimates and opinions contained in the Revenue Study may not materialize as unforeseen events and circumstances may occur subsequent to the date of the Revenue Study. Therefore, there usually will be differences between the forecasted and actual results and those differences may be material. There is no assurance that actual events will correspond with the Revenue Study or the assumptions, estimates or opinions on which they are based. The Revenue Study should be read in its entirety by prospective investors for a full understanding of the forecasted statements, assumptions and qualifications contained therein.

See the caption “**REVENUE STUDY**” in this Private Placement Memorandum and **Appendix D** to this Private Placement Memorandum.

#### **Continuing Disclosure**

The City and the District will enter into a continuing disclosure certificate to provide certain ongoing disclosure information to the Bondowners. See the caption “**CONTINUING DISCLOSURE**” in this Private Placement Memorandum and **Appendix C** to this Private Placement Memorandum for a description of such undertaking.

#### **Definitions, Financing Documents and Additional Information**

The form of the Indenture, including the definitions of certain words and terms used in this Private Placement Memorandum, is attached to this Private Placement Memorandum as **Appendix A-1**. The form of the Financing Agreement is attached to this Private Placement Memorandum as **Appendix A-2**. All references herein to such documents are qualified in their entirety by reference to the definitive forms of such documents, copies of which may be obtained from UMB Bank, N.A., 1010 Grand Boulevard, Kansas City, Missouri 64106, and will be provided to any prospective purchaser requesting the same upon payment of the cost of complying with such request. **Appendix B** contains the proposed form of opinion which is anticipated to be rendered by Bond Counsel at the time of delivery of the Bonds. **Appendix C** contains the form of the Continuing Disclosure Certificate. **Appendix D** contains the Revenue Study.

#### **THE CITY**

*The Bonds are not a general obligation of the City and are payable solely from the revenues described herein. The following information regarding the City is provided as general background information only.*

#### **General**

The City is a fourth-class city and political subdivision, duly created and existing under the laws of the State of Missouri. The City was founded in 1824 on the Little Platte River and was the second oldest settlement in Clay County, Missouri (the “**County**”). Because the City was subjected to occasional flooding, the Army Corps of Engineers built a dam, impounding potential floodwaters and creating Smithville Lake, a popular recreational

destination. The City is located in the northwestern part of Clay County, Missouri, with a small portion extending into Platte County, Missouri, approximately 20 miles north of Kansas City, Missouri, and 14 miles east of the Kansas City International Airport (KCI). The City's estimated population is approximately 10,406.

The City is governed by a Mayor and a six-member Board of Aldermen elected from three wards, each serving staggered two-year terms. The City Administrator is appointed by the Mayor with the approval of a majority 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 Finance Director and the Board of Aldermen 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 October 31.

### **General Economic and Demographic Information**

**Population.** The following table sets forth certain population information for the City, the County and the State.

	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>
City of Smithville	2,786	5,514	8,425	10,406
Clay County	153,411	184,006	221,939	253,335
State of Missouri	5,117,073	5,595,211	5,988,927	6,154,913

*Source:* U.S. Census Bureau

**Income.** The median family income and per capital income, according to the U.S. Census Bureau American Community Survey 5-year Estimates for the City, Clay County and the State are as follows:

	<u>Median Household Income</u>	<u>Median Family Income</u>	<u>Per Capita Income</u>
City of Smithville	\$82,398	\$94,145	\$33,509
Clay County	70,510	85,622	34,560
State of Missouri	57,409	76,060	30,810

*Source:* U.S. Census Bureau American Community Survey 5-year Estimates (2019).

**Major Area Employers.** Because of the City's location, employment opportunities for residents of the City are available both within the City and throughout the Kansas City metropolitan area. Listed below are the major employers located in the Kansas City Metropolitan Statistical Area (MSA):

<u>Employers</u>	<u>Product/Service</u>	<u>Approximate Number of Full-Time Equivalent Employees</u>
Federal Government	Government	28,395
The University of Kansas Health System	Healthcare	12,839
Cerner Corporation	Healthcare information systems	12,778
HCA Midwest Health	Healthcare	10,076
Saint Luke's Health System	Healthcare	9,056
Children's Mercy	Healthcare	7,460
Ford Kansas City Assembly Plant	Vehicle Manufacturing	7,250
T-Mobile US Inc.	Wireless carrier	6,000
Hallmark Cards Inc.	Greeting cards/media/marketing	5,400
Honeywell Federal Manufacturing & Technologies	Military defense manufacturing	4,812

*Source:* Kansas City Business Journal (July 2021).

**Unemployment Rates.** The following table sets forth certain seasonally adjusted labor force and unemployment information for the Kansas City MSA and the State as of December of each year.

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<i>Kansas City MSA</i>					
Total Labor Force	1,130,392	1,130,688	1,149,322	1,153,283	1,164,666
Unemployed	40,951	37,176	37,285	50,957	39,291
Unemployment Rate	3.6%	3.3%	3.2%	4.4%	3.4%
<i>State of Missouri</i>					
Total Labor Force	3,048,580	3,057,685	3,100,780	3,051,663	3,058,440
Unemployed	107,199	97,065	108,602	135,112	101,988
Unemployment Rate	3.5%	3.2%	3.5%	4.4%	3.3%

*Source:* Missouri Economic Research and Information Center.

## THE BONDS

*The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect to the Bonds in the Indenture for the detailed terms and provisions thereof.*

### General

The Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly the TIF Act. The Bonds will be issuable as fully registered bonds, without coupons, in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof or, if the Outstanding principal amount of the Bonds is less than \$100,000, an amount equal to the Outstanding principal amount of the Bonds (“**Authorized Denominations**”). The Bonds will be dated as of the date of initial issuance and delivery thereof.

The Bonds shall bear interest at the rate set forth on the inside cover page hereof (computed on the basis of a 360-day year of twelve 30-day months) from their date or from the most recent Interest Payment Date to

which interest has been paid or duly provided for, payable on June 1 and December 1 in each year, beginning on December 1, 2022.

### **Method and Placement of Payment on the Bonds**

The principal of 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 debts due the United States of America. Payment of the principal of or interest on any Bond shall be made (i) by check or draft of the Trustee mailed to the Person in whose name such Bond is registered on the Register as of the commencement of business of the Trustee on the Record Date for such Payment Date, or (ii) in the case of a principal or interest payment to the Securities Depository or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice delivered to the Trustee not less than 5 days prior to the Record Date from and signed by such Owner containing electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Owner wishes to have such transfer directed.

Payment of principal of, premium, if any, and interest on the Bonds will be made directly to DTC or its nominee, Cede & Co., by the Trustee. See **Appendix E** to this Private Placement Memorandum. If the Bonds are not in a book-entry-only system, payment of principal of, premium, if any, and interest on the Bonds will be made as otherwise described in this Private Placement Memorandum and the Indenture.

### **Registration, Transfer and Exchange**

Any Bond may be transferred 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 his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the City 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 in any Authorized Denomination authorized by the Indenture. **The Bonds may only be purchased by or transferred to Approved Investors (see the caption “NOTICE TO INVESTORS” in this Private Placement Memorandum).**

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

Any Bond, upon surrender thereof at the corporate trust office of the Trustee or such other payment office as the Trustee shall designate, together with an assignment duly executed by the Owner or his 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 Bonds of the same series and maturity, of any Authorized Denomination authorized by the Indenture, bearing interest at the same rate, and registered in the name of the Owner.

In all cases in which Bonds are exchanged or transferred under the Indenture, the City 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.

No service charge shall be made for any registration, transfer or exchange of Bonds, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, and such charge shall be paid before any such new Bond shall be delivered. The fees and charges of the Trustee for making any transfer or exchange and the expense of any bond printing necessary to effect any such transfer or exchange shall be paid by the City. In the event any registered owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such registered owner sufficient to pay any governmental charge required to be paid as



a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such registered owner hereunder or under the Bonds.

At reasonable times and under reasonable regulations established by the Trustee, the Register may be inspected and copied by the City 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 is registered on the 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 interest on any such Bond shall be made only to or upon the order of the registered Owner thereof or his 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.

## Redemption

Optional Redemption. The Bonds are subject to optional redemption by the City in whole or in part at any time on or after December 1, 20\_\_, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date.

### Special Mandatory Redemption.

(1) The Bonds maturing December 1, 20\_\_ and thereafter are subject to special mandatory redemption by the City in order of maturity on each December 1 commencing December 1, 20\_\_, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Bonds are subject to special mandatory redemption by the City, in whole but not in part, on any date in the event that moneys in the applicable account of the Debt Service Fund and the Debt Service Reserve Fund are sufficient to redeem all of the Bonds at a redemption price of 100% of such Bonds Outstanding, together with accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The Bonds maturing in the years 2025\*, 2029\*, 2033\*, 2036\* and 2039\* (the “**Term Bonds**”) will be subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements set forth below at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The Trustee shall redeem on December 1 in each year, the following principal amounts of such Bonds:

### Term Bonds Maturing December 1, 2025\*

<u>Year</u>	<u>Principal Amount*</u>
2022	\$475,000
2023	320,000
2024	355,000
2025 <sup>(1)</sup>	400,000

\* Preliminary; subject to change.

<sup>(1)</sup> Final Maturity

Term Bonds Maturing December 1, 2029\*

<u>Year</u>	<u>Principal Amount*</u>
2026	\$435,000
2027	475,000
2028	505,000
2029 <sup>(1)</sup>	540,000

\* Preliminary; subject to change.

<sup>(1)</sup> Final Maturity

Term Bonds Maturing December 1, 2033\*

<u>Year</u>	<u>Principal Amount*</u>
2030	\$570,000
2031	610,000
2032	645,000
2033 <sup>(1)</sup>	690,000

\* Preliminary; subject to change.

<sup>(1)</sup> Final Maturity

Term Bonds Maturing December 1, 2036\*

<u>Year</u>	<u>Principal Amount*</u>
2034	\$730,000
2035	780,000
2036 <sup>(1)</sup>	830,000

\* Preliminary; subject to change.

<sup>(1)</sup> Final Maturity

Term Bonds Maturing December 1, 2039\*

<u>Year</u>	<u>Principal Amount*</u>
2037	\$885,000
2038	940,000
203 <sup>(1)</sup>	1,160,000

\* Preliminary; subject to change.

<sup>(1)</sup> Final Maturity

At its option, to be exercised on or before the 45<sup>th</sup> day next preceding any mandatory Redemption Date, the City may: (1) deliver to the Trustee for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Trustee funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof whereupon the Trustee shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the City under the mandatory sinking fund redemption requirement for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date that, prior to such date, have been redeemed (other than through the operation of the mandatory sinking fund redemption requirements of the Indenture) and canceled by the Trustee and not theretofore applied as a credit against any

redemption obligation under the mandatory sinking fund redemption requirements of the Indenture. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the City to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the mandatory sinking fund redemption requirements shall be accordingly reduced. 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 each mandatory Redemption Date, furnish the Trustee a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with respect to such mandatory redemption payment and any Term Bonds to be credited pursuant to (3) above.

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Bonds are to be optionally redeemed and paid prior to maturity, such Bonds or portions of Bonds to be redeemed shall be selected in Authorized Denominations by the Trustee from such maturities and in such amounts as the City may determine, and Bonds of less than a full maturity shall be selected by the Trustee in Authorized Denominations by lot or in such other equitable manner as it 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 Authorized Denomination unit of face value shall be treated as though it was a separate Bond of the denomination of the minimum Authorized Denomination. If one or more, but not all, of the minimum Authorized Denomination units of principal amount represented by any Bond are selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination unit or units, the Owner of such Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the interest to the date fixed for redemption) of the minimum Authorized Denomination 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 minimum Authorized Denomination fails 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 minimum Authorized Denomination unit or units of principal amount called for redemption (and to that extent only) and shall cease to accrue interest on the principal amount so called for redemption.

Notice of Redemption.

Unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of any Bond shall be given by the Trustee on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 20 days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Bond shall not affect the validity of any proceedings for the redemption of any other Bonds.

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 of the Bonds to be redeemed (such identification to include interest rates, maturities, CUSIP numbers and such additional information as the Trustee may reasonably determine),

(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 corporate trust office of the Trustee or such other payment office as the Trustee may designate.

In addition to the foregoing notice, the Trustee shall also comply with any mandatory requirements or guidelines published by the Securities and Exchange Commission relating to providing notices of redemption. The failure of the Trustee to comply with any such requirements shall not affect or invalidate the redemption of said Bonds.

Any provision in the Indenture to the contrary notwithstanding, any notice of 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.

*So long as the Securities Depository is effecting book-entry transfers of the Bonds, the Trustee shall provide the redemption notices specified in the Indenture only to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Bond to notify the beneficial owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.*

Effect of Call for Redemption. On or prior to the date fixed for redemption, moneys or Government Securities shall be deposited with the Trustee as provided in the Indenture hereof to pay the Bonds called for redemption and accrued interest thereon to the redemption date. Upon the happening of the above conditions, and notice having been given as provided in the Indenture, 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 are on deposit at the place of payment at the time, 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.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **Limited Obligations; Sources of Payment**

The Bonds and the interest thereon shall be special, limited obligations of the City payable from 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 Bondowners, as provided in the Indenture.

The “**Trust Estate**” for the Bonds consists of:

(a) All Net Revenues derived by the City under and pursuant to and subject to the provisions of the Redevelopment Agreement or otherwise (excluding the City’s rights to payment of its fees and expenses and to be indemnified in certain events) and the Pledged Revenues; and

(b) 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, as defined below, whether or not held in the Rebate Fund, as defined in the Indenture) 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 City 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 of the Indenture.

See the caption “**Net Revenues**” below for the definition of Net Revenues, along with the definition of certain related terms.

***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 Net Revenues to the Trustee for the repayment of the Bonds terminates on October 2, 2040 whether or not the principal amount thereof or interest thereon has been paid in full.***

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 Project over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project, as provided for by Section 99.845 of the TIF Act, excluding the Ambulance District PILOTs Reimbursement, the Fire District PILOTs Reimbursement and the School District PILOTs Reimbursement, will be used for the repayment of the Bonds.

Fifty percent of the Economic Activity Taxes generated within the Redevelopment Area, subject to annual appropriation by the City, excluding the Fire District EATs Reimbursement (as defined herein) and the Grocery Store Sales Tax Payments (as defined herein), will be used for the repayment of the Bonds.

The CID Revenues (which excludes the CID Operating Costs, the portion of the revenues of the CID Sales Tax captured as Economic Activity Tax Revenues and the administrative fee retained by the City in the amount of 1% of all revenues received by the District from the CID Sales Tax), subject to annual appropriation by the CID, will be used for the repayment of the Bonds.

The Bond Proceeds Account of the Debt Service Reserve Fund will be initially funded in the amount of \$1,030,300\* as additional security for the Bonds. The Business Interruption Account of the Debt Service Fund will be funded in an amount up to \$1,030,300\* over time from funds deposited into and applied from the Revenue Fund. Except as otherwise provided in the Indenture, moneys in the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the Bonds if moneys otherwise available for such purpose as provided in the Indenture are insufficient to pay the same as they become due and payable and to retire the last Outstanding Bonds.

The Bonds are not secured by a mortgage on any property in the Redevelopment Area. 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. See the caption “**TAX INCREMENT FINANCING IN MISSOURI – Assessments and Collections of Ad Valorem Taxes**” in this Private Placement Memorandum.

The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the City, the District, the State or of any political subdivision thereof within the meaning of any state constitutional or statutory debt limitation or restriction and shall not constitute a pledge of the full faith and credit of the City, the District, the State or of any political subdivision thereof, but shall be payable solely from the funds provided for in the

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\* Preliminary; subject to change.

Indenture. 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. None of the City, the District or the State shall, in any event, be liable for the payment of the principal of, redemption premium, if any, or interest on the Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the City. No breach by the City of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the City, the District, the State or any charge upon their respective general credit or against their respective taxing powers.

## Revenues

There are three primary revenue sources for the Bonds: (a) Economic Activity Tax Revenues; (b) Payments in Lieu of Taxes; and (c) CID Revenues.

**Economic Activity Taxes.** The following table shows the sales taxes currently imposed within the Redevelopment Area and the taxes that are available for payment of the Bonds. Based on a certification of the City with respect to sales taxes received in the Redevelopment Area during calendar year 2016, the City and County sales taxes that are available for payment of the Bonds generated \$0.00 in total revenues to the City and the County before the adoption of tax increment financing; 50% of the revenues from those sales taxes above that amount are available for payment of the Bonds. However, pursuant to the Redevelopment Agreement, if the sales tax revenues received by the City from the economic activity within the Redevelopment Area do not equal or exceed \$289,138.50, the Developer will make the Grocery Store Sales Tax Payment. **“Grocery Store Sales Tax Payment”** means a payment from the Developer to the City in an amount equal to the lesser of (1) the difference between (a) \$289,138.50 and (b) the sales tax revenues actually received by the City from all economic activity in the Redevelopment Area in the applicable calendar year or (2) \$50,000, if the sales tax revenues received by the City from the economic activity within the Redevelopment Area for a calendar year does not equal or exceed \$289,138.50, as described in the Redevelopment Agreement.

The following table sets forth the sales taxes imposed in the Redevelopment Agreement and the portion of those sales taxes available for the payment of debt service on the Bonds as economic activity taxes:

	<u>Tax Rate</u>	<u>Available for Bonds</u>
State	4.225%	-
Clay County	1.125	0.4375%
City of Smithville	2.500	0.7500
Smithville Area Fire Protection District	0.500	0.1250
Kansas City Zoological District	0.125	0.0625
Smithville Commons Community Imp. District	<u>1.000</u>	<u>0.500</u>
<b>Total Sales Tax</b>	<b><u>9.475%</u></b>	<b><u>1.875%</u></b>

Per the TIF Act, if any voters in a taxing district approve a new sales tax or an increase to an existing sales tax, the revenues generated within the Redevelopment Area attributed to the new sales tax or increase will not be subject to capture and placed in the Special Allocation Fund without the consent of the taxing district. Currently, the City has authorized a capital improvement sales tax and a park/stormwater sales tax after approval of the Redevelopment Plan and have not consented to the capture of those revenues within the Redevelopment Area.

**CID Revenues.** The District’s boundaries match the boundaries of the Redevelopment Area. All retailers within the District are subject to the 1% CID Sales Tax. One-half of the revenues received from the CID Sales Tax will be captured as Economic Activity Taxes. The remaining funds available after (a) the District’s CID Operating Costs, (b) Economic Activity Tax Revenues derived from the CID sales tax, and (c) the administrative fee retained by the City in the amount of 1% of all revenues received by the District from such

sales tax imposed by the District to be paid from CID Revenues other than the Economic Activity Tax Revenues derived from the CID sales tax, will be available for payment of debt service on the Bonds

Payments in Lieu of Taxes. The base value (initial assessed value) of property within the Redevelopment Area has been certified at \$52,430 (see the caption “**TAX INCREMENT FINANCING IN MISSOURI – Overview**” in this Private Placement Memorandum). The total assessed value of property within the Redevelopment Area (including the base) since 2017 is as follows:

<u>Year</u>	<u>Assessed Valuation</u>
2017	\$ 52,430
2018	52,430
2019	50,260
2020	498,370
2021	4,634,430

Per the TIF Act, if voters in a taxing district approve an increase to the taxing district’s levy rate, any additional revenues generated within the Redevelopment Area that are directly attributable to the new increase will not be captured and placed into the Special Allocation Fund without the consent of the taxing district. Currently, the Mid-Continent Public Library and the Smithville Fire Protection District have authorized levy increases after approval of the Redevelopment Plan and have not consented to the capture of those revenues within the Redevelopment Area.

#### **City Annual Appropriation Obligation**

The City’s obligations under the Indenture to pay the Economic Activity Taxes for application to the Bonds are subject to annual appropriation. Such moneys must be appropriated each year by the Board of Aldermen. The Indenture contains the following provisions with respect to the City’s annual appropriation obligation:

Annual Appropriation. The City intends, on or before the last day of each Fiscal Year, to budget and appropriate moneys constituting Economic Activity Tax Revenues to the repayment of the principal of and interest on the Bonds for that Fiscal Year. 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 such funds during such Fiscal Year. If the Board of Aldermen shall have made the appropriation, the failure of the City to deliver the foregoing notice on or before the 15<sup>th</sup> 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 request the City confirm in writing whether or not such appropriation has been made.

Payments to Constitute Current Expenses of the City. The City acknowledges that the application of Economic Activity Tax Revenues under the Indenture 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 debt limitation or restriction concerning the creation of indebtedness by the City, nor shall anything contained in the Indenture constitute a pledge of the general credit, tax revenues, funds or moneys of the City. The City’s obligations to apply Economic Activity Tax Revenues under the Indenture 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 the Indenture 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 the

Indenture 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.

### **District Annual Appropriation Obligation**

The District's obligation to pay the CID Revenues for application to the Bonds is subject to annual appropriation. Such moneys must be appropriated each year by the Board of Directors of the District. The CID Agreement, the Financing Agreement and the Indenture require the payment of the CID Revenues, subject to annual appropriation, to the CID Account of the Revenue Fund. ***The District cannot use the CID Revenues for any purposes other than to make payments with respect to the Bonds and pay CID Operating Costs without obtaining the Board of Aldermen's approval of amendments to the CID Agreement and the Financing Agreement.***

### **Net Revenues**

Pursuant to the Indenture, "**Net Revenues**" means (a) all moneys on deposit (including investment earnings thereon) in the PILOTS Account of the Special Allocation Fund but excluding the Ambulance District PILOTS Reimbursement, the Fire District PILOTS Reimbursement, the School District PILOTS Reimbursement and the City Administrative Fee, (b) subject to annual appropriation by the City, all moneys on deposit (including investment earnings thereon) in the Economic Activity Tax Account of the Special Allocation Fund, but excluding the Fire District EATs Reimbursement, the Grocery Store Sales Tax Payment and the City Administrative Fee determined based on the amount of Economic Activity Tax Revenues, and (c) subject to annual appropriation by the District, all CID Revenues (including investment earnings thereon) paid by or on behalf of the District to the Trustee as provided in the Indenture. Net 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 which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum until such suit or claim is resolved in favor of the City, (iii) any amounts set aside in escrow pursuant to State law that the City reasonably believes were collected and/or paid to the City erroneously.

The following definitions set forth in the Indenture are used in determining Net Revenues:

"**CID Revenues**" means the revenues received by the District from the 1% sales tax imposed by the District within its boundaries and within the Redevelopment Project exclusive of (a) the CID Operating Costs to be paid from CID Revenues other than the Economic Activity Tax Revenues derived from the CID sales tax, (b) Economic Activity Tax Revenues derived from the CID sales tax, and (c) the administrative fee retained by the City in the amount of 1% of all revenues received by the District from such sales tax imposed by the District to be paid from CID Revenues other than the Economic Activity Tax Revenues derived from the CID sales tax.

"**City Administrative Fee**" means all documented costs and expenses reasonably incurred by the City for planning, legal, financial, administrative and other costs associated with the review, consideration, approval and implementation of the Redevelopment Plan, including the Redevelopment Project and the Redevelopment Agreement, plus 1% of the total revenues distributed to the District.

"**CID Operating Costs**" means the actual, reasonable expenses which are reasonably necessary for the operation of the District which shall include, but is not limited to, costs associated with notices, publications, meetings, supplies, equipment, photocopying, insurance, the engagement of special legal counsel, financial auditing services, and other consultants or services including companies engaged by the District (or the City on behalf of the District) to review applications for reimbursement for payment of District improvement costs, and shall also include reasonable attorneys' fees for the formation of the District.



**“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 Project over the amount of such taxes generated by economic activities within the Redevelopment Project in the calendar year ending December 31, 2016, 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, and taxes levied for the purpose of public transportation pursuant to Section 94.660, RSMo., excluding the Fire District EATs Reimbursement and the Grocery Store Sales Tax Payment.

**“Ambulance District PILOTS Reimbursement”** means 75% of the property taxes imposed by the Ambulance District and treated as Payments in Lieu of Taxes, which amount is paid to or retained by the Ambulance District pursuant to the Reimbursement Agreements.

**“Fire District EATs Reimbursement”** means 75% of the sales taxes collected by the Fire District from all Fire District sales tax revenues from within the Redevelopment Area while tax increment financing is in effect in such area, which amount is retained by the Fire District pursuant to the Reimbursement Agreements.

**“Fire District PILOTS Reimbursement”** means 75% of the property taxes collected by the Fire District and treated as Payments in Lieu of Taxes, which amount is paid to the Fire District by the City pursuant to the Reimbursement Agreements

**“Grocery Store Sales Tax Payment”** means a payment from the Developer to the City in an amount equal to the lesser of (1) the difference between (a) \$289,138.50 and (b) the sales tax revenues actually received by the City from all economic activity in the Redevelopment Area in the applicable calendar year or (2) \$50,000, if the sales tax revenues received by the City from the economic activity within the Redevelopment Area for a calendar year does not equal or exceed \$289,138.50, as described in the Redevelopment Agreement.

**“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 Project over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project, as provided for by Section 99.845 of the TIF Act, excluding the Ambulance District PILOTS Reimbursement, the Fire District PILOTS Reimbursement and the School District PILOTS Reimbursement.

**“Reimbursement Agreements”** means the Reimbursement Agreement (Northland Regional Ambulance District) between the City and the Ambulance District dated July 17, 2027 and the Reimbursement Agreement (Smithville Area Fire Protection District) between the City and the Fire District dated as of August 1, 2017.

**“School District PILOTS Reimbursement”** means 40% of the Payments in Lieu of Taxes received by the City that are attributable to ad valorem taxes imposed by the School District to the increase in the current equalized assessed valuation of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Project over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Project, as provided for by Section 99.845 of the TIF Act, to be paid to the School District as reimbursement for capital improvement costs in accordance with the Redevelopment Agreement.

## **Indenture Funds and Account**

### Deposit of Funds to Revenue Fund.

The Special Allocation Fund held by the City is ratified and confirmed pursuant to the Indenture. Moneys in the Special Allocation Fund shall be paid by the City on the 10<sup>th</sup> day of each month (or the next Business Day thereafter if the 10<sup>th</sup> day is not a Business Day) to the Trustee, with (A) all Net

Revenues as of the last day of the preceding month consisting of Payments in Lieu of Taxes (excluding amounts held for the Ambulance District PILOT's Reimbursement, the Fire District PILOT's Reimbursement, the School District PILOT's Reimbursement and amounts retained as the City Administrative Fee) accompanied by written notice identifying the Net Revenues as Payments in Lieu of Taxes and directing the Trustee that such amounts are to be deposited into the PILOT's Account of the Revenue Fund, and (B) subject to annual appropriation by the City and the terms of the Indenture, all Net Revenues as of the last day of the preceding month consisting of Economic Activity Tax Revenues (excluding the Fire District EAT's Reimbursement, the Grocery Store Sales Tax Payment and amounts retained as the City Administrative Fee) accompanied by written notice identifying the Net Revenues as Economic Activity Tax Revenues and directing the Trustee that such amounts are to be deposited into the EATS Account of the Revenue Fund. The Trustee shall notify the City and the Placement Agent if the Trustee has not received such Net Revenues on or before the 12<sup>th</sup> calendar day of each month (or the next Business Day thereafter if the 12<sup>th</sup> day is not a Business Day), or if any funds are received without the required notice related thereto directing the deposit of such funds into the appropriate account of the Revenue Fund.

Any CID Revenues collected by or on behalf of the District, and transferred to the Trustee by the District or the City pursuant to the Financing Agreement and as provided in the Indenture on or before the 10<sup>th</sup> day of each month (or the next Business Day thereafter if the 10<sup>th</sup> day is not a Business Day) and accompanied by written notice identifying such amounts as CID Revenues shall be deposited into the CID Account in the Revenue Fund. The Trustee shall notify the City, the Placement Agent, the District if the Trustee has not received such Net Revenues on or before the 12<sup>th</sup> calendar day of each month (or the next Business Day thereafter if the 12<sup>th</sup> day is not a Business Day), or if any funds are received without the required notice related thereto directing the deposit of such funds into the appropriate account of the Revenue Fund.

Application of Moneys in the Revenue Fund. Moneys in the Revenue Fund on the 40<sup>th</sup> day prior to each Payment Date (or at any time in the event of rebate payable to the United States of America) shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows, drawing first on the CID Revenue Account in the Revenue Fund, second on the PILOT's Account in the Revenue Fund, and third on the EAT's Account in the Revenue Fund:

*First*, for transfer 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, as directed in writing by the City in accordance with the Arbitrage Instructions and an amount equal to all fees, charges, advances and expenses related to the calculations necessary to determine the amount of rebate, if any, that may be due and payable;

*Second*, to the Trustee, an amount equal to all fees, charges, advances and expenses of the Trustee due and payable pursuant to the Indenture (fees, charges, advances and expenses of the Trustee incurred in connection with the Trustee's ordinary services under the Indenture shall not exceed \$5,000 per Fiscal Year; provided the Trustee or other person or entity shall also be entitled to compensation for (i) services, if any, as dissemination agent and (ii) extraordinary services rendered and reimbursed for extraordinary out of pockets costs and expenses incurred, in accordance with the Indenture);

*Third*, for payment to the City of an amount sufficient for payment of any fees and expenses that may be owing pursuant to the Indenture to collect Net Revenues and to enforce the Financing Documents, upon delivery to the Trustee of a written request (which shall be accompanied by an invoice) for such amounts;

*Fourth*, for transfer to the Bond Payment Account in the Debt Service Fund an amount sufficient to pay the interest on the Bonds on the next two succeeding Payment Dates;

*Fifth*, for transfer to the Bond Payment Account in the Debt Service Fund an amount sufficient to pay the principal of and premium, if any, due on the Bonds by their terms on the next two succeeding Payment Dates;

*Sixth*, for deposit to the Bond Proceeds Account of the Debt Service Reserve Fund until the Bond Proceeds Account has been funded or restored in an amount equal to the Debt Service Reserve Requirement applicable to the Bond Proceeds Account;

*Seventh*, for deposit to the Business Interruption Account of the Debt Service Reserve Fund until the Business Interruption Account has been funded or restored to the Debt Service Reserve Requirement applicable to the Business Interruption Account;

*Eighth*, transfer to the Extraordinary Expense Fund, an amount (not to exceed \$10,000 per Fiscal Year) sufficient to cause the balance in said fund to equal \$20,000; and

*Ninth*, for transfer to the Redemption Account of the Debt Service Fund, all remaining funds to redeem Bonds pursuant to the special mandatory redemption provisions contained in the Indenture (see the caption “**THE BONDS – Redemption – Special Mandatory Redemption**” in this Private Placement Memorandum) in Authorized Denominations which shall be applied to the payment of the principal of and accrued interest on all Bonds which are subject to redemption on the next succeeding Payment Date.

If necessary, on the Business Day prior to each Payment Date, drawing first on the CID Account in the Revenue Fund, second on the PILOTs Account in the Revenue Fund, and third on the EATs Revenue Account in the Revenue Fund, the Trustee shall transfer to the Bond Payment Account in the Debt Service Fund an amount sufficient to pay the principal of or interest on the Bonds due on the next Payment Date.

**For purposes of the transfers set forth above, the CID Revenues allocable to pay the Debt Service Requirements for the Bonds shall not exceed 9.2% of the Debt Service Requirements for the Bonds for each calendar year (or such other percentage as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Project Fund and eligible for payment from the CID Revenues).**

Project Fund. Moneys in the Project Fund shall be disbursed by the Trustee from time to time, upon receipt of a written request of the Authorized City Representative and containing the statements, representations and certifications set forth in the form of such request attached to the Indenture and otherwise substantially in such form, to pay costs related to the issuance of the Bonds or to pay, or reimburse the Developer for payment of, the costs of the Project as described in the Indenture. Any moneys remaining on deposit in the Project Fund when the portion of the Project financed with the proceeds of the Bonds is completed, as stated in a certificate delivered by the Authorized City Representative to the Trustee, shall immediately be transferred by the Trustee to the Bond Payment Account in the Debt Service Fund.

Debt Service Fund. Except as otherwise provided in the Indenture, all amounts paid and credited to the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds as the same mature and become due or upon the redemption thereof.

Debt Service Reserve Fund. Except as otherwise provided in the Indenture, moneys in the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the Bonds if moneys otherwise available for such purpose are insufficient to pay the same as they become due and payable. In the event the balance of moneys in the Debt Service Fund is insufficient to pay principal of or interest on the Bonds when due and payable, moneys in the Debt Service Reserve Fund shall be transferred into the Debt Service Fund in an amount sufficient to make up

such deficiency, using the moneys in the Business Interruption Account until all such money has been expended and then moneys in the Bond Proceeds Account. The Trustee may use moneys in the Debt Service Reserve Fund for such purpose whether or not the amount in the Debt Service Reserve Fund at that time equals the Debt Service Reserve Requirement. Such moneys shall be used first to make up any deficiency in the payment of interest and then principal. Moneys in the Bond Proceeds Account and the Business Interruption Account of the Debt Service Reserve Fund shall also be used to pay the last Bonds becoming due unless such Bonds and all interest thereon be otherwise paid. The amount on deposit in the Debt Service Reserve Fund shall be valued by the Trustee 45 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) and the Trustee shall give immediate written notice to the City if such amount is less than the Debt Service Reserve Requirement. For the purpose of determining the amount on deposit in the Debt Service Reserve Fund, the value of any investments shall be valued at their fair market value on the date of valuation. Moneys in the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement shall be deposited by the Trustee without further authorization in the Debt Service Fund.

**“Debt Service Reserve Requirement”** means (1) the sum of \$1,030,300\* to be deposited into the Bond Proceeds Account of the Debt Service Reserve Fund for the Bonds, which is a sum, at the date of original issuance and delivery of the Bonds, is not greater than the least of (A) 10% of the original aggregate principal amount of the Bonds, (B) the maximum annual Debt Service Requirements on the Bonds in any future fiscal year following such date, or (C) 125% of the average future annual Debt Service Requirements on the Bonds, plus (2) the sum of \$1,030,300\* to be deposited into the Business Interruption Account of the Debt Service Reserve Fund.

**Rebate Fund.** There shall be deposited by the Trustee in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Arbitrage Instructions. Subject to the transfer provisions provided in the Indenture, 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 neither the City, the District nor 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 the Indenture and by the Arbitrage Instructions.

**Extraordinary Expense Fund.** Amounts on deposit in the Extraordinary Expense Fund shall be used only for the purpose of paying the fees, expenses and other costs, including legal fees, incurred by the City in connection with the defense or interpretation of the Indenture, or an audit, questionnaire or other request for information from the Internal Revenue Service, the Securities Exchange Commission or other federal or state entity or regulatory authority in connection with the Bonds, including legal fees incurred and any rebate obligations, fines or penalties owed. The Trustee will disburse moneys from the Extraordinary Expense Fund upon receipt by the Trustee of a written request signed by the Authorized City Representative that includes identification of the persons or entities owed such fees, expenses and other costs.

## **No Additional Bonds**

The Indenture does not authorize the issuance of any bonds other than the Bonds.

## **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

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\* Preliminary; subject to change.

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 rates for all similarly-situated property owners prior to the construction of improvements (the “**Base Value**”). The owners of the property continue to pay property taxes at the Base Value. As the property is improved, the assessed value of real property in the redevelopment area should increase above the Base Value. By applying the tax rate of all Taxing Districts (as defined herein) having taxing power within the redevelopment area to the increase in assessed valuation of the improved property over the Base Value, 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 Base Value for the Redevelopment Area was certified at \$52,430.

### **The TIF Act**

The TIF Act was enacted in 1982 and has been amended several times in subsequent years. 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). The TIF Act authorizes cities and counties to provide long-term financing for redevelopment projects in “blighted,” “conservation” and “economic development” 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 derived from the redevelopment area. As a result of amendments to the TIF Act, such obligations are also payable from economic activity tax revenues derived from the redevelopment area, except those economic activity tax revenues expressly excluded in the TIF Act. The validity of certain portions of amendments to the TIF Act relating to the capture of economic activity tax revenues was upheld by the Missouri Supreme Court in *County of Jefferson v. QuikTrip Corporation*, 912 S.W.2d 487 (Mo. 1995) (en banc).

Although payments in lieu of taxes may be irrevocably pledged to the repayment of bonds, economic activity tax revenues 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 tax revenues in any year. See the caption “**INVESTMENT CONSIDERATIONS AND RISKS – Risk of Non-Appropriation**” in this Private Placement Memorandum.

Section 99.848 of the TIF Act allows for certain emergency service taxing districts to receive reimbursement from the special allocation fund of some or all of the tax increment generated from such districts’ tax levies. With respect to Redevelopment Area, the City has entered into agreements with the Northland Regional Ambulance District to reimburse such district 75% of the payments in lieu of taxes generated from such district’s real property tax levy and the Smithville Area Fire Protection District to reimburse such district 75% of the payments in lieu of taxes and economic activity tax revenues generated from the districts’ real property levy and sales tax rate.

In addition, the Redevelopment Agreement requires that 40% of the payments in lieu of taxes received by the City that are attributable to ad valorem taxes imposed the Smithville R-II School District of Clay County, Missouri in the Redevelopment Area be paid to said school district as reimbursement for capital improvements costs.

### **Assessment and Collection of Ad Valorem Taxes**

General. The City and the Redevelopment Area are located within Clay County, Missouri (the “**County**”). On or before September 1 in each year, each political subdivision located within the County which imposes ad valorem taxes (the “**Taxing Districts**”) is required to estimate 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 September 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. Agricultural real property is currently assessed at 12% of true value in money, residential property is currently assessed at 19% of true value in money and commercial, industrial and all other real property is assessed at 32% 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 and the County Assessor deduct a commission for their 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 taxes 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 establish 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 generally 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 Clerk as Secretary of the Board of Equalization on or before the third Monday in June of each year. Appeals to the State Tax Commission must be filed by the later of December 31 or 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 statutes provide 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 the 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. As previously stated, 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, 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 to County assessed property, general reassessment and State ordered changes.

The Hancock Amendment. An amendment to the Missouri Constitution 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, Sections 16 through 24 of the Missouri 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 Tax Revenues**

The Economic Activity Taxes that are available for the payment of the Bonds, subject to annual appropriation by the City, are 50% of the total additional revenue from taxes imposed by the City or other Taxing Districts and 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 calendar year 2016, but excluding therefrom any taxes, licenses or fees excluded from tax increment financing by Missouri law.

Retail businesses are required to collect the sales tax from purchasers at the time of sale, and pay said amounts to the Missouri Department of Revenue 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. In most cases, the retail businesses in the City make monthly payments to the Department of Revenue, 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, 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 such amount which constitutes a fee paid to the State for collecting and distributing the tax. The State Treasurer then distributes moneys on deposit in the special trust fund to the applicable political subdivisions, including the City, on a monthly basis.

Under the Redevelopment Agreement, no utility taxes will be collected as Economic Activity Taxes or otherwise made available for the repayment of the Bonds.

## **SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT AND CID SALES TAX**

### **Community Improvement District**

Pursuant to the provisions of Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “**CID Act**”) the Developer petitioned the City and the City adopted an ordinance on August 1, 2017, creating the Smithville Commons Community Improvement District (the “**District**”). The District is a political



subdivision of the State and is authorized to impose certain taxes to carry out its purposes. The District was created for the purpose of imposing a 1% sales tax (the “**CID Sales Tax**”) on retail sales occurring within the boundaries of the District, which are coterminous with the Redevelopment Area.

On April 29, 2019, the Board of Directors of the District adopted a resolution calling an election to submit a question to the qualified voters within the District (the qualified voters in this case are the landowners within the Redevelopment Area) a ballot proposition to consider the CID Sales Tax. The imposition of the CID Sales Tax was approved by a majority of such voters and the Board of Directors for the District notified the Department of Revenue of the State of Missouri that the measure had passed. The CID Sales Tax went into effect on April 1, 2020 and will sunset on March 31, 2043.

### **CID Agreement**

The City, the District and the Developer entered into a CID Agreement which sets out the priority of payment of the CID Revenues, including the City serving as the District’s agent in connection the collection and disposition of revenues from the CID Sales Tax. Revenues from the CID Sales Tax (the “**District Sales Tax Revenues**”) received by the City shall be applied pursuant to the CID Agreement. Pursuant to the TIF Act and the TIF Plan, 50% of the revenues from the CID Sales Tax levied in the Redevelopment Area (the “**TIF Portion of CID Revenues**”) will be captured as Economic Activity Tax Revenues and, as described below, deposited into the Special Allocation Fund maintained by the City.

Pursuant to the CID Agreement and the Financing Agreement and so long as the Bonds remain outstanding, the City on behalf of the District shall, not later than the fifteen (15<sup>th</sup>) day of each month, distribute the District Sales Tax Revenues received in the preceding month in the following order of priority (capitalized terms in the following that are not otherwise defined in this Private Placement Memorandum shall the meaning ascribed to such terms in the CID Agreement):

- (a) The TIF Portion of the CID Revenues shall be deposited into the Economic Activity Taxes Account of the Special Allocation Fund and shall be expended in accordance with the Redevelopment Plan and the Redevelopment Agreement (the remaining balance of District Sales Tax Revenues are referred to as the “**Uncaptured District Revenues**”).
- (b) The City, on behalf of the District, shall pay the Administrative Fee or other amounts owing to the City from the Uncaptured District Revenues.
- (c) The City, on behalf of the District, shall pay the Operating Costs of the District from the Uncaptured District Revenues.
- (d) The City, on behalf of the District, shall make the remaining Uncaptured District Revenues available to pay debt service on the Bonds.

## **PLAN OF FINANCE**

### **Purpose of the Bonds**

The City will issue the Bonds pursuant to the Indenture for the purpose of providing funds to (i) finance, refinance and reimburse Redevelopment Project Costs, (ii) fund a deposit to the debt service reserve fund with respect to the Bonds, and (iii) pay the costs of issuance of the Bonds.

## Sources and Uses of Bond Funds

Following is a summary of the anticipated sources and uses of funds in connection with the issuance of the Bonds:

### Sources of Funds:

Principal Amount of Bonds	\$ _____
Plus / Less: Original Issue Premium / Discount	_____
Previously-collected Net Revenues	_____
Total Sources of Funds	<u>\$ _____</u>

### Uses of Funds:

Deposit to the Project Account of the Project Fund <sup>(1)</sup>	\$ _____
Deposit to the Bond Proceeds Account of the Debt Service Reserve Fund	_____
Total Uses of Funds	<u>\$ _____</u>

- <sup>(1)</sup> Funds deposited in the Project Account of the Project Fund are expected to be disbursed in full on the date the Bonds are issued to (i) reimburse the Developer for previously incurred Reimbursable Project Costs and (ii) pay the costs incurred in connection with the issuance of the Bonds.

## THE SMITHVILLE COMMONS PROJECT

### Overview

Pursuant to the Redevelopment Agreement, the Developer agreed to design, develop and construct the Redevelopment Project in the Redevelopment Area, including the demolition of the existing improvements that were located on the site. The Redevelopment Area consists of approximately 66.32 acres in the City generally located between Cliff Drive and U.S. Highway 169.

The Redevelopment Project includes the following redevelopment projects within the Redevelopment Area:

- (i) acquisition of all property rights for the Redevelopment Area by the Developer;
- (ii) completion of site work and infrastructure improvements;
- (iii) construction of an approximately 65,000 square foot grocery store;
- (iv) construction of an approximately 15,120 square foot tractor and farm supply store;
- (v) construction of an approximately 12,000 square foot hardware store; and
- (v) construction of approximately 19,250 square feet of additional commercial space.

The Developer completed a 61,613 square foot Cosentino's Price Chopper in October 2020. In addition, the following businesses have opened within the Redevelopment Project: (i) Scooter's Coffee; (ii) Taco Bell; (iii) Porter's Ace Hardware; (iv) Burger King; and (v) Domino's Pizza (along with approximately 7,800 square feet of additional leasable space available in the same building).

In connection with the proposed development, the Developer acquired the Redevelopment Area for approximately \$3.7 million. The following table sets for the budget for the development of the Redevelopment Project included in the Redevelopment Agreement:

<u>Project Costs</u>	<u>Total Costs</u>	<u>Estimated Reimbursable Project Costs</u>	<u>Estimated CID Reimbursable Project Costs</u>	<u>Estimated Other Funding Sources</u>
Acquisition Price	\$ 3,700,000	\$ 3,700,000	\$ 0	\$ 0
Site work / Infrastructure – Grocery / Hardware / Access	3,250,000	1,477,214	1,772,786	0
Site work / Infrastructure – Off-site Improvements	1,900,000	1,900,000	0	0
Site Work / Infrastructure – Tractor Supply Instructure	550,000	0	00	550,000
<u>Hard Construction Costs:</u>				
Grocery	6,550,000	1,984,140	0	4,586,860
Grocery Outfitting / FF&E	5,000,000	0	0	5,000,000
Hardware	1,680,000	0	0	1,680,000
Tractor Supply	1,875,000	0	0	1,875,000
Pad Sites	3,360,000	0	0	3,360,000
<u>Soft Costs:</u>				
Architecture	724,950	0	0	724,950
Engineering	724,950	0	0	724,950
Title & Survey	50,000	0	0	50,000
Legal	350,000	0	0	350,000
Interest Carry	500,000	0	0	500,000
Property Taxes	106,600	0	0	106,600
Environmental	30,000	0	0	30,000
Appraisal	25,000	0	0	25,000
Geotechnical	40,000	0	0	40,000
Loan Origination Fees	80,000	0	0	80,000
Lender Inspections	40,000	0	0	40,000
Developer Fees	1,000,000	0	0	1,000,000
Commissions	250,000	0	0	250,000
Subtotal	31,786,500	9,061,354	1,772,7860	20,952,360
10% Contingency	3,178,650	906,135	177,279	2,095,236
Total	<u>\$ 34,965,150</u>	<u>\$ 9,967,489</u>	<u>\$ 1,950,065</u>	<u>\$ 23,047,596</u>

### **Current Businesses within the Redevelopment Area**

As of the date hereof, the following business are currently operating within the Redevelopment Area:

<u>Business</u>	<u>Type of Business</u>	<u>Opened</u>
Cosentino's Price Chopper	Grocery Store	October, 2020
Porter's Ace Hardware	Hardware Store	October, 2020
Taco Bell	Fast Food Restaurant	December, 2019
Burger King	Fast Food Restaurant	December, 2021
Scooter's Coffee	Coffee Shop	July, 2019
Domino's Pizza	Fast Food Restaurant	Summer, 2021

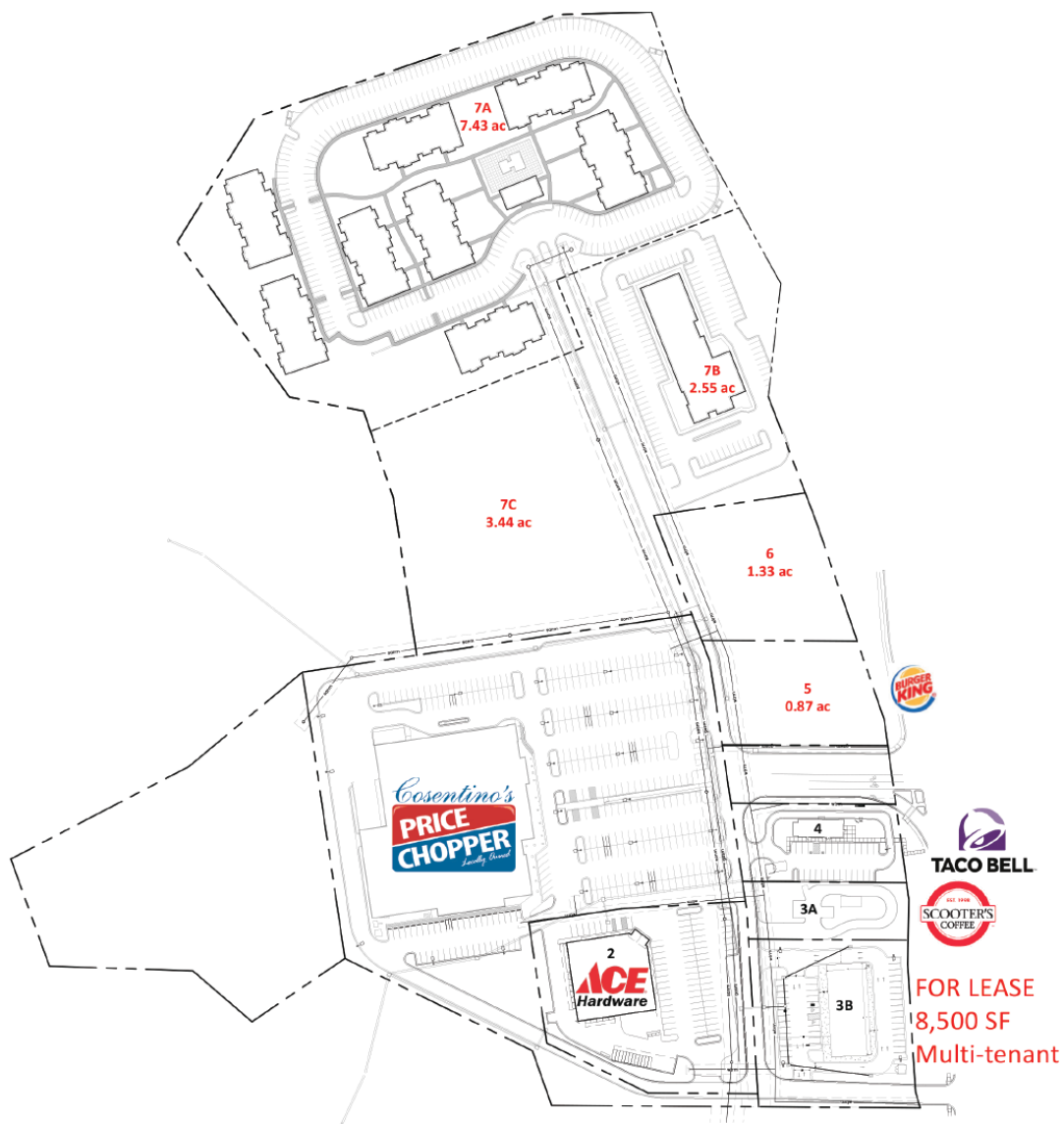
The Cosentino Price Chopper is operating in a 61,613 square foot building constructed by the Developer and is operated by Cosentino Enterprises, Inc. (the “**Grocery Tenant**”) pursuant to terms of a Lease Agreement, dated as of December 31, 2019 (as amended, the “**Grocery Lease**”), between the Developer and the Grocery Tenant. The term of the Grocery Lease commenced on November 1, 2020 and will terminate on October 31, 2040, subject to the option of the Grocery Tenant to extend the term for up to an additional 20 years consisting of four renewal periods of five years each.

The Scooter’s Coffee is operating in an approximately 495 square foot building constructed and operated by the tenant pursuant to a Ground Lease, dated as of July 2, 2019 (the “**Scooter’s Coffee Lease**”), between the Developer and Freedom Enterprises, LLC, as successor tenant. The term of the Scooter’s Coffee Lease commenced on January 20, 2020 and will terminate on January 31, 2035, subject to the tenant’s option to extend the term for up to an additional 15 years consisting of three renewal periods of five years each.

Each of the other businesses operating within the Redevelopment Area are operated on tracts within the Redevelopment Area that have been sold by the Developer to third parties for development and to either operate the related business or, in some cases, leasing to third parties operating business.

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The following map depicts the current development in the Redevelopment Area and the portions thereof available for future development.



Note: the Domino's Pizza is located in the multi-tenant building constructed on Lot 3B.

## Environmental Assessment

In connection with the acquisition of the real estate located within the Redevelopment Area, Cadence Commercial Real Estate, an affiliate of the Developer, obtained a Phase I Environmental Site Assessment Report from Environmental Works, Inc., Kansas City, Missouri. The Environmental Assessment noted a temporary concrete plant was located on the site, including a 1,000 gallon off-road diesel mobile aboveground storage tank, during 2000-2003 for use in fulfilling a Missouri Department of Transportation contract for development of U.S. Highway 169. The report did not find the temporary use of the site for concrete mixing to be a concern and, based on the findings of the assessment, no further actions were recommended.

## The Developer

The Developer is Smithville Development Associates, LLC, a Missouri limited liability company (the “**Developer**”). The Developer is affiliated with Cadence Commercial Real Estate (“**Cadence**”), an Overland Park, Kansas based developer and investor in retail properties, with a specific focus on grocery anchored neighborhood shopping centers. Cadence has built, acquired, and redeveloped over 500,000 square feet of grocery space and ancillary retail in the Kansas City MSA since its inception in 2016 including White Oak Marketplace (Price Chopper), Blue Springs North (Price Chopper), Arrowhead Shopping Center (Sun Fresh), Raintree Shopping Center (Price Chopper) Brookside Shopping Center (Price Chopper), Twin Trails Shopping Center (Carniceria El Torito Hispanic Grocer). Cadence has become one of the dominant players in grocery store and grocery anchored retail in the Kansas City MSA area as a result. Cadence also has a full service brokerage department which allows all needs of a development to be met in a streamlined fashion. Cadence oversees and manages a portfolio worth over \$100 Million in total commercial real estate assets.

## Manager

The Developer manages the Smithville Commons development and has the exclusive responsibility for the operation, maintenance, service and repair of the development.

## REVENUE STUDY

PGAV Planners, St. Louis, Missouri (the “**Consultant**”), has produced a report on the revenue generation potential of the Redevelopment Area based solely on the retail establishments currently operating a business and other retail space available to be leased within the Redevelopment Area (see the caption “**THE SMITHVILLE COMMONS PROJECT**” in this Private Placement Memorandum). Such report, entitled “Smithville Commons Project Bond Revenue Study” dated April 25, 2022 (the “**Revenue Study**”), is included in this Private Placement Memorandum as **Appendix D**. The Revenue Study includes a forecast of retail sales of the Smithville Commons Project and a forecast of real property tax collections for the Smithville Commons Project based on actual and projected retail activity within the Redevelopment Area.

**The Consultant has not been engaged to perform, and has not performed, since the date of its report, any update of the projections contained in the Revenue Study.**

The financial forecast contained in the Revenue Study, including the portion of the forecast relating to the ability of existing owners and businesses to generate Net Revenues within the Redevelopment Area, which are sufficient to meet the debt service requirements of the Bonds, is based on certain assumptions, estimates and opinions discussed in the Revenue Study. Certain of the Consultant’s assumptions, estimates and opinions may not materialize and unforeseen events and circumstances may occur subsequent to the date of the Revenue Study. Therefore, there will usually be differences between the forecasted and actual results and those differences may be material. There is no assurance that actual events will correspond with the Revenue Study or the assumptions, estimates or opinions on which they are based. The Revenue Study should be read in its entirety by prospective investors for a full understanding of the forecasted statements, assumptions and qualifications contained therein.

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, including specifically but without limitation the information contained in the Revenue Study or any information excerpted therefrom. See the caption “**INVESTMENT CONSIDERATIONS AND RISKS**” in this Private Placement Memorandum and **Appendix D** to this Private Placement Memorandum.

The Revenue Study analyzes the revenue generation potential of the indicated retailers for the purpose of projecting the potential Net Revenues. Certain financial and statistical data included in this Private Placement Memorandum have been excerpted from the Revenue Study. The City, the District, the Developer and the Placement Agent make no representation or warranty, express or implied as to the accuracy or completeness of any financial, technical or statistical data or any estimates, projections, assumptions or expressions of opinion set forth in the Revenue Study, and there is no obligation to update such information after the delivery of the Bonds. The Consultant has consented to the inclusion of its report in this Private Placement Memorandum.

The Revenue Study is forward-looking and involves certain assumptions and judgments regarding future events. Although the Revenue Study is based on currently available information, it is also based on assumptions about the future state of the national and regional economy and the local real estate markets as well as assumptions about future actions by various parties, which cannot be assured or guaranteed. The Revenue Study is not a prediction or assurance that a certain level of performance will be achieved or that certain events will occur. The actual results will vary from the projections in the Revenue Study, and the variations may be material. Prospective purchasers of the Bonds should carefully review **Appendix D**, including particularly the assumptions underlying the forecasted Payments in Lieu of Taxes, Economic Activity Tax Revenues and CID Revenues.

## PROJECTED ANNUAL DEBT SERVICE COVERAGE

The following table provides the projected annual debt service coverage ratio for the Bonds based on the projected Economic Activity Tax Revenues, Payments in Lieu of Taxes and CID Revenues described in the Revenue Study attached as **Appendix D** to this Private Placement Memorandum. The projected annual debt service coverage ratio set forth in the following table assumes the deposit of such revenues into the Revenue Fund and does not take into account the application of certain funds for the payment of certain fees and expenses and any rebate obligations related to the Bonds (see the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” in this Private Placement Memorandum). Potential investors are cautioned that the information in this section represents “forward-looking statements” as described under the caption “**INVESTMENT CONSIDERATIONS AND RISKS – Forward-Looking Statements**” in this Private Placement Memorandum.

<u>Year</u>	<u>Revenues<sup>(1)</sup></u>	<u>Annual Debt Service<sup>*, (2)</sup></u>	<u>Projected Annual Debt Service Coverage Ratio</u>
2022	\$1,051,952	\$697,648	1.51x
2023	1,092,293	724,640	1.51x
2024	1,127,048	751,000	1.50x
2025	1,187,072	786,415	1.51x
2026	1,223,397	810,615	1.51x
2027	1,260,167	837,130	1.51x
2028	1,280,799	852,405	1.50x
2029	1,308,768	871,750	1.50x
2030	1,330,234	885,010	1.50x
2031	1,359,260	903,920	1.50x
2032	1,381,594	916,350	1.51x
2033	1,411,719	937,485	1.51x
2034	1,434,955	951,955	1.51x
2035	1,466,220	972,755	1.51x
2036	1,490,395	991,555	1.50x
2037	1,522,845	1,013,355	1.50x
2038	1,547,996	1,030,300	1.50x
2039	2,611,976 <sup>(3)</sup>	1,209,880	2.16x

\* Preliminary; subject to change.

(1) See Table 8 in the Revenue Study.

(2) Assumes an average interest rate of 3.9386% on the Bonds, the maturity schedule set forth on the inside cover page of this Private Placement Memorandum and the mandatory sinking fund redemption requirements set forth under the caption “**THE BONDS – Redemption – Mandatory Sinking Fund Redemption**” in this Private Placement Memorandum.

(3) Includes funds on deposit in the Bond Proceeds Account of the Debt Service Reserve Fund in the amount of \$1,030,300\*.

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## INVESTMENT CONSIDERATION AND RISKS

The Bonds are speculative securities and an investment in the Bonds is subject to a number of significant risk factors. Prospective purchasers of the Bonds should make such investigations and obtain such additional information from the City, the Placement Agent, the Developer and others as they deem advisable in connection with their evaluation of the suitability of the Bonds for investment.

Before purchasing any of the Bonds, prospective investors and their professional advisors should carefully consider, among other things, the following risk factors, which are not meant to be an exhaustive listing of all risks associated with the purchase of the Bonds. The order of presentation of the risk factors does not necessarily reflect the order of their importance. Prospective purchasers of the Bonds should analyze carefully the information contained in this Private Placement Memorandum, including the appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which are available as described in this Private Placement Memorandum.

This Private Placement Memorandum is furnished solely for consideration by prospective purchasers of the Bonds with the experience and financial expertise to understand and evaluate the significant degree of risk inherent in the investment. Purchase of the Bonds will constitute an investment subject to a significant degree of risk, including the risk of nonpayment of principal and interest.

### Limited Offering; Restrictions on Transfer

The Bonds have not been registered pursuant to the Securities Act of 1933, as amended (the “**Securities Act**”), in reliance upon exemption therefrom. Accordingly, the Bonds are being offered solely on a private placement basis to the original purchasers. Neither the Bonds nor any beneficial interest therein may be resold or transferred by any purchaser, except under the conditions described under the captions “**THE BONDS - Registration, Transfer and Exchange**” and “**NOTICE TO INVESTORS**” in this Private Placement Memorandum. The offering of the Bonds is being made to a limited number of knowledgeable and experienced investors who are not purchasing with a view to distributing the Bonds. Each purchaser must be an Approved Investor. *Each purchaser of the Bonds offered hereby will be deemed to have represented and warranted that (i) it is an Approved Investor, (ii) it is acquiring the Bonds for its own account or for the account of an Approved Investor, and not with a view to the further distribution thereof but expressly reserves the right to sell the Bonds and (iii) it will sell, transfer or otherwise dispose of the Bonds only in minimum denominations of \$100,000 and any integral multiple of \$5,000 in excess thereof.* Moreover, the Bonds are a substantially illiquid investment and are being issued in minimum initial denominations of \$100,000 or integral multiples of \$5,000 in excess thereof. There may be a limited secondary market for the Bonds; therefore, Bonds should not be purchased by an investor unless the investor is able to hold such Bonds indefinitely.

The foregoing standards are only minimum requirements for prospective purchasers of the Bonds. The satisfaction of such standards does not necessarily mean that the Bonds are a suitable investment for a prospective investor. Accordingly, each prospective investor is urged to consult with its own legal, tax and financial advisors to determine whether an investment in the Bonds is appropriate in light of its individual legal, tax and financial situation.

### Limited Sources of Revenue for Debt Service

The Bonds are limited obligations of the City, payable solely and only from the Pledged Revenues and are secured by a pledge of the same to the Trustee in favor of the Bondowners, as provided in the Indenture. The Bond proceeds will be used to pay such Redevelopment Project Costs and to reimburse the Developer for certain Redevelopment Project Costs already expended by the Developer. No assurance can be given that Net

Revenues will be realized in amounts sufficient to pay the principal of and interest on the Bonds as such obligations become due. **The Bonds and the interest thereon are not a debt or general obligation of the City, the District or the State and do not constitute an indebtedness of the City, the District or the State within the meaning of any constitutional or statutory debt limitation or restriction.**

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 October 2, 2040 whether or not the principal amount thereof or interest thereon has been paid in full.

**In addition, the CID Revenues allocable to pay the Debt Service Requirements for the Bonds shall not exceed 9.2% of the Debt Service Requirements for the Bonds for each calendar year (or such other percentage as provided in writing by the City to the Trustee permitted by law based on amounts paid from the Project Fund and eligible for payment from the CID Revenues).**

### **Factors Affecting Economic Activity Tax Revenues and CID Revenues**

Economic Activity Taxes and CID Revenues are contingent 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 Redevelopment Area for the local market, local unemployment, availability of transportation, neighborhood changes, online shopping, e-commerce, crime levels in the area, vandalism and rising operating costs, interruption or termination of operation of businesses in the Redevelopment Area as a result of fire, natural disaster, strikes, pandemics 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 CID Revenues which 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.

In addition to the foregoing, the partial or complete destruction of business in the Redevelopment Area, as a result of fire, natural disaster, man-made disasters 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 the CID Revenues and thereby adversely affect the revenues available to pay the Bonds and the interest thereon. Any insurance maintained by the owner of 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 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 Tax Revenues and CID Revenues that will be available for appropriation for payment of the principal of and interest on the Bonds would be reduced.

### **Exempt Properties**

Missouri law exempts certain uses and property owners from the payment of real property taxes, including Payments in Lieu of Taxes, or the collection of sales taxes. There is no obligation on the part of the Developer to lease any space to entities that are not exempt from such taxes. If the Developer leases space to entities that are exempt from paying such taxes, the revenues may not materialize at the expected level.

## **Coronavirus and Other Pandemics**

Since December 2019, a novel strain of coronavirus (which leads to the disease known as “**COVID-19**”), has spread throughout the world and has been characterized by the World Health Organization as a pandemic. The impact of the COVID-19 pandemic on the U.S. economy has been and may continue to be broad based and to negatively impact national, state and local economies.

In response to the pandemic, the President of the United States and the Governor of the State made various declarations of emergency. On August 27, 2021, the Governor of the State terminated certain prior executive orders relating to the pandemic and signed Executive Order 21-09, which represents a more targeted state of emergency declaration that acknowledges the continued needs of Missouri’s health care system. Cities and counties have the ability, and continue, to impose local public health orders restricting economic activities within the State.

There are no current COVID-19-related public health orders in the City or the County relating to masks or capacity limitations. The County’s health department maintains a website where current information regarding COVID-19 in the County and the City is available.

According to the City’s administration, to date, COVID-19 has not had a material adverse impact on the City’s revenues. Nevertheless, the long-term impact of the COVID-19 pandemic (including any future variants thereof) or any future pandemic on the Economic Activity Tax Revenues or CID Revenues is difficult to determine at this point. The City cannot predict (a) the duration or extent of the COVID-19 (including any future variants thereof) or other pandemic; (b) the duration or expansion of any related business closings, public health orders, regulations and legislation; (c) what effect the COVID-19 (including any future variants thereof) pandemic or any other pandemic will continue to have on global, national, and local economies; (d) whether recent job losses resulting from COVID-19-related business closures or any future business closures will be temporary or permanent and what effect such losses will have on consumer confidence; (e) the impact the COVID-19 (including any future variants thereof) or any future pandemic will have on the willingness of the public to shop or dine in the retail operations located in the Redevelopment Area; or (f) the interest of businesses to sign contracts to lease or purchase property, or locate operations, within the Redevelopment Area. The generation of Economic Activity Tax Revenues and CID Revenues is dependent upon such activities. Developments regarding COVID-19 continue to occur on a daily basis and the extent to which COVID-19 will impact the Economic Activity Tax Revenues and CID Revenues in the future is highly uncertain and cannot be predicted. Neither the City nor the Placement Agent can predict the effect the spread of COVID-19 (including any future variants thereof) or other pandemic will have on Economic Activity Tax Revenues or CID Revenues.

## **No Pledge or Mortgage of the Redevelopment Project**

Payment of the principal of and interest on the Bonds is not secured by any deed of trust, mortgage or other lien on property within the Redevelopment Area or any portion thereof; however, under the TIF Act, PILOTs that are due and owing constitute a lien against the real estate in Redevelopment Area from which they are derived. Upon a default in the payment of any Payments in Lieu of Taxes, the lien for unpaid Payments in Lieu of Taxes may be enforced by the County.

No portion of the Redevelopment Project itself nor any revenues, assets, leases, lease payment, agreements or rights of such Redevelopment Project are pledged to the Trustee under the Indenture. Therefore, in the event of a default, the Trustee will not have the ability to sell the Redevelopment Project or any portion thereof to retire the Bonds nor look to the Developer or any principal or affiliate thereof or to any other asset or collateral to secure repayment of the Bonds. The Bonds are not the obligation of the Developer or its members, shareholders or affiliates. The Bonds are payable solely from the Pledged Revenues (and the pledge of the Trust Estate under the Indenture).

## **Revenue Study and Financial Projections**

The forecasted annual Payments in Lieu of Taxes, Economic Activity Tax Revenues and CID Revenues contained in the Revenue Study and included or reflected in this Private Placement Memorandum are based on various assumptions concerning facts and events over which the City, the Developer or the Placement Agent have no control. No representation or warranty is or can be made about the amount or timing of any future income, loss, occupancy, valuation, increased assessment or revenues, or that actual results will be consistent with the Revenue Study or with the forecasts contained therein. The information in the Revenue Study is based on various assumptions, estimates and opinions. There is no assurance that actual events will correspond with the projections or the assumptions, estimates and opinions on which they are based.

The Revenue Study is forward-looking and involves certain assumptions and judgments regarding future events. Although the Revenue Study is based on currently available information, it is also based on assumptions about the future state of the national and regional economy and the local real estate markets as well as assumptions about future actions by various parties, which cannot be assured or guaranteed. The Revenue Study is not a prediction or assurance that a certain level of performance will be achieved or that certain events will occur. The actual results will vary from the Revenue Study, and the variations may be material. Prospective Bondowners should read the Revenue Study carefully and form their own opinions about the validity and reasonableness of such assumptions. See attached **Appendix D** and the caption “**REVENUE STUDY**” in this Private Placement Memorandum.

## **Risk of Non-Appropriation**

Economic Activity Tax Revenues. The application of Economic Activity Tax Revenues to the payment of the principal of and interest on the Bonds is subject to annual appropriation by the City. Although the City has covenanted in the Financing Agreement and in the Indenture that the appropriation of the Economic Activity Tax Revenues to the Special Allocation Fund will be included in the budget submitted to the Board of Aldermen for each fiscal year, there can be no assurance that such appropriation will be made by the Board of Aldermen, and the Board of Aldermen is not legally obligated to make any such appropriation.

CID Revenues. The application of CID Revenues to the payment of the principal of and interest on the Bonds is subject to annual appropriation by the District. Although the District has covenanted in the Financing Agreement that the appropriation of the CID Revenues will be included in the budget submitted to the board of directors for each fiscal year, there can be no assurance that such appropriation will be made by the board of directors, and the board of directors is not legally obligated to make any such appropriation.

## **Reduction in Assessed Valuation of the Property**

There can be no assurance that the assessed valuation of the property within the Redevelopment Area subject to Payments in Lieu of Taxes will equal or exceed the forecasted assessed value. Even if the assessed value is initially determined as forecasted, there can be no assurance that such assessed value will be maintained throughout the term of the Bonds. If at any time during the term of the Bonds the actual assessed value is less than forecasted, the amount of Payments in Lieu of Taxes may be less than forecasted and there may not be sufficient Payments in Lieu of Taxes to meet the obligations to the Bondowners.

Even if the County Assessor’s determination of the assessed valuation of property within the Redevelopment Area subject to Payments in Lieu of Taxes equals or exceeds the forecasted assessed value, the owners of such property have the right to appeal such determination. If any such appeal is not resolved prior to the time when real estate taxes and Payments in Lieu of Taxes are due, the taxpayer may pay the taxes and Payments in Lieu of Taxes in protest. In such event, that portion of taxes and Payments in Lieu of Taxes being protested will not be available for deposit into the Special Allocation Fund until the appeal has been concluded. If the appeal is resolved in favor of the taxpayer, the assessed valuation of property within the Redevelopment

Area subject to Payments in Lieu of Taxes will be reduced, in which event the Payments in Lieu of Taxes may be less than forecasted.

### **Environmental Conditions**

No assurance can be given that environmental conditions do not now or will not in the future exist at the Redevelopment Area or any development 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 Redevelopment Area or any retail establishments. The amount of Pledged Revenues is largely dependent upon the taxable sales occurring within the Redevelopment Area.

### **Amendment to the TIF Act**

It is not possible to predict whether additional amendments to the TIF Act will be proposed in future Missouri legislative sessions, the nature of any such future proposed amendments, or whether such future proposed amendments will become law. Future amendments to the TIF Act may negatively affect the amounts of Payments in Lieu of Taxes and Economic Activity Tax Revenues available to pay principal and interest on the Bonds.

### **Accurate Calculation of Tax Increment Revenues**

Retailers within the Redevelopment Area may not accurately collect or accurately report all sales taxes. No assurances can be provided that the calculations of Net Revenues from the Redevelopment Area will be accurately computed.

### **Reliance on Developer, Tenants and Property Owners and Ongoing Financial Feasibility of the Redevelopment Project**

The physical development of the Redevelopment Area required by the Redevelopment Agreement is substantially complete. To receive timely payment of principal and interest on the Bonds, Owners must rely solely on the financial ability of the Developer or other property owners, as well as subsequent owner(s) within the Redevelopment Area and current and future tenants within the Redevelopment Area, to pay the Payments in Lieu of Taxes. No representation is made herein as to such entities' financial ability to make the Payments in Lieu of Taxes when due.

The Developer manages the development of the Redevelopment Area. The Developer is not obligated under the Redevelopment Agreement to lease space within the Redevelopment Area to businesses that make retail sales. The Owners will be dependent on the Developer and any future manager or owner of the Redevelopment Area to assure that sufficient CID Revenues and Economic Activity Taxes are generated for payment of the Bonds.

There is no obligation on the part of any retailer to remain open for business. Thus, a retailer may cease operations, but continue to own or pay rent to the property owner. Under such circumstances, no CID Revenues or Economic Activity Taxes would be generated by sales from such retailer.

### **Tax Increment Financing and Community Improvement District Litigation – In General**

From time to time cases are filed in a Missouri court challenging certain aspects of the TIF Act or the CID Act. 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 or the CID Act, may be appealed to a Missouri Court of Appeals, and, ultimately, the Missouri Supreme Court. If the plaintiffs are successful in one or more of the currently pending cases, the

court's decision may interpret the requirements of the TIF Act or the CID Act in a manner adverse to the establishment of tax increment financing for the Redevelopment Area or the CID Sales Tax. It is not possible to predict whether an adverse holding in any current or future litigation would prompt a challenge to the adoption of tax increment financing in Redevelopment Area or the CID Sales Tax. If current or future litigation challenging all or any part of the TIF Act or the CID Act were to be applied to the adoption of tax increment financing in Redevelopment Area or the CID Sales Tax, the Economic Activity Tax Revenues or the CID Revenues may not be available to pay principal of and interest on the Bonds, the enforceability of the Indenture could be adversely affected. None of the City or any other party involved in the issuance and sale of the Bonds can predict or guarantee the outcome of any currently pending or future litigation challenging the constitutionality or the application of the TIF Act, the CID Act or the application by a court of a potential holding in any case to other tax increment projects or community improvement districts.

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

The Revenue Study assumes no substantial change in the basis of extending, levying and collecting real property taxes, Payments in Lieu of Taxes, Economic Activity Tax Revenues and CID Revenues. Any change in the current system of collection and distribution of real property taxes, Payments in Lieu of Taxes, Economic Activity Tax Revenues and CID Revenues 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 revenues to pay the principal of and interest on the Bonds. There can be no assurance that the current system of collection and distribution of the real property taxes, Payments in Lieu of Taxes, Economic Activity Tax Revenues or CID Revenues 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 none of the documents relating to the issuance of the Bonds or the establishment of the Redevelopment Plan or the CID limits the ability of the City to make any such changes with respect to City taxes and levies.

In addition, if the assessed valuation in the City rises to the extent that a rollback in tax rates is required, and if the increase in assessed valuation within the Redevelopment Aea is not as extensive as the increase within the City generally, the rollback in tax rates may result in a reduction in Payments in Lieu of Taxes. See **“TAX INCREMENT FINANCING IN MISSOURI – Assessments and Collections of Ad Valorem Taxes – Reassessment and Tax Rate Rollback”** in this Private Placement Memorandum.

### **Change in State and Local Tax Rates**

Any Taxing District in the Redevelopment Area could lower its tax rate, which would have the effect of reducing the Payments in Lieu of Taxes or sales taxes derived from the Redevelopment Area. Such a reduction in rates could be as a result of a desire of the governing body of the Taxing District to lower tax rates, the retirement of general obligation bonds of the Taxing District, taxpayer initiative, or in response to state or local litigation or legislation affecting the broader taxing structure within the Taxing District, such as litigation or legislation affecting the primary reliance on ad valorem property taxes to fund elementary and secondary education in the State.

Pursuant to the TIF Act, if the voters in a Taxing District vote to approve an increase in such Taxing District's levy rate for ad valorem tax on real property, any additional revenues generated within an existing redevelopment project area that are directly attributable to the newly voter-approved incremental increase in such Taxing District's levy rate shall not be considered Payments in Lieu of Taxes subject to deposit into a special allocation fund without the consent of such Taxing District. Revenues will be considered directly attributable to the newly voter-approved incremental increase to the extent that they are generated from the difference between the Taxing District's actual levy rate currently imposed and the maximum voter approved levy rate at the time that the redevelopment project was adopted. 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 project 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. No Taxing District, including the City, is under any obligation to consent to revenues from a future voter-approved tax being subjected to tax increment financing and deposited in the City's special allocation fund.

### **Debt Service Reserve Fund**

At the time of issuance of the Bonds, the Bond Proceeds Account Debt Service Reserve Fund will be funded in an amount equal to \$1,030,300.00\*. See "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Indenture Funds And Accounts**" in this Private Placement Memorandum. The Business Interruption Account of the Debt Service Reserve Funds is expected to be funded from funds transferred from the Revenue Fund until the amount on deposit therein is equal to \$1,030,300\*. There can be no assurance that the amounts on deposit in the Debt Service Reserve Fund will be available if needed for payment of the Bonds in the full amount of the Debt Service 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 Debt Service Reserve Fund to the Debt Service Reserve Requirement.

### **Redemption of Bonds**

The Bonds are subject to redemption, in whole or in part, prior to maturity. If the Bonds are redeemed prior to their maturity, the Owners thereof will not receive the rate of interest indicated for the term of their initial investment, and, if so redeemed, the Owners may not be able to reinvest the proceeds thereof at comparable rates.

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 caption "**THE BONDS – Redemption**" in this Private Placement Memorandum.

### **Defeasance Risk**

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 therefor 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 Internal Revenue 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 City, 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

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\* Preliminary; subject to change.

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 a change or downgrade in the rating of Government Securities could affect the price of Bonds defeased with such Government Securities.

### **Determination of Taxability**

The Bonds are not subject to redemption, nor are the interest rates on the Bonds subject to adjustment, in the event of a determination by the Internal Revenue Service (the “**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 City’s tax covenants 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 income tax purposes. Likewise, the Indenture does not provide for the redemption of the Bonds or the payment of any additional interest or pen

### **Future Changes in the Law**

There can be no assurance that the Missouri state legislature will not enact legislation that will amend the applicable state tax increment financing laws, state community improvement district laws or other laws or the Constitution of the State of Missouri resulting in a reduction of tax revenues, and consequently, an adverse effect on the revenues otherwise available to pay the debt service on any of the Bonds. Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the City or the taxing authority of the City.

### **Limitations on Remedies**

The remedies available to the Owners 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 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.

### **Lack of Rating and Market for the Bonds**

The Bonds have not received a credit rating by any rating agency. The absence of a rating could affect the ability of owners of the Bonds to sell their Bonds or the price at which their Bonds can be sold. No assurance can be given that a secondary market for the Bonds will develop following the completion of the offering of the Bonds. The Bonds are not readily liquid and no person should invest in the Bonds with funds such person may need to convert readily into cash. Bondowners should be prepared to hold their Bonds to the stated



maturity date. The Placement Agent will not be obligated to repurchase or place any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance can be given that any secondary market will develop following the completion of the offering of the Bonds and no assurance can be given that the initial offering price for the Bonds will continue for any period of time.

### **Risk of Audit**

The Internal Revenue 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 Internal Revenue 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 Internal Revenue Service would likely treat the City 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.

### **Cybersecurity Risks**

The City relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the City's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the City and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. Any failure to maintain proper functionality and security of information systems could interrupt the City's operations, delay receipt of revenues (including Payments in Lieu of Taxes, Economic Activity Tax Revenues and CID Revenues), subject it to liability claims or regulatory penalties. The City has purchased an insurance policy to help mitigate its risk of loss in the event of a cyber-security event.

### **Amendments to Financing Documents**

Certain amendments to the Indenture and the Financing Agreement may be made without notice to or the consent of the Owners of the Bonds. Certain other amendments to the Indenture and the Financing Agreement may be made with the consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding affected by such supplemental indentures and certain other amendments may be made only with the consent of the Owners of 100% of the Bonds then outstanding. Such amendments may adversely affect the security of the Owners of the Bonds. In addition to the foregoing, in some jurisdictions outside the State, there are a variety of trust instruction procedure ("TIP") statutes, which generally allow judicially supervised remedies for trust estates of trustees that have a nexus, such as an office of the Trustee, with such jurisdiction. Under such TIP statutes, such jurisdictions may allow or order the Trustee to amend the documents relating to the Bonds, including the Indenture, in contravention of the manner provided for in such documents, including without limitation allowing the Trustee to disregard provisions requiring the consent of the Owners of the Bonds prior to certain amendments of these documents.

### **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 the Developer's current expectations, hopes, intentions or strategies regarding the future. Such statements may be identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend" or other similar words. Such

forward-looking statements include, among others, certain statements under this section captioned “INVESTMENT CONSIDERATIONS AND RISKS.”

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, 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 TO THE CITY AND THE DEVELOPER ON THE DATE HEREOF, AND NEITHER THE CITY NOR THE DEVELOPER ASSUMES ANY OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR.

#### **In Summary**

*The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. An investment in the Bonds involves a substantial element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Private Placement Memorandum (including the Appendices to this Private Placement Memorandum) in order to make a judgment as to whether the Bonds are an appropriate investment.*

#### **ABSENCE OF LITIGATION**

##### **The City**

There is no litigation, controversy or other proceeding of any kind pending, or to the City’s knowledge, threatened in which any matter is raised or may be raised questioning, disputing, challenging or affecting in any way the legal organization of the City, the right or title of any of the City’s officers to their respective offices, the Financing Documents, the legality of any official act taken in connection with the issuance of the Bonds or the legality of any of the proceedings had or documents entered into in connection with the authorization, issuance or sale of the Bonds.

## **The Developer**

There is no litigation, proceedings or investigation pending or, to the knowledge of the corporate officers of the Developer, threatened against the Developer, except litigation involving claims the probable recoveries in which and the estimated costs and expenses of defense of which, (i) will be entirely within the applicable insurance policy limits (subject to applicable deductibles) of the Developer, or (ii) if adversely determined, will not materially and adversely affect the ability of the Developer to perform its obligations under the documents relating to the Bonds and the Redevelopment Project.

In addition, no litigation, proceedings or investigations are pending or, to the knowledge of the corporate officers of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of the Financing Documents, the Bonds or any other required documents by the City, or any other required documents by the Developer, or which would in any manner challenge or adversely affect the corporate existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by or the execution, delivery, validity or performance by the Developer of the terms and provisions of the Redevelopment Agreement or any other documents relating to the issuance of the Bonds or relating to the development of the Redevelopment Project to which it is a party.

## **The District**

There is no litigation, controversy or other proceeding of any kind pending, or to the District's knowledge, threatened in which any matter is raised or may be raised questioning, disputing, challenging or affecting in any way the legal organization of the District, the right or title of any of the District's officers to their respective offices, the legality of any official act taken in connection with the imposition of the CID Sales Tax or the legality of any of the proceedings had or documents entered into in connection with the authorization, issuance or sale of the Financing Document or the Bonds.

## **MUNICIPAL ADVISOR**

Piper Sandler & Co. (the "**Municipal Advisor**"), is a registered municipal advisor with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor is employed by the City to render certain professional services, including advising the City on a plan of financing relating to the Bonds. The Municipal Advisor is not obligated to verify, and has not reviewed or undertaken an independent verification of, the accuracy, completeness or fairness of the information contained in this Official Statement.

## **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., Kansas City, Missouri, Bond Counsel, whose approving opinion will be delivered with the Bonds. A copy of the proposed form of such opinion is attached as **Appendix B** to this Private Placement Memorandum. Certain legal matters will be passed upon for (i) the Developer and the District by Polsinelli PC, Kansas City, Missouri, and (ii) the Placement Agent by FisherBroyles, LLP.

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 and assumed that all of the Bonds are issued on a tax-exempt basis. 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, under the law existing as of the issue date of the Bonds:

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

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

Bank Qualification. The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b) 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 City comply with all requirements of 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 City 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 but has reviewed the discussion under the heading “**TAX MATTERS.**”

### 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 stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). 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 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 stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). 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.

## CONTINUING DISCLOSURE

The City and the District have agreed in a Continuing Disclosure Certificate to provide certain financial information, operating data, and notices of certain events to the Municipal Securities Rulemaking Board (the “**MSRB**”), in compliance with Rule 15c2-12 (the “**Rule**”) promulgated by the Securities and Exchange Commission. The form of the proposed Continuing Disclosure Certificate is included in **Appendix C** to this Private Placement Memorandum.

A failure by the City or the CID to comply with the requirements of the Continuing Disclosure Certificate will not constitute an Event of Default under the Indenture (although Bondowners will have any available remedy at law or in equity).

The City has engaged in undertakings similar to the Continuing Disclosure Certificate with respect to other obligations previously issued by the City to provide to the MSRB the audited financial statements of the City and updates of certain operating data of the City. During the previous five years, the City has not failed to comply, in all material respects, with any previous undertakings it has entered into with respect to Rule 15c2-12.

The CID has not previously entered into any continuing disclosure agreement or undertaking.

### **CERTAIN RELATIONSHIPS**

Gilmore & Bell, P.C., Bond Counsel, is representing the City in connection with the issuance of the Bonds and has represented the Placement Agent in transactions unrelated to the issuance of the Bonds, but is not representing the Placement Agent in connection with the issuance of the Bonds.

### **PRIVATE PLACEMENT OF BONDS**

UMB Bank, N.A. (the “**Placement Agent**”), pursuant to a Private Placement Agreement among the City, the Developer and the Placement Agent, has agreed, subject to certain conditions contained therein, to use its best efforts to privately place the Bonds at the aggregate purchase price of \$\_\_\_\_\_. The Placement Agent will receive a placement fee in the amount of \$\_\_\_\_\_. The obligations of the Placement Agent to use its best efforts to place the Bonds is subject to certain terms and conditions set forth in the Private Placement Agreement.

### **NOTICE TO INVESTORS**

The Bonds have not been registered under the Securities Act or under applicable state securities laws and may not be offered or sold within the United States or to U.S. persons (as such terms are defined in the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements thereunder.

**The Bonds may only be purchased by or transferred to Approved Investors.**

**Each initial purchaser will be required to delivery to the City and the Trustee a letter in substantially the form attached as Exhibit E to the Indenture executed by the proposed purchaser or transferee.**

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

Each purchaser of the Bonds offered hereby will be deemed to have represented and agreed as follows (terms used herein that are defined in the Securities Act are used herein as defined therein):

**The purchaser (i) is an accredited investor or a qualified institutional buyer, and (ii) is acquiring such Bonds for its own account or for the account of a qualified institutional buyer, as the case may be, and understands that any subsequent owner of the Bonds is required to be an “accredited investor” under Rule 501(a) of Regulation D or a “qualified institutional buyer” as defined in Rule 144A.**

### **Notice Regarding Restriction on Use of Retirement Plan Assets to Purchasers of the Bonds**

In addition, by its acceptance of a Bond, each purchaser and subsequent transferee of a Bond will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or

transferee to acquire and hold the Bonds constitutes assets of any employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), or Section 4975 of the Internal Revenue Code of 1986, as amended (the “**Code**”), or the applicable provisions of any federal, state, local or non-United States laws which are similar to the provisions of Title I of ERISA or Section 4975 of the Code (“**Similar Laws**”) or (ii) the purchase and holding of such Bond by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or violation of any applicable Similar Laws.

### **NO RATINGS**

The City has not applied to any rating service for a rating on the Bonds.

### **MISCELLANEOUS**

The references herein to the TIF Act, the CID Act, the Indenture, the Financing Agreement, the CID Agreement, the Redevelopment Plan and the Redevelopment Agreement are brief outlines of certain provisions of such documents and do not purport to be complete. Reference is made to the TIF Act, the CID Act, and such documents for full and complete statements of their provisions. Copies of such documents are on file at the offices of the Placement Agent (see the section herein captioned “**INTRODUCTION - Definitions, Summaries of Documents and Additional Information**”) and following delivery of the Bonds will be on file at the office of the Trustee.

Any statements in this Private Placement Memorandum involving matters of opinion or forecast, whether or not expressly so stated, are intended as such and not as representations of fact. This Private Placement Memorandum is not to be construed as a contract or agreement between the City, the Developer, the District, the Placement Agent and the purchasers or owners of the Bonds.

The agreement of the City with the owners of the Bonds is fully set forth in the Indenture, and neither any advertisement of the Bonds nor this Private Placement Memorandum is to be construed as constituting an agreement with the purchasers of the Bonds.

The cover page and the attached Appendices are integral parts of this Private Placement Memorandum and must be read together with all of the foregoing statements.

The information presented in this Private Placement Memorandum has been furnished by sources believed by the Placement Agent to be reliable.

Neither the City, the District nor any of their respective officials, officers or employees make any warranties or representations regarding either the accuracy or sufficiency of the material furnished in this Private Placement Memorandum, except as otherwise expressly set forth herein. Neither the City, the District nor any of their respective officials, officers or employees assumes any duties, responsibility or obligations with respect to the Bonds other than those imposed, either expressly or by fair implication, upon such party by the Indenture, the Bonds, the Redevelopment Agreement or any other agreements executed in connection with the transactions described herein.

The Developer has reviewed the information contained in this Private Placement Memorandum under the captions **“INTRODUCTION – The Redevelopment Project,” “INTRODUCTION – The Smithville Commons Community Improvement District and CID Sales Tax,” “SMITHVILLE COMMONS COMMUNITY IMPROVEMENT DISTRICT AND CID SALES TAX,” “THE SMITHVILLE COMMONS PROJECT,” “ABSENCE OF LITIGATION – The District” and “ABSENCE OF LITIGATION – The Developer.”** The execution and delivery of this Private Placement Memorandum has been duly authorized by the Developer.

**SMITHVILLE DEVELOPMENT ASSOCIATES,**  
LLC, a Missouri limited liability company

By: \_\_\_\_\_



**APPENDIX A-1**  
**FORM OF THE INDENTURE**

**APPENDIX A-2**  
**FORM OF THE FINANCING AGREEMENT**

**APPENDIX B**  
**FORM OF BOND COUNSEL OPINION**

## **APPENDIX C**

### **FORM OF THE CONTINUING DISCLOSURE CERTIFICATE**

**APPENDIX D**  
**REVENUE STUDY**

**APPENDIX E**  
**BOOK-ENTRY ONLY SYSTEM**

## APPENDIX E

### BOOK-ENTRY ONLY SYSTEM

*The information provided immediately below concerning DTC and the Book-Entry-Only System, as it currently exists, has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Placement Agent, the City or the Developer.*

#### General

When the Bonds are issued, ownership interests will be available to purchasers only through a book-entry-only system (the “**Book-Entry-Only System**”) maintained by DTC. DTC will act as securities depository for the Bonds. Initially, the Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee). The following discussion will not apply to any Bonds issued in certificate form due to the discontinuance of the DTC Book-Entry-Only System, as described below.

#### DTC and its Participants

DTC, the world’s largest securities 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 a Standard & Poor’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).

#### Purchase of Ownership Interests

Purchases of the 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 (the “**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, but Beneficial Owners, however, are 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 interest in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

So long as Cede & Co., as nominee of DTC, is the registered owner of any of the Bonds, the Beneficial Owners of such Bonds will not receive or have the right to receive physical delivery of the Bonds, and references

herein to the bondowners or registered owners of such Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of such Bonds.

## **Transfers**

To facilitate subsequent transfers, all Bonds deposited by 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 the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC 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.

## **Notices**

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.

Redemption notices shall be sent to DTC. If less than all of the Bonds 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.

## **Voting**

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority of the securities 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 the Bonds are credited on the record date identified in a listing attached to the Omnibus Proxy.

## **Payments of Principal and Interest**

So long as any Bond is registered in the name of DTC's nominee, all payments of principal of, premium, if any, and interest on such Bond 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 Authority or the Paying Agent or Bond Registrar, on payable dates 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 nor its nominee, the Trustee, the Borrower or the Authority, subject to any statutory and regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

## **Discontinuation of Book-Entry-Only System**

DTC may discontinue providing its services as a securities depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Bonds are required to be printed and delivered as described in the Loan and Trust Agreement.



The use of the system of book-entry transfers through DTC (or a successor securities depository) may be discontinued as described in the Indenture. In that event, the Bonds will be printed and delivered as described in the Indenture.

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Placement Agent, the City and the Developer believe to be reliable, but none of the Placement Agent, the City or the Developer takes any responsibility for the accuracy thereof, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participants, as the case may be.*



## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Development

**AGENDA ITEM:** Bill No. 2938-22 Fairview Crossing Rezoning and Conceptual Plan Approval – 1st reading by title only.

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**RECOMMENDED ACTION:**

A motion to approve Bill No. 2938-22 for first reading by title only for Fairview Crossing Rezoning and Conceptual Plan Approval.

**SUMMARY:**

Approving this ordinance would rezone the land and create an overlay district at property located at the northeast corner of Highway 169 and 144<sup>th</sup> St. to allow a new mixed-use subdivision to be called Fairview Crossing.

**BACKGROUND:**

This project is on the 53.92 acres at the northeast corner of 169 Highway and 144<sup>th</sup> Street. The applicant acquired the property after reviewing the Smithville Comprehensive Plan 2030, which identifies this area to be mixed use with a higher density of housing. The plan submitted separates the property into a commercial area to the west of the overhead powerline easement that bisects the property with townhomes and apartments on the east side of that same easement. The conceptual plan process allows developers to create cohesive developments with variances from some of the lot size and access restrictions contained in the zoning code so long as the overall plan meets the intent of the underlying district designation. The approval of a conceptual plan sets the limits of what can be constructed upon the property but gives the developer flexibility to adjust the project to the market, so long as the densities of housing, parking requirements, stormwater management and availability of services is otherwise met.

A conceptual plan is not to be considered as a subdivision that creates separate lots, but as a plan of use and development within the approved scope of that plan. Any subdivision of land for the project is subject to the parameters of this plan but includes substantial additional review matters to be handled separately. The applicant has also requested a preliminary plat approval for the subdivision, which is currently underway and must be presented to the Planning Commission for a recommendation first. This portion of the project will include a development agreement that addresses capabilities/design of stormwater retention facilities, water and sewer requirements, as well as on-and off-site road improvements as described in an approved traffic impact study. Those traffic studies recommend off-site improvements that will allow additional

traffic to properly use and pass this site safely and can include turn lanes, pavement improvements, access points and traffic signals when warranted.

Development, Public Works and Utilities Departments and MoDOT are currently working on review of all of the submitted studies on the second portion of this project submittal to provide comments to the developer prior to any Planning Commission review.

Conceptual Plan approval is a zoning measure that allows the intent of the zoning districts to be met prior to final subdivision design.

**PREVIOUS ACTION:**

N/A

**POLICY ISSUE:**

Comprehensive Plan Development

**FINANCIAL CONSIDERATIONS:**

No budgetary impact

**ATTACHMENTS:**

- ☒ Ordinance
- ☐ Resolution
- ☒ Staff Report
- ☐ Other:

- ☐ Contract
- ☒ Plans
- ☐ Minutes

**AN ORDINANCE APPROVING A REZONING AND CONCEPTUAL ZONING PLAN FOR FAIRVIEW CROSSING ON CERTAIN LANDS LOCATED IN THE CITY OF SMITHVILLE, MISSOURI, UNDER THE AUTHORITY GRANTED BY THE CODE OF ORDINANCES OF THE CITY OF SMITHVILLE, MISSOURI**

**WHEREAS**, The City of Smithville received an application for a Rezoning and a Conceptual Plan approval on A-1 and B-3 land at the northeast corner of 169 Highway and 144<sup>th</sup> Street; and

**WHEREAS**, public notice was properly advertised in the Courier Tribune; and

**WHEREAS**, adjoining property owners were properly notified by certified mail; and

**WHEREAS**, a public hearing was held before the Planning Commission on April 12, 2022;

**WHEREAS**, the Commission adopted the findings recommended in the Staff Report and recommended approval of the Fairview Crossing Conceptual Plan.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI, THAT;**

Section 1. Having received a recommendation from the Planning Commission, and proper notice having been given and public hearing held as provided by law, and under the authority of and subject to the provisions of the zoning ordinances of the City of Smithville, Missouri, by a majority council vote, the zoning classification(s) or district(s) of the lands legally described hereby are changed as follows:

The property legally described as: See Attached Exhibits A-1 and A-2

is hereby designated B-3P and R-3P as contained in the Fairview Crossing Conceptual Plan as approved by the Planning Commission on April 12, 2022 and shown on Exhibit A-2.

Section 2. Upon the taking effect of this ordinance, the above zoning changes shall be entered and shown upon the "Official Zoning Map" previously adopted and said Official Zoning Map is hereby reincorporated as a part of the zoning ordinance as amended.

Section 3. This ordinance shall take effect and be in full force from and after its passage according to law.

PASSED THIS 17<sup>th</sup> DAY OF MAY, 2022

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Mayor

ATTEST:

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City Clerk

1<sup>st</sup> reading 05/03/2022

2<sup>nd</sup> reading 05/17/2022

RECORD DESCRIPTION

TRACT I:

ALL OF THE SOUTHWEST QUARTER OF SECTION THIRTY-FIVE (35) IN TOWNSHIP FIFTY-THREE (53), RANGE THIRTY-THREE (33), IN CLAY COUNTY, MISSOURI, SUBJECT TO THAT PART, IF ANY, IN STREETS, ROADWAYS, HIGHWAYS OR OTHER PUBLIC RIGHT-OF-WAYS.

EXCEPT THE FOLLOWING DESCRIBED TRACTS:

ALL OF A TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, CLAY COUNTY, MISSOURI DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE SOUTH 01 DEGREE 00 MINUTES 27 SECONDS WEST ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER 50.34 FEET TO A POINT; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST, 79.22 FEET TO A SET 5/8 INCH SET REBAR AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 169 AND THE SOUTH RIGHT-OF-WAY LINE OF COMMERCIAL AVENUE BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST ALONG THE SOUTH RIGHT-OF-WAY LIEN OF COMMERCIAL AVENUE 328.40 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 00 DEGREES 48 MINUTES 44 SECONDS WEST, 10.0 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST ALONG A LINE PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER 330.05 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 01 DEGREES 00 MINUTES 27 SECONDS WEST ALONG A LINE PARALLEL TO THE WEST LINE OF SAID SOUTHWEST QUARTER OF SECTION 35, 646.85 FEET TO A 5/8 INCH SET REBAR; THENCE NORTH 89 DEGREES 11 MINUTES 16 SECONDS WEST ALONG A LINE PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER 678.96 FEET TO A 5/8 INCH SET REBAR ON THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 169; THENCE ALONG SAID RIGHT-OF-WAY THE FOLLOWING BEARINGS AND DISTANCES NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 97.19 FEET; THENCE SOUTH 86 DEGREES 46 MINUTES 16 SECONDS EAST, 70.0 FEET; THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 20.0 FEET; THENCE NORTH 85 DEGREES 46 MINUTES 16 SECONDS WEST 75.0 FEET; THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 540.03 FEET TO THE POINT OF BEGINNING, FILED FOR RECORD AS INSTRUMENT NO. F59666 IN BOOK 1732 AT PAGE 984.

AND EXCEPT:

A TRACT OF LAND LYING AND BEING SITUATED IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, OF THE FIFTH PRINCIPAL MERIDIAN, COUNTY OF CLAY, STATE OF MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A FOUND ALUMINUM MONUMENT AT THE SOUTHWEST CORNER OF SECTION 35 TOWNSHIP 53 NORTH, RANGE 33 WEST; THENCE NORTH 09 DEGREES 40 MINUTES 03 SECONDS EAST, 1042.51 FEET TO A SET 5/8 INCH IRON PIN WITH CAP, SAID POINT BEING ON THE TRUE POINT OF BEGINNING; THENCE NORTH 01 DEGREES 46 MINUTES 04 SECONDS WEST 255.81 FEET TO A SET COPPERWELD; THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 11,188.72 FEET, A DISTANCE OF 44.56 FEET, AND CHORD BEARS NORTH 01 DEGREES 38 MINUTES 45 SECONDS WEST TO A SET COPPERWELD; THENCE SOUTH 88 DEGREES 55 MINUTES 34 SECONDS EAST 285.82 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE SOUTH 25 DEGREES 06 MINUTES 39 SECONDS EAST 334.31 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE NORTH 88 DEGREES 55 MINUTES 28 SECONDS WEST, 418.65 FEET TO THE POINT OF BEGINNING AND EXCEPT THE FOLLOWING PLATS ALL OF HILLS OF SHANNON - FIRST PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. M29883 IN BOOK D AT PAGE 55.

ALL OF HILLS OF SHANNON - SECOND PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. M72777 IN BOOK E AT PAGE 3.  
ALL OF HILLS OF SHANNON - THIRD PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. N19596 IN CABINET E SLEEVE 28.  
ALL OF HILLS OF SHANNON - FOURTH PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. P24772 IN CABINET E SLEEVE 97.  
ALL OF HILLS OF SHANNON - FIFTH PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. Q11906 IN CABINET E SLEEVE 152.  
ALL OF ESTATES OF WILKERSON CREEK, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. 2019039687 IN BOOK I AT PAGE 88.4.

TRACT II:

A TRACT OF LAND LYING AND BEING SITUATED IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, OF THE FIFTH PRINCIPAL MERIDIAN, COUNTY OF CLAY, STATE OF MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A FOUND ALUMINUM MONUMENT AT THE SOUTHWEST CORNER OF SECTION 35 TOWNSHIP 53 NORTH, RANGE 33 WEST; THENCE NORTH 09 DEGREES 40 MINUTES 03 SECONDS EAST, 1042.51 FEET TO A SET 5/8 INCH IRON PIN WITH CAP, SAID POINT BEING ON THE TRUE POINT OF BEGINNING; THENCE NORTH 01 DEGREES 46 MINUTES 04 SECONDS WEST 255.81 FEET TO A SET COPPERWELD; THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 11,188.72 FEET, A DISTANCE OF 44.56 FEET, AND CHORD BEARS NORTH 01 DEGREES 38 MINUTES 45 SECONDS WEST TO A SET COPPERWELD; THENCE SOUTH 88 DEGREES 55 MINUTES 34 SECONDS EAST 285.82 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE SOUTH 25 DEGREES 06 MINUTES 39 SECONDS EAST 334.31 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE NORTH 88 DEGREES 55 MINUTES 28 SECONDS WEST, 418.65 FEET TO THE POINT OF BEGINNING.









April 7, 2022  
Conceptual Plan Approval of Clay County Parcel Id's  
# 05-917-00-07-005.00 & 05-917-00-07-006.00

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Application for a Conceptual Plan Approval – Fairview Crossing

Code Sections:

400.200 et seq.      Planned Development Overlay District

Property Information:

Address:              NE corner of 144<sup>th</sup> St. and 169 Hwy  
Owner:                Kansas City Properties & Investments  
Current Zoning:      A-1 & B-3

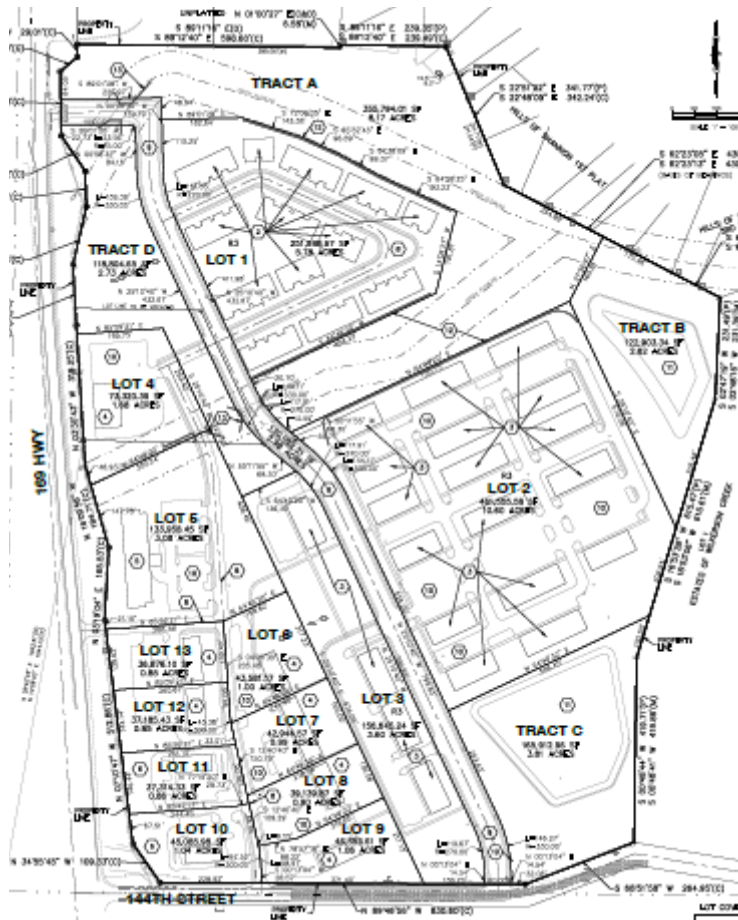
Public Notice Dates:

1st Publication in Newspaper:      March 24, 2022  
Letters to Property Owners w/in 185':      March 28, 2022

GENERAL DESCRIPTION:

The property is currently two unplatted tracts lying between 144<sup>th</sup> St. on the south and the Central Bank property just south of Commercial. The tract is approximately 53 acres and includes a large overhead power line easement that bisects the property. The proposed conceptual plan is for dividing this 53+/- acre parcel into 3 multifamily and 10 commercial lots. The multifamily would include townhomes and apartments with a calculated total of 255 dwelling units upon completion of all buildings, along with 10 commercial lots, including 2 fast food lots, a hotel lot and 7 other retail/commercial lots. Lot sizes vary, but there are some lots that will only access a private drive, which requires the conceptual plan to allow variances from basic lot size and access requirements.





400.200.B.3 Guidelines for review of a conceptual development plan for a Planned Development Overlay District, the Commission shall consider the requirements in the site plan review provisions in Section 400.390 through 400.440 when evaluating the following:

a. Topography; to ensure the site is suitable for development, and buildings are located and arranged in appropriate areas.

**Development placement specifically encapsulates the existing drainage areas into the proposed retention pond areas. The estimated layout specifically separates the residential and the commercial areas on either side of the power easement, and leaves significant green space between this development and the adjacent single family. The plan would move the B-3 zoning from the east portion of the project area to the 169 frontage (currently A-1) and down-zone the current B-3 to R-3.**

b. Parking; to ensure the proposed development contains an adequate amount of parking and is located in an appropriate area or adequately screened. Generally, the parking should conform to the required number of spaces appropriate to the development type as contained in Section 400.470. The Commission may allow a deviation from these parking requirements should the applicant show an adequate amount of parking exists.

**Development is laid out in a fashion to meet the site plan requirements and includes sufficient parking as shown on Page 1 of the submittal. Any minor variations to building size could impact the required parking, but in no event will a tenant be able to increase a building footprint or change a use without adjusting parking to meet these requirements.**

c. Setbacks; to ensure buildings provide for adequate light, air, and privacy protection by providing appropriate proportion between buildings, and adequate separation between buildings and adjoining properties.

**Development leaves ample spacing between the proposed buildings, as well as the existing facilities, and leaves ample buffer from the single family properties to the east.**

d. Architecture; to ensure the architectural theme is compatible and consistent throughout the project and is reasonably compatible with surrounding developments.

**The Development is without tenants and seeks to create the overall look of the development without limiting potential tenants. Therefore, this Conceptual plan will require independent site plan reviews of each proposed building, and must meet the site plan requirements in existence at the time of construction, in particular only to the buildings. All other elements are identified and required as show herein.**

e. Site plan; to ensure the location and arrangement of buildings, signs and other structures are appropriate for the site, existing and proposed streets, drives and public ways are arranged appropriately and to ensure site drainage has been adequately addressed.

**Development prepared and submitted a Stormwater Study and has agreed to construct the required detention structures when the project begins.**

f. Landscaping; to ensure the development provides adequate landscaping to provide a pleasant environment, to enhance the building's appearance, to ensure existing significant trees are adequately protected.

**The Development has a large abundance of existing vegetation on the east and north, but much of it is of limited quality. Much of the buffer areas from the single family properties to the east will remain intact or converted into detention areas for stormwater protection. As stated, each separate building will be required to complete the site plan review process, and the landscaping and all other review matters will be addressed at that time.**

g. Any other feature or issue associated with the State zoning and planning enabling legislation or the Comprehensive Plan for the City of Smithville for which the Commission feels is appropriate and relevant to the development of the site.

**Development will include significant off-site traffic improvements that are still being reviewed by MODOT. The traffic study indicates that**

**multiple turn lane improvements, a future traffic light scenario at 144<sup>th</sup> St. and other adjacent road improvements will be needed. The exact scope and timing of those items will be addressed in a development agreement and incorporate all of MODOT requirements. To the extent this is a Conceptual plan, the exact locations of streets and access points is subject to change in accordance with the MODOT review and further engineering review.**

**STAFF RECOMMENDATION:**

Staff recommends APPROVAL of the proposed Conceptual plan based upon adherence to the conditions contained in this report, and specifically includes the following recommended findings as contained in 400.200.B.4:

1. That the Commission has reviewed the conceptual development plan with consideration of the issues contained in Subsection (B)(3) above; and
2. That the conceptual development plan is in conformance with the comprehensive land use plan and other appropriate Sections of the Code of Ordinances; and
3. That the conceptual development plan provides for an organized and unified system of land use intensities which are compatible with the surrounding areas; and
4. That the proposed development adequately protects the health, safety and general welfare of future and existing residents and property owners in and around the development.

Respectfully Submitted,

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Director of Development



## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Development

**AGENDA ITEM:** Bill No. 2939-22 McBee's Coffee & Carwash Conceptual Plan Approval – 1st reading by title only.

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**RECOMMENDED ACTION:**

A motion to approve Bill No. 2939-22 for first reading by title only for McBee's Coffee & Carwash Conceptual Plan approval.

**SUMMARY:**

Approving this ordinance would create an overlay district at property located at the southeast corner of Highway 169 and Richardson Street to allow a new commercial subdivision to be called McBee's Coffee & Carwash.

**BACKGROUND:**

This project is on 3.1 acres at the southeast corner of 169 Hwy and Richardson Street. The current zoning of the property is B-3. The proposed overlay district included in the conceptual plan is to allow minor variances from the standard B-3 district requirements concerning size, layout and access to lots as well as other bulk, height and setback requirements. The proposal would allow the 3.1-acre lot to be subdivided into two separate lots that are smaller than the minimum lot size in B-3. The conceptual plan process allows the concerns related to lot access points, sign size and locations, as well as the additional traffic from two businesses on the 3.1 acres versus one business on the same sized lot to be properly addressed.

As in other similar conceptual plans, approval here will not subdivide the property, but simply authorizes the subdivision of land to occur in the future under the conceptual plan's variations from the standard B-3 district. That subdivision process is the method by which any on or off-site infrastructure improvements will be addressed, including traffic matters. Staff is now working with the applicant to complete the traffic impact assessment and will include those obligations into the land subdivision process.

**PREVIOUS ACTION:**

N/A

**POLICY ISSUE:**

Comprehensive Plan Development

**FINANCIAL CONSIDERATIONS:**

No budgetary impact

**ATTACHMENTS:**

- ☒ Ordinance
- ☐ Resolution
- ☒ Staff Report
- ☐ Other:

- ☐ Contract
- ☒ Plans
- ☐ Minutes

**AN ORDINANCE APPROVING A CONCEPTUAL ZONING PLAN FOR MCBEE'S COFFEE & CARWASH ON CERTAIN LANDS LOCATED IN THE CITY OF SMITHVILLE, MISSOURI, UNDER THE AUTHORITY GRANTED BY THE CODE OF ORDINANCES OF THE CITY OF SMITHVILLE, MISSOURI**

**WHEREAS**, The City of Smithville received an application for a Conceptual Plan approval on B-3 land at the southeast corner of 169 Highway and Richardson Street; and

**WHEREAS**, public notice was properly advertised in the Courier Tribune; and

**WHEREAS**, adjoining property owners were properly notified by certified mail; and

**WHEREAS**, a public hearing was held before the Planning Commission on April 12, 2022;

**WHEREAS**, the Commission adopted the findings recommended in the Staff Report and recommended approval of the McBee's Coffee & Carwash Conceptual Plan.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI, THAT;**

Section 1. Having received a recommendation from the Planning Commission, and proper notice having been given and public hearing held as provided by law, and under the authority of and subject to the provisions of the zoning ordinances of the City of Smithville, Missouri, by a majority council vote, the zoning classification(s) or district(s) of the lands legally described hereby are changed as follows:

The property legally described as:

Smithville Library Heights, Tract A

is hereby designated B-3P with the addition of the McBee's Coffee & Carwash Conceptual Plan as approved by the Planning Commission on April 12, 2022.

Section 2. Upon the taking effect of this ordinance, the above zoning changes shall be entered and shown upon the "Official Zoning Map" previously adopted and said Official Zoning Map is hereby reincorporated as a part of the zoning ordinance as amended.

Section 3. This ordinance shall take effect and be in full force from and after its passage according to law.

PASSED THIS 17<sup>th</sup> DAY OF MAY, 2022

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Mayor

ATTEST:

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City Clerk

1<sup>st</sup> reading 05/03/2022

2<sup>nd</sup> reading 05/17/2022



April 7, 2022

Conceptual Plan Approval of Clay County Parcel Id # 05-909-00-03-011.00

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Application for a Conceptual Plan Approval – McBee's Coffee & Carwash

Code Sections:

400.200 et seq.      Planned Development Overlay District

Property Information:

Address:                      Richardson St. and 169 SE Corner

Owner:                        Jolarub LLC

Current Zoning:            B-3

Public Notice Dates:

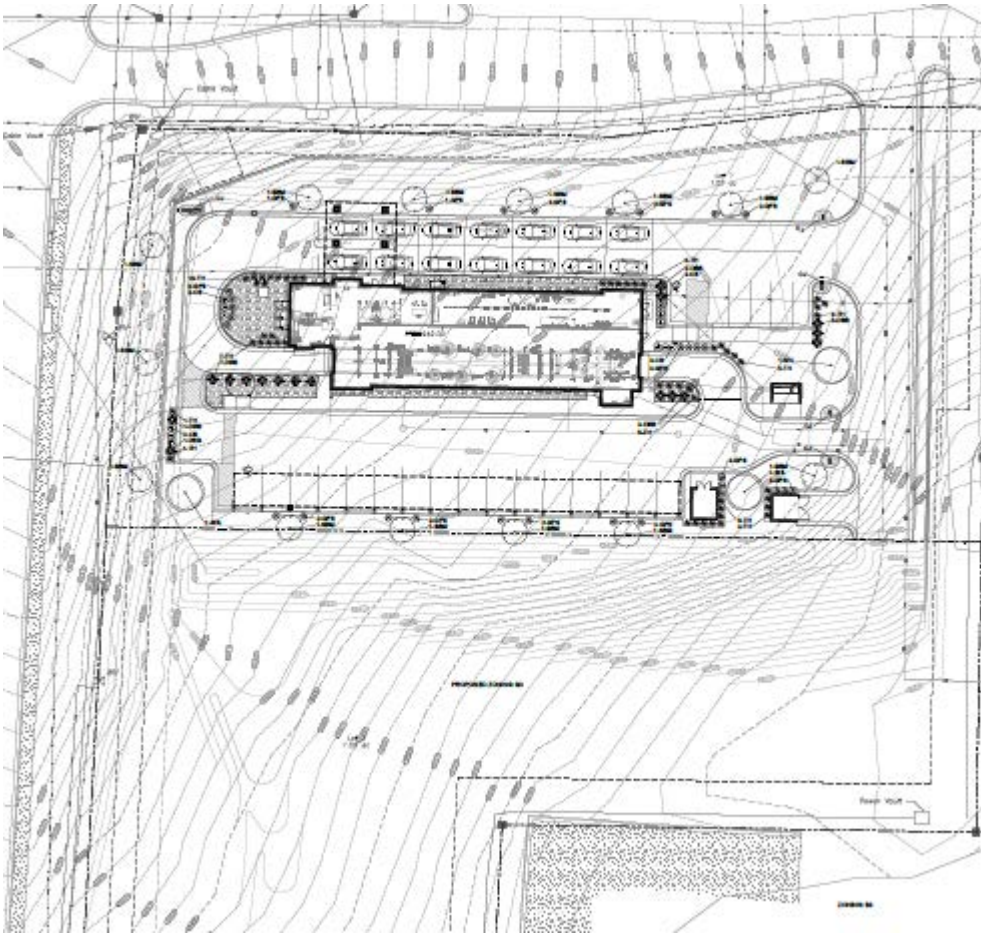
1st Publication in Newspaper:      March 24, 2022

Letters to Property Owners w/in 185':      March 28, 2022

GENERAL DESCRIPTION:

The property is currently Tract A, Smithville Library Heights. The proposed conceptual plan is to divide this 3.1 acre parcel into two separate commercial lots ranging in size from 1.52 to 1.58 acres with variances to the minimum lot size for B-3 districts. Access to the lots would be through 2 combined access points, one on Richardson St. (McBee's primary) and one on 169 (undeveloped lot primary). Bot access points would interconnect with shared access points.





400.200.B.3 Guidelines for review of a conceptual development plan for a Planned Development Overlay District, the Commission shall consider the requirements in the site plan review provisions in Section 400.390 through 400.440 when evaluating the following:

a. Topography; to ensure the site is suitable for development, and buildings are located and arranged in appropriate areas.

**Development placement will ultimately include a retaining wall to separate the hotel lot to the south from access into this project, but grading is overall minimum.**

b. Parking; to ensure the proposed development contains an adequate amount of parking and is located in an appropriate area or adequately screened. Generally, the parking should conform to the required number of spaces appropriate to the development type as contained in Section 400.470. The Commission may allow a deviation from these parking requirements should the applicant show an adequate amount of parking exists.

**Development is laid out in a fashion to meet the site plan requirements on both lots. The proposed drive thru carwash is the only definitive project, and exceeds the minimum parking standards. The remaining**

lot has no definitive use/building, so no calculations can be made.

**There exists sufficient land to address parking and that lot development will require Site Plan Review to address all aspects.**

c. Setbacks; to ensure buildings provide for adequate light, air, and privacy protection by providing appropriate proportion between buildings, and adequate separation between buildings and adjoining properties.

**Development leaves ample spacing between the proposed buildings, as well as the existing facilities.**

d. Architecture; to ensure the architectural theme is compatible and consistent throughout the project and is reasonably compatible with surrounding developments.

**The Development includes only one tenant currently and seeks to create the overall look of the development without limiting potential tenants. The carwash facility complies with the current site plan regulations and future development of lot 2 must comply with site plan requirements in existence at the time of development. All other elements are identified and required as show herein.**

e. Site plan; to ensure the location and arrangement of buildings, signs and other structures are appropriate for the site, existing and proposed streets, drives and public ways are arranged appropriately and to ensure site drainage has been adequately addressed.

**Development prepared and submitted a Stormwater Study and has agreed to construct the required detention structures when the project begins.**

f. Landscaping; to ensure the development provides adequate landscaping to provide a pleasant environment, to enhance the building's appearance, to ensure existing significant trees are adequately protected.

**The Development will include landscaping as shown on the submitted plans for the car wash site, and the vacant lot 2 will be required to comply with regulations in place at the time of development.**

g. Any other feature or issue associated with the State zoning and planning enabling legislation or the Comprehensive Plan for the City of Smithville for which the Commission feels is appropriate and relevant to the development of the site.

**Development will include a contribution to the installation of a traffic light at the 169 & Richardson intersection. Developer submitted a Traffic Update to the Richardson Street Plaza Study which indicated that a light met two of the traffic warrants at the intersection NOW, and that further traffic would reach the levels of other warrants, so a light was needed. This development contribution will be subject to a development agreement to be completed prior to Final Plat submittal.**

STAFF RECOMMENDATION:

Staff recommends APPROVAL of the proposed Conceptual plan based upon adherence to the conditions contained in this report, and specifically includes the following recommended findings as contained in 400.200.B.4:

1. That the Commission has reviewed the conceptual development plan with consideration of the issues contained in Subsection (B)(3) above; and
2. That the conceptual development plan is in conformance with the comprehensive land use plan and other appropriate Sections of the Code of Ordinances; and
3. That the conceptual development plan provides for an organized and unified system of land use intensities which are compatible with the surrounding areas; and
4. That the proposed development adequately protects the health, safety and general welfare of future and existing residents and property owners in and around the development.

Respectfully Submitted,

---

Director of Development

## project synopsis:

Governing Municipality: Smithville, Missouri

Governing Code: 2018 International Building Code

Project Manager /  
Point of Contact: Johnathon R. Phillips, AIA  
Davidson Architecture & Engineering  
4301 Indian Creek Parkway  
Overland Park, Kansas 66207  
p: 913.451.9390

Owner: McBee Coffe 'N' Carwash, Inc.  
103 Industrial Parkway  
Gallatin, MO 64640

Civil Engineer: Hilary Zerr, PE  
Davidson Architecture & Engineering  
4301 Indian Creek Parkway  
Overland Park, Kansas 66207  
p: 913.451.9390

Site Area: McBee's: 66,475 sq. ft. (1.52 acres +/-)

Vacant: 69,136 sq. ft. (1.58 acres +/-)

Building Area: 5,794 sq. ft.

Proposed Zoning: B-3

Proposed Imperv. Area: 35,949 sq. ft. (0.82 acres +/-) 54.1%

Proposed Green Space: 30,526 sq. ft. (0.70 acres +/-) 45.9%

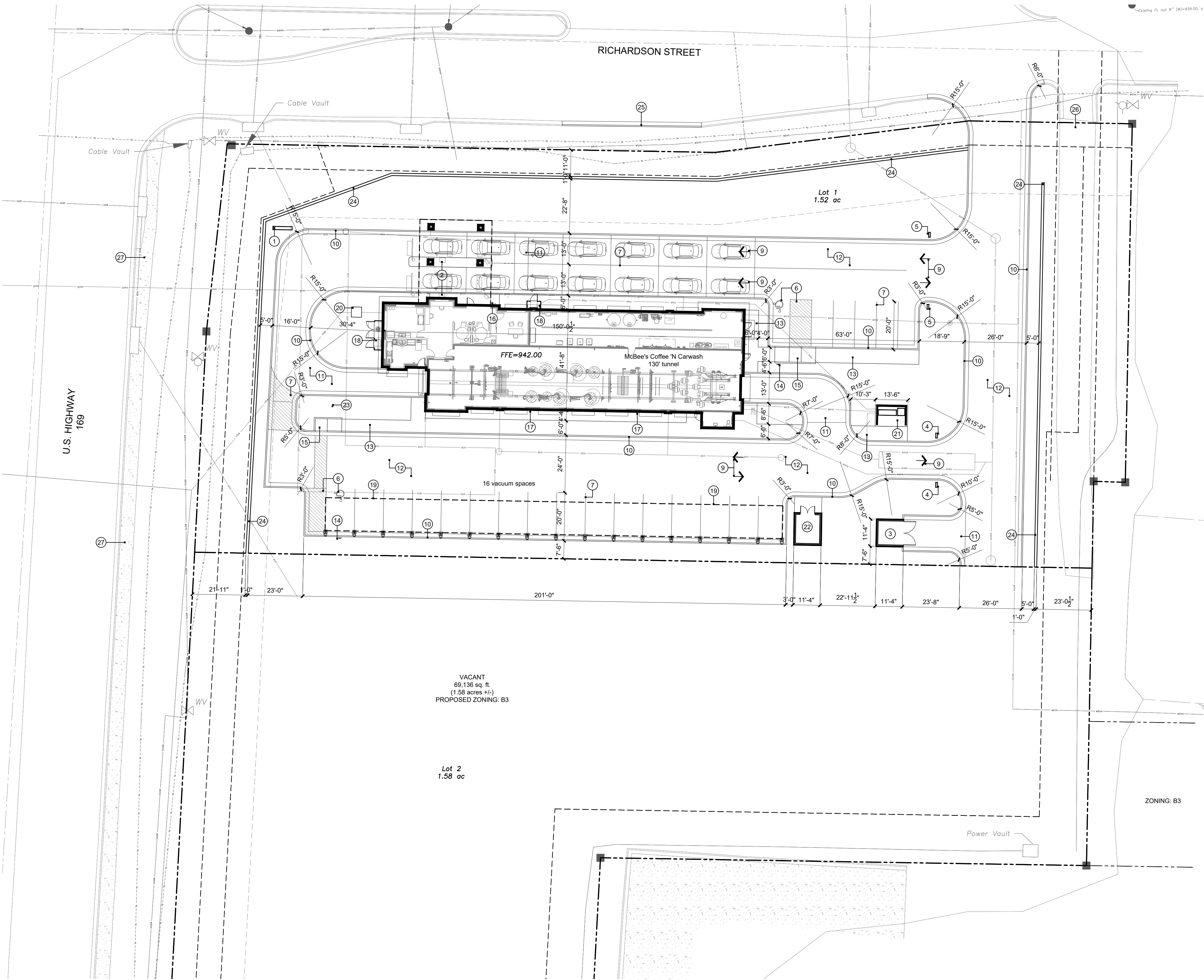
Parking: 15 standard vacuum bays  
1 handicap vacuum bay  
5 standard employee spaces  
1 handicap employee space  
Total = 22 spaces provide

## general notes:

- All construction shall conform to the standards and specifications of Smithville, Missouri.
- The general contractor shall contact all utility companies prior to the start of construction and verify the location and depth of any utilities that may be encountered during construction.
- The contractor shall field verify exist. surface & subsurface ground conditions prior to start of construction.
- Slopes shall maintain a maximum 3:1 slope.
- The contractor shall be responsible for obtaining all required permits, paying all fees, and otherwise complying with all applicable regulations governing the project.
- General contractor and all subcontractors must register with the Building Department before issuance of permit.
- Energy code requirements and inspections are to be performed by a third party inspector, supplied by General Contractor and/or owner. The City will not perform energy related inspections, however, documentation is required to verify compliance of the energy code requirements.
- Place silt fence per civil for erosion control.
- Provide a temporary gravel access drive to prevent mud from being deposited onto the adjacent road.
- Prior to installing any structure on a public storm sewer, the contractor shall submit shop drawings for the structure(s). Installation shall not occur until drawings have been approved by public works.
- Prior to installing, constructing, or performing any work on the public storm sewer line (including connecting to the storm system) contact the city for inspection of the work. Contact must be made at least 48 hours prior to the start of work.
- Connections to the public storm sewer between structures will not be permitted.
- All exterior utility services shall be painted to match the primary building color.
- Prior to final inspection, the general contractor shall meet with the Smithville Fire Department to designate fire lane and fire lane sign locations to be installed per Fire Department direction and requirements.
- A Knox Box will be installed on the front of the building facing the street or road.
- Caulk joint at perimeter of building around sidewalk. Color to match building colors. GC shall take care not to seal any exterior finish drainage elements.

## construction notes: (##)

- Monument sign per detail 2/A3.2. Footing by GC and sign by signage supplier. GC shall install electrical per electrical drawings.
- Pay station equipment by others. Footings by GC and equipment by supplier. GC shall install electrical per electrical drawings.
- Trash enclosure per detail 1/A1.2.
- Directional sign (THANK YOU / DO NOT ENTER) per detail 1/A3.2.
- Directional sign (WELCOME) per detail 1/A3.2.
- ADA parking stall per civil drawings.
- 4" solid white striping typ.
- Light pole and base per electrical drawings.
- White thermoplastic directional markings per detail.
- Furnish and install standard depth concrete curb and gutter per civil drawings.
- Concrete paving to meet Geotechnical specifications and per civil drawings.
- Asphalt paving to meet Geotechnical specifications and per civil drawings.
- New concrete sidewalk per civil.
- Handicap parking sign per detail on A1.3.
- Accessible ramp at sidewalk per civil.
- Furnish and install a Knox Box at 60" a.f.g. for fire department access. Contact Fire Marshal for ordering information and to coordinate location prior to installation.
- Downspout to tie into storm system per civil drawings.
- Furnish and install mechanical screen per details on sheet A1.2.
- Vacuum canopy above per vacuum equipment supplier.
- Approximate transformer location per electrical drawings.
- Furnish and install self contained dog wash unit, vending machine and canopy enclosure provided by owner supplied vendor. GC shall install concrete pad and utilities as required per vendor requirement.
- Vacuum turbine enclosure per detail 5/A1.2.
- Furnish and install 30' flag pole with direct ground mounted up-light per electrical drawings.
- Retaining wall and guard rail along top of wall per civil drawings.
- Install new concrete curb and patch pavement as required per civil drawings.
- Existing gravel access drive to remain.
- Existing public sidewalk to remain.



1 | site plan  
scale: 1" = 20'-0"



sheet number

**A1.1**

drawing type  
rezoning

project number  
21072-13

a new development for

**McBee's Coffee 'N' Carwash**

Highway 169 and Richardson

Smithville, Missouri 64081

date  
03.11.2022  
drawn by  
DAE  
checked by  
DAE  
revisions



ZONING: B3

VACANT  
69,136 sq. ft.  
(1.58 acres +/-)  
PROPOSED ZONING: B3

Lot 2  
1.58 ac

Existing FL, out 8" (80)=939.00, P



## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Parks and Recreation

**AGENDA ITEM:** Resolution 1059, Special Request for Smithville Lions Club

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### **RECOMMENDED ACTION:**

If the Board concurs with sponsoring the event, a motion approving Resolution 1059 would be appropriate.

### **SUMMARY:**

The public facility use policy allows the City to sponsor events if a written agreement is executed that describes the obligations between the parties, and if executed, removes the obligation for the group to reserve the facility or pay fees.

Smithville Lions Club has reserved the Courtyard for their Hot Summer Nights concerts series for Saturday evenings in August for several years. The club is again planning Hot Summer Nights for August 2022. As part of their reservation application, the Club is asking the Board to sponsor the Hot Summer Nights Events that will take place at the Courtyard on August 6, 20 and 27, 2022. This would be the first time the City has sponsored Hot Summer Nights. Sponsoring the event would waive their total cost of renting Courtyard Park. The total cost is \$300 (\$100 per night) + \$200 Damage Deposit (one time cost).

### **PREVIOUS ACTION:**

Event Permits have been approved at the staff level for this event in past years.

### **POLICY ISSUE:**

Click or tap here to enter text.

### **FINANCIAL CONSIDERATIONS:**

Click or tap here to enter text.

### **ATTACHMENTS:**

- |   |                                   |
|---|-----------------------------------|
| <input type="checkbox"/> Ordinance  | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution                                  | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report   | <input type="checkbox"/> Minutes  |
| <input checked="" type="checkbox"/> Other: Letter and Special Event Application |                                   |

## **RESOLUTION 1059**

### **A RESOLUTION APPROVING A SPECIAL REQUEST FOR THE SMITHVILLE LIONS CLUB**

**WHEREAS**, the Smithville Lions Club has submitted an Event Application and has requested the City sponsor their event; and,

**WHEREAS**, Hot Summer Nights Events that will take place at the Courtyard on August 6, 20 and 27, 2022; and,

**WHEREAS**, sponsoring the event would allow waiver the Courtyard Event Fee of \$300 + \$200 Damage Deposit.

### **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**THAT** the City of Smithville agrees to sponsor Hot Summer Nights Events that will take place at the Courtyard on August 6, 20 and 27, 2022. City sponsorship of this event would allow waiver of event rental fees and deposits.

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk



**\*\*CITY USE ONLY\*\***

REQUIRED APPROVALS, IF APPLICABLE:

☐ **Parks and Recreation Director**

△ Approved Date: \_\_\_\_\_ Conditions: \_\_\_\_\_

☐ **Board of Aldermen** (alcohol/other)

△ Approved Date: \_\_\_\_\_ Conditions: \_\_\_\_\_

☐ **Police Chief** (closures/public safety/alcohol): △ Approved

Date: \_\_\_\_\_ Conditions: \_\_\_\_\_

☐ **Health Department** (food/beverage service): △ Approved

Date: \_\_\_\_\_ Conditions: \_\_\_\_\_

☐ **State of Missouri** (alcohol license):

△ Approved Date: \_\_\_\_\_ Conditions: \_\_\_\_\_

☐ **Finance Department** (licenses/taxes/fees): △ Approved

Date: \_\_\_\_\_ Conditions: \_\_\_\_\_

☐ **Development** (temporary sign permit):

△ Approved Date: \_\_\_\_\_ Conditions: \_\_\_\_\_

# SMITHVILLE LIONS CLUB

Re Hot Summer Nights

Smithville City Council

Dear Council,

The Smithville Lions Club is requesting a waiver of free use of the Courtyard Park for the purpose of presenting free music concerts to the public.

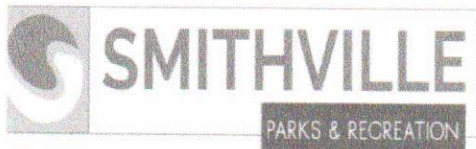
The Lions have provided these concerts for quite a few years, every August Saturday Nights, this year it will be the 6th, 20th and the 27th, the 13th is going to be the FESTIVAL with Diamond-Rio, this is put on by Eric Craig.

Thank you for your consideration

Sincerely,

Harley Morlock, Sect. Smithville Lions Club  
952-237-3053





CITY OF SMITHVILLE

107 West Main Street

Smithville, MO 64089

Date Submitted \_\_\_\_\_

Application # \_\_\_\_\_

Date Approved \_\_\_\_\_

## SPECIAL EVENT APPLICATION

Thank you for choosing the City of Smithville for your event. Staff looks forward to working with you in ensuring a quality event and protecting the public health, safety, and welfare of event participants and the public at large. In order to do so, the City requires that all events must be approved prior to the event. Please complete and return the following special event application to City Hall at the address above. Thank you again for choosing Smithville. Please refer to the **Application Information** and corresponding sections in the **Event Rules and Conditions** to answer most questions.

### 1. EVENT INFORMATION:

Event Name: HOT SUMMER NIGHTS

Event Location: COURTYARD PARK Event Tier: 1

Detailed event description (additional room on next page or sheet may be attached): Free CONCERTS

Estimated attendance: 0 - 500

Event Date(s) and Times: 8-20-27-2022 5PM - 10 PM

Set up date/time: 4:30 PM Cleanup finished date/time: 10:30 PM

### 2. APPLICANT / CONTACT INFORMATION:

#### Applicant(s)

Name: HARLEY MORLOCK

Organization: HOWS CLUB

Address: 115 E MAIN

City, State, Zip: SMITHVILLE, MO 64089

Phone: 952.237.3053 Fax: \_\_\_\_\_

Emergency #: \_\_\_\_\_

E-mail: H.MORLOCK@HOTMAIL.COM

#### Property Owner(s), if not applicant or City

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Emergency #: \_\_\_\_\_

E-mail: \_\_\_\_\_

#### Alternative Contact

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

#### Alternative Contact

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Detailed event description continued (Attach additional sheet if necessary): \_\_\_\_\_

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### 3. EVENT TYPE:

Run ☐ Walk ☐ Parade/  
March ☐ Bike  
Race/Tour ☐ Street Fair ☐ Concert ☒ Film ☐ Festival ☐ Other: ☐ \_\_\_\_\_

### 5. SITE PLAN

Where do you plan to have your event? Courtyard Park: ☒ Other Public Property: \_\_\_\_\_

The site plan should be a detailed narrative and/or map including a description of the event set up, such as event entry and exit, temporary restrooms, first aid, start/finish lines, inflatables, and a timeline of your event. Please write this description in the space provided below or attach the description as a Word document. Explain Your Site Plan (Attach additional sheet if necessary): \_\_\_\_\_

FREE CONCERTS

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## 6. PARKING PLAN

Do you have sufficient on street/lot parking at your event space? Yes: ☒ No: ☐

If No: Additional Parking and Shuttle Routes need to be approved by the City. Explain Your Parking Plan (Attach additional sheet if necessary): \_\_\_\_\_

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## 7. PUBLIC INFORMATION:

If applicable, surrounding businesses that will be impacted by the event must be notified no later than 14 days prior to the event. How will you notify neighbors/businesses of your event? Explain (Attach additional sheet if necessary): \_\_\_\_\_

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## 8. CANCELLATION NOTICE:

How will you notify participants if your event is cancelled with 48 hours of event day? Explain (Attach additional sheet if necessary): \_\_\_\_\_

SOCIAL MEDIA

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## 9. SECURITY PLAN:

Describe your security plan, including crowd control, internal security, and venue safety. Specify if you would like to hire off-duty police support. (Attach additional sheet if necessary): \_\_\_\_\_

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#### 10. RESTROOM PLAN:

Describe your restroom/restroom cleaning plan. At least three restrooms must be provided for each estimated 500 attendees. Specify if you would like to hire city staff support (Attach additional sheet if necessary): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

#### 11. CLEAN UP PLAN:

Describe your clean-up plan, including trash removal and recycling containers. Specify if you would like to hire city staff support. (Attach additional sheet if necessary): \_\_\_\_\_

TRASH REMOVAL AFTER EVENT

\_\_\_\_\_

\_\_\_\_\_

#### 12. FIRST AID PLAN:

Describe your First Aid Plan. (Attach additional sheet if necessary): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

#### 13. UTILITY CONNECTIONS

Do you want to have a utility connection/s at your event? Yes: X No: \_\_\_\_\_

If Yes: How Many Electric Pedestals? 1 NE OF STAGE

If Yes: How Many Water Hookups? 0

Additional Utility Requests (Attach additional sheet if necessary): \_\_\_\_\_

#### 14. ROADWAY AND PARKING LOT CLOSURES:

Will you require a roadway closure? Yes: X No: \_\_\_\_\_

If Yes: Explain (Attach additional sheet if necessary): MAIN FROM BRIDGE TO  
COMMERCIAL - BRIDGE - MAIN TO CHURCH  
COMMERCIAL - MAIN TO CHURCH

15. OTHER STAFF SUPPORT:

Do you desire to hire city staff for other duties? Yes:\_\_\_\_ No: X

If Yes: Please Explain (Attach additional sheet if necessary): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

16. SIGNAGE:

Do you want to also have advertising signage for your event on private property? Yes:\_\_\_\_ No:\_\_\_\_

If Yes: Attach a Sign Permit Application

17. SPECIAL ITEMS:

Are you serving alcohol?..... Yes:\_\_\_\_ No: X (If Yes, see the Alcohol Guidelines)

Are you having amplified music?..... Yes: X No:\_\_\_\_ (If Yes, complete question 18 on pg. 13)

Will you have food/sales vendors?..... Yes:\_\_\_\_ No: X (If Yes, complete question 20 on pg. 15-16)

18. AMPLIFIED SOUND / PERFORMANCE LIST

If you plan to have amplified sound, provide a tentative list of performers, performance type, music genre, performance times, and duration. Include non-live prerecorded sound/music. The complete performance list is due 7 days before the event (Attach additional sheet if necessary):

1. LIVE BANDS 6PM to 10 PM
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_



## INSURANCE

**Must submit a copy of your special event insurance policy with this form.**

THE UNDERSIGNED is an authorized representative of the event sponsor (hereinafter Name of Event Sponsor referred to as "the Sponsor Organization") IN CONSIDERATION of being given the opportunity to sponsor this event (hereinafter referred to as "the Event"), THE SPONSOR ORGANIZATION: 1. HEREBY COVENANTS NOT TO SUE AND RELEASES, WAIVES, DISCHARGES AND INDEMNIFIES the Releasees ("Releasees" are defined as the City of Smithville and its respective officials, agents and employees) from all liability against any and all claims and causes of action for injury, death, disease, related in any manner to the Event; 2. IN THE ABSENCE OF PROVIDING PROOF OF INSURANCE COVERAGE, the Sponsor Organization further acknowledges that the City of Smithville is not sponsoring nor otherwise involved in the administration of the Event, and the Sponsor assumes responsibility for claims associated with its operation or administration. THE SPONSOR ORGANIZATION expressly agrees that the foregoing Special Event Release and Hold Harmless Agreement is intended to be as broad and inclusive as is permitted by the law of the State of Missouri and that if any portion of this Special Event Release and Hold Harmless Agreement is held invalid, it is agreed that the balance shall, notwithstanding, continue in full legal force and effect. THE UNDERSIGNED, ON BEHALF OF THE SPONSOR ORGANIZATION, HAS CAREFULLY READ AND VOLUNTARILY SIGNS THE SPECIAL EVENT RELEASE AND HOLD HARMLESS AGREEMENT, and further agrees that no oral representations, statements or inducements apart from the foregoing written agreement have been made.

SIGNATURE OF LEGALLY AUTHORIZED REPRESENTATIVE

*Harley Morlock*

Date

*4-11-22*

PRINTED NAME OF LEGALLY AUTHORIZED REPRESENTATIVE

*HARLEY MORLOCK*

TITLE

*PC-CHAIR*





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/10/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b>  DSP Insurance Services, Inc. 1900 E. Golf Road, Suite 650 Schaumburg, IL 60173	<b>CONTACT NAME:</b> John Adams	
	<b>PHONE (A/C, No, Ext):</b> 1-800-316-6705	<b>FAX (A/C, No):</b> 847-934-6186
<b>INSURED</b>  Harley Morlock Smithville Missouri	<b>E-MAIL ADDRESS:</b> lionsclubs@dspins.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> ACE American Insurance Company	
	<b>INSURER B:</b>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
<b>INSURER E:</b>		
<b>INSURER F:</b>		
<b>NAIC #</b> 22667		

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Agg. Per Named Insured is \$2,000,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			HDOG72484757	09/01/2021	09/01/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			ISAH25550596	09/01/2021	09/01/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Provisions of the policy apply to the named insured's participation in the following activity during the policy period shown above: 8/6,20/27/2022Hot Summer Nights

PROVISIONS OF THE POLICY DO NOT APPLY TO THE SALE OR SERVING OF ALCOHOLIC BEVERAGES.

**CERTIFICATE HOLDER****CANCELLATION**Harley Morlock  
17450 Smith's Mill RD  
Smithville Missouri 64089

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

## VENDOR MAP

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Please map the planned vendors at your event (Attach additional sheet if necessary):

(May be depicted on site plan)



## LEGAL

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I have read and understand the Event Rules and Conditions and Application Information Guide. I will abide by these terms and fees associated with my event.

Harley Markel Event coordinator

4-11-22 Date





## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Administration

**AGENDA ITEM:** Resolution 1060 - Award of Neighborhood Beautification Grants

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### **REQUESTED BOARD ACTION:**

Motion to approve Resolution 1060, awarding Neighborhood Beautification Grants totaling \$24,172.40

### **SUMMARY:**

During the 2021-22 Budget discussion, staff was asked to budget for a Neighborhood Beautification Grant program. \$25,000 was approved for the program in this year's budget and staff researched and developed a program to allow the funds to be appropriately distributed.

Starting January 1, 2022, the grant terms and application were provided to each of the home owner's associations with the deadline of March 31, 2022 to submit for consideration. Included are the grant terms, which includes the parameters in which each application was scored, the average score of each application and grant application.

Ten applications were received from six home owners associations. Applications were reviewed by a staff committee comprised of the Assistant City Administrator, Public Works Director, Development Director and Public Works Management Analyst. Committee members individually scored each application received. Each application score was averaged to rank applications.

When looking at the final scoring sheet, HOAs that submitted multiple applications were not granted all that were requested. Of the applications submitted, the highest rated project(s) from each of those HOAs were awarded. This decision was made based on the availability of funds budgeted for the project.

Award of \$24,714.90 in grants is recommended as follows. A summary of each grant recommended for award is provided below.

- \$2,530 to Harbor Lakes HOA
- \$8,242.50 to Harborview HOA
- \$4,777.40 to Hills of Shannon HOA
- \$5,792.50 to Rollins' Landing HOA
- \$3,372.50 to Stonebridge HOA.

The Harbor Lakes HOA project is to contract Goats on the Go to manage undesirable weeds and vegetation without the use of machinery, chemicals or fire. Targeted areas include the hard-to-mow lake edges, prairie seedings and wildflower/pollinator habitats.

The Harborview HOA project is to install a connector trail, remove overgrown brush and trees along greenspaces, trim trees, plant more than 40 new trees and install pet waste stations throughout the neighborhood.

Two projects are recommended for the Hills of Shannon HOA. The first project totals \$2,445.70 for the replacement of an inoperable fountain in the association pond. The new fountain will help keep unsightly algae blooms at bay, reduces the smell from vegetation and decreases the mosquito population while encouraging a healthy underwater ecosystem. The second project totals \$2,331.70 to upgrade the community playground to be more inclusive by adding an ADA swing and ramp for wheelchair access to the playground. Also included is a border and swing mats.

The Rollins' Landing project is to install a new pool fence at the neighborhood pool. The new fence is proposed to be two feet larger on each side, to address future growth.

The Stonebridge HOA project is to install four benches, 10 trees, new entrance bushes and flowers, mulch and dog waste stations. Also included is the painting of their dam and driving bridge. The walking bridge to the school is not recommended for approval. The bridge proposed has a primary purpose of being decorative, not a pathway for daily use.

**PREVIOUS ACTION:**

None

**POLICY OBJECTIVE:**

[Click or tap here to enter text.](#)

**FINANCIAL CONSIDERATIONS:**

The 2022 Budget includes \$25,000 for a Neighborhood Beautification Grant Program.

**ATTACHMENTS:**

- |   |                                   |
|---|-----------------------------------|
| <input type="checkbox"/> Ordinance                            | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution                | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report                         | <input type="checkbox"/> Minutes  |
| <input checked="" type="checkbox"/> Other: Grant Applications |                                   |
| Grant Terms   |                                   |
| Final Scoring Sheet   |                                   |

## **RESOLUTION 1060**

### **A RESOLUTION APPROVING 2022 NEIGHBORHOOD BEAUTIFICATION GRANTS**

**WHEREAS**, the City approved the 2021-2022 budget on October 19, 2021, allocating funds for the Neighborhood Beautification Grant Program; and

**WHEREAS**, the purpose of the program is to assist neighborhoods in Smithville to compete projects that beautify and enhance the public spaces within the neighborhoods; and

**WHEREAS**, ten grant applications were received from six neighborhood associations; and

**WHEREAS**, a staff committee evaluated and ranked applications, resulting in the following recommendations for grant award totaling \$24,714.90:

- \$2,530 to Harbor Lakes HOA
- \$8,242.50 to Harborview HOA
- \$4,777.40 to Hills of Shannon HOA
- \$5,792.50 to Rollins' Landing HOA
- \$3,372.50 to Stonebridge HOA.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**THAT**, the Neighborhood Beautification Grant Program applications listed above are approved in the amount totaling \$24,714.90.

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May, 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk



## Neighborhood Beautification Grant Application City of Smithville, MO

### Applicant Information

Neighborhood or Homeowners' Association Name: Harbor Lakes Date: 03/21/2022

Address: 1703 NE 197th Ct  
Smithville MO 64089  
City State ZIP Code

Phone: 913.909.3471 Email: presidentharborlakes@gmail.com

Contact Person: Jane Crampton Title: HOA Board President

Project Title: Removing overgrowth in Greenspace areas using Goats On the Go

#### Brief Description of the proposed Project:

The Harbor Lakes HOA board will use the grant funds to contract GOTO KC north to manage undersirable weeds and vegetation without the use machinery, chemicals or fire. Targeted areas include the hard-to-mow lake edges, prairie seedings, and wildflower/pollinator habitats.

### Budget Information

The amount of grant funds awarded to the neighborhood ranges from \$50 - \$25,000. All funds awarded are required to have matching funds contributed from the neighborhood. Matching funds can come in the form of actual funds or in-kind donations such as volunteer hours or equipment. The required match must be equal to 50% of the total project cost. (e.g., if total project cost is \$10,000, the neighborhood or homeowners' association contributes \$5,000 and requests \$5,000 in grant funds from the program.) Volunteer hours are calculated at the rate of \$20/hour and must be confirmed at the completion of the project.

Total Project Cost:	<u>\$5060 (\$4500 bid + 28 volunteer hrs @\$20/hr)</u>
Grantee Cash Contribution:	<u>\$1970</u>
Grantee In-Kind Contribution:	<u>\$2530</u>
Grant Amount Requested:	<u>\$2530</u>

### Project Information – Please attach additional documentation if needed

Expected Project Start Date July 2022 Expected Completion Date July/August 2022

#### Description of how this project will enhance the neighborhood:

See attached document. This is a specialized project with one bid of \$4500. Previously, Embassy Landscaping brush hogged these areas. The mowing did nothing to prevent weed growth. Machinery couldn't mow all desired areas.

**Description of how the grant funding will be matched by the organization:**

Harbor Lakes 2022 Budget includes the Goats on the Go Bid of \$4500.

**Description of how the project will be maintained or funded in the future, if necessary:**

Harbor Lakes will continue to work with Margaret Chamas and Goats on the Go to maintain the open fields and areas around the lake. In the past, brush hogging was used to cut down the weeds and overgrowth, but nothing was done to prevent weed regrowth. The goats digestive system breaks down the weeds & seeds by 98%, preventing additional spreading of weeds with the goat's feces. The native grasses will become thicker, slowing the regrowth of weeds.

**Required Attachment Checklist**

In addition to this application, the following documents will be required to fully assess the proposed project:

- ☒ A detailed Project Budget shown through a completed Attachment A (Example Included)
- ☒ Photos of the proposed project area *See map*
- ☒ Plan or map showing the location of the project and projected improvements
- ☐ At least three estimates for all work - *specialized area - one quote*
- ☒ Letter of authorization from any agencies, utilities, or property owners affected by the project *Contract*
- ☒ Letter of approval of use of funds from the neighborhood or homeowners' association Board
- ☒ If using cash contribution for the match, proof of available funds *Budget*
- ☒ If planning to use volunteer hours for an in-kind match, a completed Volunteer Pledge Sheet (Attachment B)
- ☒ A copy of the by-laws for your neighborhood or homeowners' association *By-Laws & CC&R*
- ☐ A list of the current neighborhood or homeowners' association board members

**Disclaimer and Signature**

I, the applicant, understand and agree that all applicable required City permits, which may include a building permit, right of way permit, must be obtained before work begins.

I, the applicant, confirm that I have read the terms of the application and that I am acting on behalf of my neighborhood or homeowners' association, in accordance with their expressed wishes, which were determined by a vote or consensus of the majority of the neighborhood stakeholders. I understand that acting without consent of my organization may cause my neighborhood to be ineligible for future grants.

Authorized Agent's Signature:

*John Crapton*

Date:

03/21/2022

**Attachment A: Detailed Project Budget Form**

<b>TOTAL PROJECT COST (grant funds requested plus applicant match)</b>		
List all items/service required for project completion.		
<b>Vendor/supplier:</b>	<b>Item/service:</b>	<b>Amount:</b>
Goats on the Go	Clearing overgrowth without chemicals or machinery	\$4500
<b>Total Project Cost</b>		<b>\$4500</b>

<b>CASH MATCH CONTRIBUTION</b>		
List any cash that will be contributed by your organization or others.		
<b>HOA/entity contributing cash</b>	<b>Item/services to be paid (if specified):</b>	<b>Amount:</b>
\$1970	Goats on the Go	\$1970
<b>Total Cash Contribution</b>		<b>\$1970</b>

<b>IN-KIND MATCH CONTRIBUTIONS</b>		
List any services or supplies that will be contributed by your organization or others.		
<b>HOA/entity donating</b>	<b>Item/services to be donated:</b>	<b>Value:</b>
Volunteer services	28 hrs 50 hours	\$560
<b>Total In-Kind Contribution</b>		<b>\$560</b>

<b>Total Project Cost</b>	<b>\$5060</b>
<b>Total Cash Contribution</b>	<b>\$1970</b>
<b>Total In-Kind Contribution</b>	<b>\$560</b>
<b>Total Grant Amount Requested from the NBG Program</b>	<b>\$2530</b>

## 2022 Harbor Lakes Board of Directors

Jane Crampton, President

913.909.3471

[harborlakespresident@gmail.com](mailto:harborlakespresident@gmail.com)

Debra Dotson, Treasurer

816.809.4188

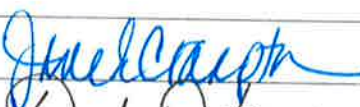

[treasurerharborlakes@gmail.com](mailto:treasurerharborlakes@gmail.com)

Steve Carmack, Secretary

816.560.3490

[secretaryharborlakes@gmail.com](mailto:secretaryharborlakes@gmail.com)

**Attachment B: Volunteer Pledge Form**  
 In-kind match of volunteer hours is rated at \$20 per hour.

Name	Phone Number	# of Hours Pledged	Signature
Jane Crampton	913.909.3471	14	
Debra Dotson	816.809.4188	14	
<b>TOTAL HOURS PLEDGED</b>		<b>28</b>	



**Brief description of the proposed project:**

The Harbor Lakes HOA board will use the grant funds to contract the services of Goats On The Go KC North, who uses herds of goats and sheep to manage undesirable weeds and vegetation without chemicals, machinery, fire, or human labor. Targeted areas include the hard-to-mow lake edges, prairie seedings, and wildflower/pollinator habitats. The goats offer an environmentally-sensitive and engaging management alternative at a reasonable cost. Margaret Chamas, owner of Goats On The Go KC North, has also offered to provide an interactive for residents and guests to interact with the goats. The project will maintain community property in a responsible manner, support a local business, and provide community engagement.

**Description of how this project will enhance the neighborhood:**

Harbor Lakes features a community pond for fishing, walking, and general enjoyment; as well as walking paths for exercise and socialization. Access to the lake can be obscured by overgrown vegetation, and enjoyment greatly reduced by the presence of allergens like ragweed and goldenrod. If left untouched too long, brush species will encroach on the grasses and forbs, reducing sunlight for the lower stories and outcompeting more desirable grasses. Along the walking paths, wildflower and pollinator seedings (essentially miniature prairie areas) provide pleasant views and a natural habitat for butterflies, beneficial insects, quail and birds, and small mammals (some of whom, particularly mice, otherwise seek residents' walls and basements during the winter). Proper management of prairies and similar areas includes keeping out the brush and controlling cool-season grasses and weeds. Burning, mowing, and herbicide spraying are conventional management options that are not appropriate or pleasant in the neighborhood. Herbicides target both the desirable and undesirable species, and can drift onto residents' gardens and landscaping. Burning can be done safely but requires a very specific set of equipment, skilled practitioners, and the right weather conditions during the right season – meaning that some years, burning simply cannot happen. Mowing and brush-cutting are extremely effective for unmanaged brush and timber, but is loud and unpleasant, and is very nonspecific. Goats and sheep naturally prefer to eat broadleaf weeds and brush over grasses, targeting most of the undesirables from ground level to 5-6 ft high. They are quiet, work 24 hours a day, and can navigate extremely challenging terrain. The solar-powered fence keeping them in the target area requires no costly inputs. Grazing is much more time-flexible than burning or spraying and has no negative environmental impacts. The goats are also entertaining to watch, past public projects drawing large crowds and increasing community connection.

**SIDE NOTE on maintaining the project and funding for the future** – I do offer a slight discount for “early bird” commitments to multiple grazings. (Usually this means – by the time we’re done grazing, you say “sign us up for next year” and sign a new contract – I’ll discount the total. I’m flexible on the exact timing knowing that your budget process might not allow you to do that. So let’s talk if you’re interested.)

**FirstService Residential  
2021 Budget vs 2022 Budget  
Harbor Lakes**

	2021 BUDGET	2022 BUDGET
<b>INCOME</b>		
Dues Income	69,920	82,080
Interest on Late Payments	0	0
Violation Fines	0	0
Key/Card/Fob Income	0	0
Legal Reimbursement	0	0
Interest Income	0	0
Transfer to Reserve Fund	(6,000)	(5,400)
<b>TOTAL INCOME</b>	<b>63,920</b>	<b>76,680</b>
<b>ADMIN. EXPENSES</b>		
Management Fees	15,574	16,041
Legal Fees	3,000	1,200
Legal Reimbursable	0	0
Accounting Audit-Tax Return	290	290
Printing, Postage, and Supplies	1,530	1,530
Social	500	500
Bank Fees	300	300
Corporate Annual Registration	15	15
<b>TOTAL ADMIN. EXPENSE</b>	<b>21,209</b>	<b>19,876</b>
<b>INSURANCES &amp; TAXES</b>		
Property & Liability Insurance	7,728	8,633
<b>TOTAL INSURANCES &amp; TAXES</b>	<b>7,728</b>	<b>8,633</b>
<b>LAND SERVICES</b>		
Grounds Electric	402	402
Grounds Water	0	0
Ground Maintenance	350	0
Mowing	12,600	13,723
Spring/Fall Clean-up	0	0
Lawn Aerifying	0	0
Mulch	0	0
Plants	0	0
Seeding	0	0
Tree & Shrub Pruning	0	0
Tree & Shrub Replacement	0	7,000
Tree & Shrub Spraying	300	300
Trails	0	0
Water Sprinkler Maintenance	0	0
Chemicals & Fertilization	0	0
Weed Control	575	575
Grub Control	0	0
Grounds Sales Tax	0	0
Lake Maintenance (DAM)	0	0
Snow Removal	0	0
Holiday Decorations	0	0
<b>TOTAL LAND SERVICES</b>	<b>14,227</b>	<b>22,000</b>

Goats on the Go  
Included in Ground  
Maintenance

<b>POOL</b>		
Pool Maintenance	300	2,000
Pool Maintenance Contract	7,250	11,300
Pool Chemicals	2,500	0
Pool Supplies	300	300
Pool Equipment	0	0
Pool Equipment Repair	300	300
Pool Security	700	850
Pool Electricity	1,680	1,780
Pool Water	1,285	1,697
Pool Telephone/Cable/Internet	1,080	1,200
Pool Permits Licenses	400	400
Pool Keys/Access Cards	200	0
<b>TOTAL POOL EXPENSE</b>	<b>15,995</b>	<b>19,827</b>
<b>Lake</b>		
Lake-Electric	579	586
Lake Maintenance	3,830	3,830
Lake Supplies	0	0
Lake-Fountain Maintenance	300	300
<b>Total Lake Expenses</b>	<b>4,709</b>	<b>4,716</b>
<b>TOTAL OPERATING EXP.</b>	<b>\$63,868</b>	<b>\$75,052</b>
<b>OPERATING GAIN (LOSS)</b>	<b>\$52</b>	<b>\$1,628</b>

## **EXHIBIT B – ONE TIME CONTRACT SERVICE AGREEMENT**

Description (including address) of property:

Harbor Lakes Homes Association, INC  
1400 NE 196th St, Smithville MO 64089  
(hereinafter "**Property**")

Owner: Harbor Lakes HOA  
  
(hereinafter "**Owner**"), Attention: Jane Crampton

Managing Agent: FirstService Residential, Missouri  
  
(hereinafter "**Agent**"), Attention: Chris Pankow

Contractor: Goats on the Go KCMO  
  
(hereinafter "**Contractor**"), Attention: \_\_\_\_\_

Contractor's Federal Tax ID Number: 83-1729148

Services: Schedule A services as more particularly described in Schedule "A" attached hereto (hereinafter "**Services**") to be provided by Contractor in accordance with the terms hereof.

Date of Service: Spring of 2022

Contract Payment Terms: \$ Invoicing payable against invoice therefor, or as otherwise set forth on Schedule "A" annexed hereto and made a part hereof.

This Contract dated 11/23/2021 is between the undersigned parties.

**Contractor:**  
Goats on the Go

**Owner or Agent:**  
Harbor Lakes HOA

By: Margaret W. Chamas  
Print Name: Margaret Chamas  
Title: owner

AS AGENT FOR \_\_\_\_\_  
By: Jane Crampton  
Print Name: Jane Crampton  
Title: Board President

## **SERVICE CONTRACT TERMS**

1. **SERVICES** - Contractor agrees to perform for the term specified the Services listed on Schedule A attached hereto and made a part hereof, and any additional services which may be reasonably requested by Owner or Agent from time to time during the term. All operational logs and records relating to the Services prepared and/or maintained by Contractor or in the custody of Contractor shall not be destroyed without the prior written consent of Owner or Agent. Contractor agrees to furnish at its expense all labor, supplies, uniforms, equipment and materials necessary to properly perform the Services. Contractor shall permit and facilitate inspection of the Services by Owner and its representatives (including, but not limited to, Agent) and public authorities at all times. Failure of Agent or Owner during the term of this Agreement to discover or reject unacceptable Services, or Services not performed in accordance with this Agreement, shall not be deemed an acceptance thereof nor a waiver of Agent's and Owner's right to the proper execution of the Services or any part thereof by Contractor.
2. **PERMITS, LICENSES** - If any government permit, license or authorization shall be required or necessary for the proper and lawful performance of the Services hereunder or if the failure to secure such license, permit or authorization would, in any way, affect the Property, Agent or Owner, then Contractor, at Contractor's expense, shall duly procure and thereafter maintain such license, permit or authorization and submit the same to Agent for inspection, if requested. Contractor, at Contractor's expense, shall at all times, comply with the terms and conditions of each such license, permit and authorization and shall notify Agent immediately should any such license, permit or authorization no longer be in effect or in good standing.
3. **WAIVER OF TRIAL BY JURY** - The parties hereto shall and they hereby do waive, where permitted by law, trial by jury in any action, proceeding or counterclaim brought by any of the parties hereto against the other in any matters whatsoever arising out of, or in any way connected with, this Agreement.
4. **NON-WAIVER PROVISIONS** - The failure of Agent or Owner to insist in any one or more instances upon the strict performance of any of the covenants, terms, provisions or conditions of this Agreement or to exercise any election herein contained shall not be construed as a waiver or a relinquishment for the future of such covenant, term, provision, condition or election, but the same shall continue and remain and be in full force and effect. No waiver by Agent or Owner of any covenant, term, provision or condition of this Agreement shall be deemed to have been made unless expressed in writing and signed by Agent or Owner, as the case may be.
5. **ASSIGNMENT BY CONTRACTOR** - Contractor shall not assign this Agreement nor any interest therein without the prior written consent of Agent or Owner, which consent may be withheld at Agent's or Owner's sole and absolute discretion. The transfer of a majority interest of the voting stock or general partnership interests in Contractor shall be deemed an assignment of this Agreement by Contractor. Any attempted assignment of this Agreement or any interest therein without the prior written consent of Agent or Owner shall be null and void. Owner is a third party beneficiary of this Agreement.
6. **SUBCONTRACTING** - Contractor may only sub-contract with the prior written consent of Agent or Owner, which consent may be withheld at Agent's or Owner's sole and absolute discretion. Every subcontract must provide that the same is subject to all of the covenants, terms, provisions and conditions of this Agreement and must provide that in the event of termination or cancellation of this Agreement for any reason whatsoever, prior to the expiration of such subcontract, the subcontract will automatically terminate on the same date this Agreement is terminated or canceled.
7. **ADDITIONAL DEFINITIONS** - It is understood that wherever the terms "adequate" or "as required" or "as necessary" or "if necessary" are stated in this Agreement (including any Schedule attached hereto), these terms shall be construed to mean "as determined by Agent or Owner".
8. **DISCHARGE OF EMPLOYEES** - Contractor, promptly after demand by Agent or Owner, will discharge or transfer from the Property any employee of Contractor to whom Agent or Owner shall or may object for any reason in their sole discretion, provided, however, that if the effectuating of such discharge or transfer is limited by the contract between Contractor and the employee's union, Contractor agrees to use its best efforts within the limits of such union contract to effectuate such discharge or transfer as promptly as possible.
9. **MECHANIC'S LIENS** - Contractor agrees that if any mechanic's lien is filed against the Property for work done, services claimed to have been rendered or materials claimed to have been furnished in connection with or pursuant to any of the provisions of this Agreement, then Contractor shall cause such mechanic's lien to be discharged within ten (10) days after filing, at Contractor's expense, by: i) filing the bond required by law; or ii) providing Agent with a copy of the court order discharging such lien. Contractor will defend, indemnify and hold Agent and Owner harmless against any and all damages, liabilities, costs and expenses (including attorneys' fees) suffered or incurred by Agent or Owner as a result of Contractor's failure to comply with this provision. Upon Contractor's failure to comply herewith, the lien may be bonded or discharged by Agent or Owner at Contractor's sole expense. Contractor's liability under this paragraph shall survive the expiration or termination of this Agreement, but this shall not be construed to mean that Contractor's liability does not survive as to other provisions of this Agreement. Additionally, if requested by the Owner, lien waivers shall be furnished by the Contractor and all sub-contracted parties including materialmen. If so requested, the Owner will provide the approved lien waiver forms. It is further understood that such forms must be provided as a condition of payment by the Owner.
10. **NON-INTERFERENCE** - Contractor shall perform the Services so as not to unreasonably interfere with Agent's or Owner's operation of the Property or the business operations of any tenant or other occupant of the Property.

11. **CONTRACTOR RESPONSIBILITY** - Contractor shall be responsible to Agent and Owner for the acts and omissions of Contractor's suppliers, agents, employees and subcontractors. All contracts entered into by Contractor with any subcontractors shall require the subcontractors to be responsible for the acts and omissions of their agents and employees and compliance with the provisions of this Agreement to the extent applicable to the subcontractor's portion of the Services. Personnel supplied by Contractor or any subcontractor will be deemed employees of Contractor or the subcontractor, as the case may be, and will not for any purpose be considered employees or agents of Agent or Owner. Contractor assumes full responsibility for the actions of such personnel while performing Services pursuant to this Agreement, and shall be solely responsible for their supervision, daily direction and control, payment of salary or equivalent (including, withholding of income taxes, stock options, contributions to pension or similar retirement programs, overtime pay, education programs, awards, special recognition events and social security contributions), worker's compensation, disability benefits, social security taxes, unemployment insurance and the like. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, age, disability or national origin. Contractor warrants that it is and throughout the term of this Agreement will continue to be in full compliance with all Equal Employment Opportunity (E.E.O.) provisions as required by law, regulation or executive order, specifically including but not limited to, the provisions of executive order 11246 of September 24, 1965 as amended. If applicable, Contractor also agrees to execute and to keep in full force and effect throughout the term of this Agreement a Compliance Undertaking Standard Form 100 (Equal Employment Opportunity Employer Information Report E.E.O.-1).

12. **MAINTENANCE OF RECORDS** - Contractor shall maintain written records in accordance with generally accepted accounting procedures showing in detail all costs which it incurs and payments which it receives in the performance of this Agreement. Such records shall include, but shall not be limited to, payroll records, job cards, attendance cards and job summaries and shall be subject to audit and inspection by Agent, Owner and their respective agents and representatives during the term of this Agreement and for seven (7) years after its expiration or earlier termination, unless a longer period is required by law. Should the audit reveal errors in record keeping, Contractor shall immediately correct same and shall promptly inform Agent and Owner in writing of the action taken to correct such errors. Audits conducted by Agent or Owner, or their designees shall be an expense of Agent or Owner, provided, however, that if any such audit reveals that the aggregate expenses with respect to the Services are at least five percent (5%) less than indicated by the books and records maintained by Contractor, then Contractor shall promptly reimburse Agent and/or Owner for the cost of the audit. The right of Agent and/or Owner to audit the books and records maintained by Contractor shall survive the expiration or termination of this Agreement. Contractor agrees that if work and materials to be furnished by Contractor hereunder are for a building in which an office of the United States of America as a tenant is located, and if this Agreement is for an amount exceeding \$2,500, Contractor shall permit the Controller General of the United States or any of his or her duly authorized representatives to have access to, and the right to examine any directly pertinent books, documents, papers and records pertaining to this Agreement until the expiration of three (3) years after final payment of any monies has been made pursuant to the provisions of this Agreement.

13. **COMPLIANCE WITH LAWS AND POLICIES** - Contractor shall at all times comply with all applicable federal, state and local laws, codes, ordinances, rules and legal requirements affecting the Services, as well as Agent's and Owner's directives, guidelines, procedures, rules, regulations and the like which are furnished to Contractor. This Agreement shall be construed, and the legal relationships between the parties shall be determined, in accordance with the laws of the state in which the Property is located. No rights or remedies available to either party under this Agreement or by operation of law are waived or modified unless expressly waived or modified by that party in writing.

14. **TRADEMARK AND PUBLICITY** - Contractor shall have no right to use either Agent's or Owner's trademark or trade name, the Property or any image thereof or to refer to this Agreement or the Services performed hereunder directly or indirectly in connection with any product, promotion, advertisement or publication, or the like, without Agent's or Owner's prior written approval, as appropriate, which approval may be withheld for any reason or for no reason.

15. **ETHICAL STANDARDS** - Contractor agrees that it will not make or confer, or offer to make or confer, any payment to or benefit upon any third party (including, without limitation, any government agency or instrumentality thereof) with the intent to influence the conduct of such third person regarding this Agreement or the business affairs of any of the parties to this Agreement or of the third party. Contractor shall not give or offer gifts or gratuities of any type, or offer trade discounts not available to the general public, to Agent's or Owner's employees or members of their families. Violation of this provision by anyone employed or retained by Contractor, or by Contractor itself, shall constitute a default under this Agreement by Contractor.

16. **PREVAILING PARTY** - In any action or proceeding commenced by any party against the other party in connection with this Agreement, the losing party shall reimburse the prevailing party for the reasonable attorneys' fees and disbursements incurred by the prevailing party in prosecuting or defending said action or proceeding.

17. **DEFINITION OF AGENT AND OWNER** - For purposes of this Agreement, any reference to Agent or Owner, except for defining the contracting parties, shall be deemed to include any shareholder, officer, director, principal, partner, beneficiary, subsidiary or Affiliate (hereinafter defined) of any of the foregoing, and their respective heirs, successors and assigns. The term "Affiliate" shall mean, with respect to a specified person, firm or corporation, a person, firm or corporation that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person, firm or corporation specified. For purposes of this definition, "control" when used with respect to any specified person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

18. **LIMITATION ON LIABILITY** - No general or limited partner in or of Owner, whether direct or indirect, or any direct or indirect partners in such partners or any disclosed or undisclosed officers, shareholders, principals, directors, employees, members, partners, servants or agents of Owner shall be personally liable for the performance of Owner's obligations under this Agreement. The liability of Owner (including any assignee or successor of Owner) shall be limited to Owner's interest in the Property. In the event this contract is executed by Agent, Contractor acknowledges and agrees that Agent is executing this Contract "as agent for Owner" in its capacity as managing agent of the Property for Owner and that Agent shall have no liability or obligation to Contractor under this Agreement.

19. **INDEPENDENT CONTRACTOR** - Agent, as managing agent for, and on behalf of, Owner, or Owner hereby engages Contractor to perform, as an independent contractor, the Services set forth in this Agreement. Nothing contained herein shall be deemed or construed to create any association, partnership, joint venture or relationship of principal and agent or master and servant or employer and employee between the parties hereto or any affiliates or subsidiaries thereof, or to provide either party with the right, power or authority whether expressed or implied, to create any duty or obligation on behalf of the other party.

20. **TERMINATION**

(a) Agent and Owner shall each have the right, in their sole and absolute discretion and without payment of any penalty, to terminate this Agreement in whole or in part upon twenty four (24) hours prior written notice to Contractor.

(b) If Contractor shall default in the performance of any of its obligations under this Agreement, then, Agent and Owner shall each have the right, without payment of any penalty, to terminate this Agreement in whole or in part immediately upon written notice to Contractor.

(c) If a receiver, liquidator or trustee for Contractor shall be appointed by court order; or a petition shall be filed against Contractor under any bankruptcy, reorganization or insolvency law; or Contractor shall file a petition in voluntary bankruptcy or shall request reorganization under any provision of voluntary bankruptcy, reorganization or insolvency laws; or if Contractor shall make an assignment for the benefit of creditors, then this entire Agreement shall immediately terminate upon the happening of any such event.

**INDEMNIFICATION** - Contractor shall, to the fullest extent permitted by law, indemnify and hold harmless Agent and Owner and their respective subsidiaries, affiliates, shareholders, directors, officers, partners and employees from and against any and all liability, claims and demands on account of damage to any property or injury to persons including death resulting therefrom, losses, damages, expenses (including attorneys' fees and investigation costs), payments, recoveries and judgments in connection therewith arising out of or caused in any manner by the acts or omissions of Contractor, its employees, agents or subcontractors or the performance or failure to perform any Services under this Agreement or the breach of any representation or warranty, or any provision or obligation, set forth herein by Contractor, or Contractor's employees or agents or subcontractors. Contractor shall, at its own expense, defend any and all actions brought against Agent or Owner based upon any of the foregoing and shall pay all attorneys' fees and all other expenses, and promptly discharge any judgments, settlements or compromises arising therefrom. Contractor's liability under this paragraph shall survive the expiration or termination of this Agreement, but this shall not be construed to mean that Contractor's liability does not survive as to other provisions of this Agreement.

21. **COMPENSATION**

(a) In consideration for all of the Services to be rendered by Contractor hereunder, Agent, on behalf of Owner, agrees to pay to Contractor, subject to the provisions of this Agreement, the compensation set forth on the cover page hereof or any Schedule referred to thereon.

(b) Payment for services performed shall be made upon presentation of invoice and any additional paper work required by Agent.

(c) Contractor agrees that Agent is acting only as an agent of Owner and Contractor will look solely to Owner for any and all obligations or payments due or which may become due to Contractor under this Agreement. If at any time Agent is legally held to be an independent contractor of, rather than an Agent for, Owner, Contractor agrees that it will not be paid until and unless Owner furnishes funds specifically designated for payment of the obligations due or to become due to Contractor.

22. **SERVICES GUARANTEE** - Contractor agrees to perform all Services in a good, timely and workerlike manner acceptable to Agent and Owner. Contractor unconditionally guarantees all materials, equipment and labor provided under this Agreement for one (1) year after date of final payment to Contractor hereunder or the date of final acceptance of the Services, whichever date is later and shall repair or replace within said period, at its sole cost and expense, any labor, materials or equipment provided or furnished under this Agreement that is damaged, defective or not satisfactory. Contractor shall make or commence to make, within three (3) days of its receipt of written notice from Agent or Owner during the guaranty period, any and all repairs or replacements, without cost to and to the satisfaction of Agent or Owner. If Agent or Owner determine that an emergency exists which requires more immediate action than Contractor is able to provide, Agent or Owner may, without sending any notice to Contractor, perform or cause to be performed such repairs or replacements that Contractor is required to make pursuant to this provision, in which event Contractor shall compensate Owner for the cost thereof not later than ten (10) business days after receipt of written demand therefor. Any repairs or replacements that Contractor is required to make pursuant to this provision shall be prosecuted to completion by

Contractor even if such repairs or replacements may not be completed until after the expiration of the guaranty period. The obligations of Contractor to make repairs or replacements under this provision shall not be satisfied, unless the Owner so elects, by the payment of money to the Owner. If Agent or Owner determine in their sole and absolute discretion that any labor furnished or materials or equipment installed under this Agreement are inherently defective, thus being incapable of repair, then Contractor shall, upon notification by Agent or Owner of such a determination, provide a replacement for said labor, materials or equipment. In the event that Contractor fails to comply with this provision, the Owner may, in addition to exercising all other legal and equitable remedies it may have, (1) deduct from any payment due or thereafter to become due to Contractor under this Agreement, the amount of damage, cost or expense caused by said failure by the Contractor, and (2) perform or cause to be performed any needed repairs and replacements, in which event Contractor shall compensate the Owner for the cost thereof. The foregoing Guarantee is in addition and supplementary to any other guarantee which may be provided by Contractor. Warranties and guarantees issued by manufacturers of materials or equipment furnished by Contractor under this Agreement shall not in any way serve to limit the obligations of Contractor under this provision. Notwithstanding the foregoing sentence, any such warranties or guarantees shall inure to the benefit of Agent and Owner, their successors and assigns, and Contractor shall, to the extent possible, assign such warranties and guarantees to Owner.

23. **ACTS BEYOND REASONABLE CONTROL** - No party shall be considered in default of any of its obligations under this Agreement to the extent that performance thereof is delayed or rendered impossible by acts of God, war, civil commotion, governmental action, fire, storm, flood, explosion, strikes, walkouts, or other industrial disturbances, or any other causes of any nature which is beyond its reasonable control

24. **ENTIRE AGREEMENT** - This Agreement and any Schedules, proposals or management summaries attached hereto, shall constitute the entire understanding between the parties with respect to the subject matter hereof and all prior representations or agreements, whether written or oral, are merged herein. This Agreement shall not be varied by an oral agreement or representation or by anything other than an instrument in writing of a subsequent date hereto, executed by both parties by their duly authorized representatives.

25. **DIVISIBILITY** - In the event any provision of this Agreement is held to be illegal or unlawful, then the same shall be struck here from and all other provisions shall remain valid and in full effect.

26. **ASSIGNMENT BY AGENT OR OWNER** - Agent and Owner shall each have the right in their sole and absolute discretion to assign their rights and obligations under this Agreement to any other party. If the Property is at any time sold or otherwise conveyed to a new owner, or if Agent ceases to be the representative of Owner, Contractor agrees that this Agreement shall be deemed automatically assigned to the new owner or the new representative of Owner (as the facts may dictate) and Contractor agrees that it will be paid only from funds furnished by Owner or the new owner for obligations then due or which thereafter become due to Contractor under the Agreement. Notwithstanding the foregoing, Owner may elect by giving prior written notice to Contractor, to terminate this Agreement effective as of the date that such sale is completed or effective as of the date that Agent ceases to be the representative of Owner, in which event this Agreement shall, except as otherwise provided herein, be of no further force or effect. In addition to the foregoing it is understood and agreed that if this Agreement is assigned to Owner or a purchaser of the Property, then from and after the date of such assignment Agent shall be released and discharged from any and all liability under this Agreement arising after the date of such assignment, and Owner (in the event of an assignment to it) or the purchaser of the Property (in the event of an assignment to it) shall be responsible for any and all such liability under this Agreement arising after the date of such assignment, and Contractor will not assert any prior default of Agent under this Agreement as a defense to the performance by Contractor of its obligations under this Agreement.

27. **CONTROLLING PROVISIONS** - If there is any inconsistency between the terms of any of the paragraphs of this Agreement and the terms of any Schedule annexed hereto, the terms of this Agreement shall control.

28. **NO THIRD PARTIES BENEFITED** - Nothing contained in this Agreement, either expressed or implied, is intended or should be construed to confer upon or give any person or entity, other than Agent, Owner or Contractor, or, subject to the terms of this Agreement, their successors and assigns, any rights or remedies under or by reason of this Agreement.

29. **NOTICES** - All notices and correspondence required to be given to Agent or Owner or Contractor hereunder shall be addressed as set forth on the cover page to the attention of the person indicated, if any. Any party may designate a different address for the service of notices by notice given in accordance with this Paragraph.

Any and all notices required or which either party herein may desire to give to the other shall be made in writing and shall be given by certified or registered mail, postage prepaid, return receipt requested, or by recognized overnight courier, such as Federal Express or Airborne Express, and shall be deemed to be given on the third business day following the date of posting in a United States Post Office or branch post office or one business day after delivery to the overnight courier, and shall be addressed as set forth above.

30. **INSURANCE** -

(a) Contractor shall, throughout the duration of this Agreement, at its expense, carry and from time to time renew, the following insurance, as attached in Schedule "B":

(i) Workers Compensation Insurance in statutory amounts;

(ii) Employer's Liability Insurance in the minimum amount of \$1,000,000.00;



(iii) Commercial General Liability Insurance: Insurance to protect against claims for bodily injury and property damage arising out of premises operations, products, and completed operations; and advertising and personal injury liability. Completed Operations shall be maintained for at least two (2) years following project completion, or as noted below.

General Aggregate (Per Project)      \$2,000,000.

Products/Completed Operations      \$2,000,000.

Each Occurrence      \$1,000,000.

(iv) Commercial Automobile Liability Insurance: Coverage to include contractual liability insurance covering all owned, non-owned and hired automobiles. Combined Single Limit (each accident) \$500,000.

(vi) Workers Compensation, if required by the State where the Property is located;

(vii) In the event that Contractor is to park motor vehicles as part of the Services herein, Garage Keepers Legal Liability Insurance in an amount of not less than \$1,000,000, which insurance may be subject to a deductible provision not to exceed \$250 per occurrence;

(ix) Umbrella/Excess Liability Insurance in the minimum amount of \$1,000,000 combined single limit covering both Bodily Injury and Property Damage to be provided over the primary general liability, auto liability (including garage liability if applicable) and employer's liability.

All such insurance shall be issued by Companies licensed to do business in the state where the Property is located, having a Best's rating of not less than A-VIII, and otherwise satisfactory to Owner. All of such policies shall be on an "occurrence basis" and Agent and Owner and all mortgagees of Owner shall be named as primary non-contributing additional insured under Contractor's General Liability (including completed operations), Automobile Liability and Excess Liability insurance policies and include a waiver of subrogation where allowable by law. Certificates in customary form, evidencing that premiums for the foregoing insurance have been paid, shall be delivered by Contractor to Agent simultaneously with Contractor's execution of this Agreement and prior to Contractor performing any Services hereunder. Within thirty (30) days prior to expiration of such insurance similar updated certificates shall be delivered by Contractor to Agent evidencing the renewal of such insurance, together with evidence satisfactory to Agent of the payment of the premium. Policies shall be endorsed to provide Agent 30 days' notice of cancellation or non-renewal. All policies required above shall contain no exclusions for work expressly within the Contractor's scope of work.

(b) Contractor shall procure an appropriate clause in, or endorsement on, each of its policies for fire or extended coverage insurance and on all other forms of property damage insurance covering the Contractor's personal property, materials or equipment whereby the insurer waives subrogation or consents to a waiver of the right of recovery against Agent and Owner, and having obtained such waiver of subrogation or waiver of the right of recovery, Contractor hereby agrees that it will not make any claim against or seek to recover from Agent or Owner for any loss or damage to property of the type covered by such insurance.

(c) Contractor agrees that the provisions set forth in this Paragraph 35 shall be imposed upon, assumed and performed by each of its subcontractors, if any.

(d) Contractor shall have the right to satisfy the insurance required by this Section by means of blanket insurance policy (ies), provided that no other loss which may also be insured by the blanket insurance shall affect the insurance coverage required hereunder and further provided that Contractor delivers to Agent/Owner a certificate specifically stating that such coverage apply to Agent, Owner, all mortgagees of Owner and the Premises. All self-insured retentions and deductible amounts shall be subject to Agent/Owner's prior written approval. Any and all deductibles or coinsurance in the above described policies or inadequacy of limits for insurance carried by Contractor shall be primary and non-contributing, as allowed by law, in the event of any loss or damage with any insurance required to be maintained by Contractor under the terms of this Service Contract. Agent/Owner reserves the right to request and receive for review certified copies of any and all insurance policies to which the Contract is applicable. The required coverage and or limits referred to and set forth herein shall in no way affect or limit the Contractors' liability with respect to its performance.

## 32. **CONFIDENTIALITY OF OWNER'S RECORDS**

(a) Contractor acknowledges that all information disclosed by Owner or Agent to Contractor for purposes of performing the Services, or which come to the attention of Contractor during the course of performing such Services, constitutes a valuable asset of and is proprietary to Owner and/or Agent. Contractor also acknowledges that Owner, as a party in the business community, may have fiduciary responsibilities to its tenants or customers to keep their records confidential and proprietary. Contractor shall not disclose said information or knowingly permit its employees, officers or agents to disclose said information, to any non-employee of Contractor or to any employee of Contractor not having a specific need-to-know in performing the Services authorized by Agent and Owner. Additionally, Contractor agrees that all designs, plans, reports, specifications, drawings, inventions, processes and other information or items produced by Contractor for purposes of performing the Services, will be assigned to Owner as the sole and exclusive property of Owner and Owner's assigns, nominees and successors.

(b) Contractor further agrees to instruct its employees, officers and agents not to sell, lease, assign, transfer or reveal to any organization, company or individual any of said information whether oral or written, without the prior written consent of Agent, and agrees to take all reasonable steps necessary to ensure fulfillment of this obligation.

(c) In the event that a subpoena or other legal process is served upon Contractor that in any way concerns information disclosed by Owner or Agent to Contractor, Contractor agrees to notify Agent immediately upon receipt of such subpoena or other legal process and will cooperate with Agent and/or Owner, at Owner's or Agent's expense, in any lawful effort by Owner and/or Agent to contest the legal validity of such subpoena or other legal process. This Article 36 shall survive the termination of this Agreement.

**SCHEDULE "A"**  
**Description of Services**



**Goats On The Go® KCMO**  
18750 County Rd W  
Smithville MO 64089  
607-220-4703  
[stormdancerfarm@gmail.com](mailto:stormdancerfarm@gmail.com)  
[www.goatsonthegokcmo.com](http://www.goatsonthegokcmo.com)

## QUOTE

### ADDRESS

Harbor Lake Management Board  
c/o Jane Crampton  
1400 NE 196<sup>th</sup> Ct  
Smithville MO 64089

**PROJECT #**2134

**DATE** 10/09/2021

### ITEM

### AMOUNT

#### Targeted Grazing Services

Description: grazing mixed brush and weeds along asphalt trails in neighborhood. Moderate to high brush and weed density; easy to moderate difficulty setup. Fence to be installed as far back from paths as possible to discourage people/dogs touching the fence; Margaret/GOTG will install warning signs and Harbor Lake personnel will communicate with residents. Water to come from lake when feasible (area B), or from residential hydrants (all other areas).

Various sections of property may be grazed individually (see map next page and price list below) or in combinations (further down page).

A: West meadow: 0.45 ac	\$500.00
B: Lake edge: 1.10 ac	\$1500.00
C: West triangle: 0.40 ac	\$500.00
DE: North meadow: 0.35 ac	\$600.00
F: East meadow: 1.30 ac	\$1500.00

Combinations/Simple Options:

AB: \$900.00
ABC: \$2300.00
ABCDE: \$2800.00
ABCF: \$3700.00
All areas: \$4500.00

Delivery/setup fee: waived

*Jane Crampton*

\$0.00

**TOTAL**

**TBD**

Quotes are valid for 60 days from the date listed.  
I accept and agree to pay for the services described in this quote.  
I understand and agree to the statements made in the WHAT TO EXPECT document attached.  
Receipt of deposit payment indicates agreement to details of this quote and the WHAT TO EXPECT document.



## An aerial photograph of a residential neighborhood with several parcels outlined in white and labeled with letters. Parcel A is a small, irregularly shaped lot on the left side. Parcel B is a larger, irregularly shaped lot adjacent to Parcel A. Parcel C is a large, irregularly shaped lot on the left side, containing a large pond. Parcel D is a small, irregularly shaped lot on the right side. Parcel E is a small, irregularly shaped lot adjacent to Parcel D. Parcel F is a large, irregularly shaped lot on the right side. The map shows a network of streets, including NE 16th St, NE 17th St, NE 18th St, and NE 19th St. A yellow line at the bottom is labeled County Rd W. The map is oriented with North at the top.



**Goats On The Go® KCMO**  
18750 County Rd W  
Smithville MO 64089  
607-220-4703  
[stormdancerfarm@gmail.com](mailto:stormdancerfarm@gmail.com)  
[www.goatsonthego.com/chamas](http://www.goatsonthego.com/chamas)

**Thank you for your interest in targeted grazing services from Goats On The Go® KCMO!**

It is important that you understand the information below before we arrive at your site. Please contact us if you have questions or would like further clarification.

**Terms and Expectations:**

- Goats On The Go® KCMO will provide the following while grazing livestock are on-site:
  - Provision and installation of portable electric fencing and fence energizers.
  - Monitoring of the progress of the grazing project and movement of fences as necessary to achieve customers' stated goals.
  - Provision for the physical needs of livestock.
- Your quote applies to a level of service adequate to significantly reduce the volume and density of targeted vegetation, but not to completely and permanently eliminate it.
  - We primarily use goats in targeted grazing services, but may include sheep, depending on site demands. We will determine the appropriate number and type of livestock to place on the site in order to complete the project in a timely manner.
  - Livestock will eat plants that are not necessarily targeted. You should notify us if there are plants in the area that you would like to preserve.
  - By accepting a quote or offer for targeted grazing service, you certify that no chemical fertilizers, herbicides, or pesticides have been applied to the area to be grazed within 90 days prior to grazing.
- Regulations on the use of livestock for targeted grazing vary by jurisdiction. We will contact local government to ensure that we are legally allowed to operate on your property.
  - You are responsible for contacting and obtaining any necessary permissions from Homeowners' Associations or other regulatory/monitoring groups, and for notifying neighbors.
  - You are responsible for accurately delineating your property boundaries and ensuring that our services are limited to your property.
- The fence conducts periodic pulses of electricity to contain the livestock and keep predators, including domestic pets, out. People and pets should not touch it.
  - You are responsible for restraining your pets and for informing neighbors to restrain their pets, and for informing those who may enter your property about the presence of the electric fence.
  - We provide precautionary signage along road fronts, in high-foot-traffic areas, or upon request.
- We manage our herd for a high level of overall health and hardiness. However, there are microorganisms common in the environment that can cause disease in livestock. Because most properties in the Midwest held livestock at some point, and because some of the problem organisms can be carried by whitetail deer, it is impossible to guarantee against them. Just as we cannot guarantee that our animals will not pick up some of these organisms from your property, we also cannot guarantee that they won't transmit some to your property. Please contact us if you would like more detail.
- We require 24-hour access to the animals while on-site in case of emergency.
  - You are responsible for reporting any issues with the project immediately to Margaret (607-220-4703); including down or damaged fences, issues with the fence unit, sick or injured goats, or escaped goats.
  - We reserve the right to remove animals if concerns arise over the safety and security of the project.
- While we do our best to accommodate scheduling preferences, we do not guarantee that the goats will be on your property at specific times. Contact us if you would like to request specific dates.
  - Grazing will be scheduled upon payment of a nonrefundable deposit (\$50 for one-day projects, \$100 for others). The remainder will be due upon completion of the project.
  - Please notify us immediately if you no longer wish to have grazing services or wish to postpone. We will do our best to accommodate.





**BYLAWS  
OF  
HARBOR LAKES HOMES ASSOCIATION, INC.**

**ARTICLE I  
OFFICES**

The principal office of the Association in the State of Missouri shall be located in the City of Smithville and County of Clay.

**ARTICLE II  
DEFINITIONS**

For purposes of this Declaration the following definitions shall apply:

1.01 “Association” shall mean Harbor Lakes Homes Association, Inc., a Missouri Not For Profit Association, and its successors and assigns.

1.02 “Harbor Lakes” shall mean the Harbor Lakes subdivision, a subdivision of land located in Clay County, Missouri.

1.03 “Board” shall mean the persons selected and elected as members of the Board of Directors of the Association.

1.04 “Declaration” shall mean the Declaration of Covenants, Restrictions, Easements, Charges, Assessments and Liens for Harbor Lakes dated the 8th day of November, 2003 and recorded in Book 4417 at Page 970 of the Clay County deed records, together with any amendments thereto.

1.05 “Lot” shall mean and refer to any plot or parcel of land, constituting part of the Property, owned by Developer or described in a Deed granted from or by the Developer or any subsequent Owner, which deed has been recorded in the Recorder of Deeds Office for Clay County, Missouri (but not including Common Property) together with all permanent structural improvements thereon.

1.06 “Member” shall mean and refer to every person or entity holding membership in the Association, as provided herein.



1.07 "Voting Member" shall mean and refer to the representative selected by the Owner(s) of each Lot to cast votes for any and all Association-related activities, including votes for, but not limited to, the election of Directors, amendments to the Declaration herein or By-Laws and all other matters.

### **ARTICLE III**

#### **MEMBERSHIP**

**SECTION 1. MEMBERSHIP.** The Members of the Association shall be the Record Owners of Lots subject to the Declaration and any amendments thereto and as otherwise defined in these Bylaws.

**SECTION 2. MEMBERSHIP CERTIFICATES.** No membership certificate shall be issued by the Association.

**SECTION 3. FEES, DUES AND ASSESSMENTS.** Fees, dues and assessments shall be levied and collected as provided by these Bylaws and the Declaration, and any amendments or additions thereto.

**SECTION 4. TRANSFER OF MEMBERSHIP.** Transfers of Membership in the Association may be made by assignment of the Membership to any person or entity acquiring a Lot from an existing Member.

**SECTION 5. VOTING RIGHTS.** Each Member shall be entitled to one (1) vote upon each matter submitted to a vote at a meeting of Members.

### **ARTICLE IV**

#### **MEETINGS OF MEMBERS**

**SECTION 1. ANNUAL MEETING.** The annual meeting of the Members shall be held on a date in January (as determined by the incoming board), beginning with the year 2018.

**SECTION 2. NOTICE OF MEETING.** Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officer or persons calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Any Member may elect to receive notices by electronic mail by notifying the Secretary of the Member's election to do so and providing the Secretary with an e-mail address. All notices delivered by e-mail shall be deemed to be delivered when the delivery of the e-mail notice is initiated by the sender thereof.

**SECTION 3. PLACE OF MEETING.** The Board may designate any place within Clay County, Missouri as the place of meeting for any annual meeting or for any special meeting called by the Board. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Association in the State of Missouri.

**SECTION 4. PROXIES.** Voting may be performed in person or by proxy. At all meetings of Members, a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting.

**SECTION 5. QUORUM.** Members holding twenty-five percent (25%) of the total outstanding votes shall constitute a quorum for any action, except for the amendment of the Declaration which shall be as set forth in Article IX of the Declaration. Less than such quorum shall have the right successively to adjourn the meeting to a specified date not longer than ninety (90) days after such adjournment and no notice may need be given of such adjournment to Members not present at the meeting. If a quorum is present, the affirmative vote of a simple majority of the Members represented at the meeting shall be the act of the Members and the Association unless the vote of a greater number is required by the Declaration, The Not-For-Profit Association Law of Missouri, the Articles of Incorporation or these Bylaws.

**SECTION 6. SPECIAL MEETINGS.** Special meetings of the Members may be called by the Board, president, or by the written request of forty percent (40%) or more of the Members.

**SECTION 7. WAIVER OF NOTICE.** Any notice required by these Bylaws may be waived by the persons entitled thereto signing a waiver of notice before or after the time of said meeting and such waiver shall be deemed equivalent to the giving of said notice. Attendance of a Member at any meeting shall constitute a waiver of notice of such meeting except where a Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

## **ARTICLE V**

### **DIRECTORS**

**SECTION 1. GENERAL POWERS.** The property and business of the Association shall be controlled and managed by the Board. These powers shall only be limited by the Articles of Incorporation, these Bylaws, the Declaration and the Non-Profit Mutual Benefit Association Law of the State of Missouri.

**SECTION 2. NUMBER, TENURE AND QUALIFICATIONS.** The number of Directors of the corporation shall be three (3) persons who shall be members. Directors shall be elected annually by the Members (cumulative voting for same shall not be permitted) shall be elected for one (1) year terms of office, and shall serve thereafter until their successors are elected and qualified.

**SECTION 3. REGULAR MEETINGS.** A regular meeting of the Board may be held without other notice than this Bylaw, immediately after, and at the same place as, the annual meeting of Members. The Board may provide, by resolution, the time and place, either within or without the State of Missouri, for the holding of additional regular meetings without other notice than such resolution.

**SECTION 4. SPECIAL MEETINGS.** Special meetings of the Board may be called by or at the request of the president or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Missouri, as the place for holding any special meeting of the Board called by them.

**SECTION 5. NOTICE.** Notice of any special meeting shall be given at least two (2) days previous thereto by written notice delivered personally or mailed to each Director at his business address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board need be specified in the notice or waiver of notice of such meeting.

**SECTION 6. QUORUM OF BOARD.** A majority of the full Board as prescribed in the Articles of Incorporation and these Bylaws shall constitute a quorum for the transaction of business by the Board. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. Members of the Board or of any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

**SECTION 7. VACANCIES.** Whenever any vacancy on the Board shall occur due to death, resignation or otherwise, the remaining Board Members shall fill the vacancy until the next regular election for Directors.

Upon Developer's transfer or assignment of its rights, the remaining Directors, or a majority of them, may fill the vacancy or vacancies until a successor or successors shall be elected at a Members' meeting.

**SECTION 8. INFORMAL ACTION BY DIRECTORS.** Unless specifically prohibited by the Articles of Incorporation or Bylaws, any action required to be taken at a meeting of the Board, or any other action that may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof. Any such consent signed by all the Directors shall have the same effect as a unanimous vote, and may be stated as such in any document filed with the Secretary of State.

**SECTION 9. COMPENSATION.** Directors as such shall not receive any salary or compensation for their services as Directors; provided, however, that nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor. Payment of per diem, mileage, or other reimbursement of expenses to a Director shall not constitute salary or compensation.

## **ARTICLE VI**

### **OFFICERS**

**SECTION 1. ELECTION AND TERM OF OFFICE.** The officers of the Association shall be elected annually by the Board at the first meeting of the Board held after each annual meeting of Members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Vacancies may be filled or new offices filled at any meeting of the Board. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not of itself create contract rights.

**SECTION 2. REMOVAL.** Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

**SECTION 3. VACANCIES.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

**SECTION 4. PRESIDENT.** The president shall be the principal executive officer of the Association and shall supervise and control all of the business and affairs of the Association. The president shall preside at all meetings of the Members and of the Board. The president may sign, with the secretary or any other proper officer of the Association thereunto authorized by the Board, certificates for Members of the Association, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board from time to time.

**SECTION 5. THE SECRETARY.** The secretary shall: (a) keep the minutes of the Members' and of the Board meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) keep a register of the post office address of each Member which shall be furnished to the secretary by such Member; (e) have general charge of the Member transfer books of the Association; (f) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board.

**SECTION 6. THE TREASURER.** The Treasurer shall have the custody of the Association's funds and shall keep full and separate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies in the name and to the credit of the Association in such depositories as may be designated by the Board.

The Treasurer shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the Board, at its regular meetings, or when the Board so requires, an account of all transactions as Treasurer and of the financial condition of the Association.

If required by the Board, the Treasurer shall give the Association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of the Treasurer's office and for the restoration to the Association, in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the Treasurer's possession or under the Treasurer's control belonging to the Association.

The Board may require that all checks drawn upon the Association's accounts require dual signatures, one of which shall be the Treasurer and one of which shall be another officer of the Association.

**SECTION 7. COMPENSATION.** Officers as such shall not receive any salary or compensation for their services as Officers; provided, however, that nothing herein contained shall be construed to preclude any Officer from serving the Association in any other capacity and receiving compensation therefore. Payment of per diem, mileage, or other reimbursement expenses to an Officer shall not constitute salary or compensation.

**SECTION 8. INSURANCE.** The Officers may maintain insurance as provided in the Declaration, including, without limitation, fidelity coverage and errors and omission coverage relating to their own acts and duties.

## **ARTICLE VII**

### **FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January in each year and end on the last day of December in each year.

## **ARTICLE VIII**

### **WAIVER OF NOTICE**

Whenever any notice whatever is required to be given under the provisions of these Bylaws, the Articles of Incorporation or under the provisions of The Not-For-Profit Association Law of Missouri, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## **ARTICLE IX**

### **CONTRACTS AND COMMITTEES**

**SECTION 1. CONTRACTS.** The Board may enter into, make, perform and carry out contracts of every kind and character for any lawful purpose, consistent with the status of a non-profit Association, with any person or persons, partnership, firm, association, corporation, private, public or municipal, any body politic, any state, territory or municipality of the United States, or with the government of the United States or any department, branch, board, commission or contracting authority thereof, including the right to make agreements with municipal, county, township, state, national or other public officials, or with any political subdivision or any corporation or individual for and on behalf of the Record Owners of the property covered by the Declaration.

**SECTION 2. COMMITTEES.** The Board may maintain and operate such departments, boards, committees as may be provided for in these Bylaws or as it may provide by resolution, with such powers and authority as may be conferred, and to make funds of the Association available for the use of such departments, boards, and committees. The Board may employ a manager, secretaries, engineers, auditors, legal counsel, technical consultants, or any other employees or assistants provided for by these Bylaws or authorized by the Board, and may pay all expenses necessary or incidental to the conduct and carrying on of the business of the Association.

**ARTICLE X**  
**AMENDMENTS**

These Bylaws, or any of them, or any additional or supplementary Bylaws, may be amended or repealed and new Bylaws may be adopted at any meeting of the Board or at any special meeting of the Board after notice has been given of the nature of the proposed Bylaw change.

**FIRST AMENDED BYLAWS  
OF  
HARBOR LAKES HOMES ASSOCIATION, INC.**

**ARTICLE I  
OFFICES**

The principal office of the Association in the State of Missouri shall be located in the City of Smithville and County of Clay.

**ARTICLE II  
DEFINITIONS**

For purposes of this Declaration the following definitions shall apply:

1.01 "Association" shall mean Harbor Lakes Homes Association, Inc., a Missouri Not For Profit Association, and its successors and assigns.

1.02 "Harbor Lakes" shall mean the Harbor Lakes subdivision, a subdivision of land located in Clay County, Missouri.

1.03 "Board" shall mean the persons selected and elected as members of the Board of Directors of the Association.

1.04 "Declaration" shall mean the Declaration of Covenants, Restrictions, Easements, Charges, Assessments and Liens for Harbor Lakes dated the 8th day of November, 2003 and recorded in Book 4417 at Page 970 of the Clay County deed records, together with any amendments thereto.

1.05 "Lot" shall mean and refer to any plot or parcel of land, constituting part of the Property, owned by Developer or described in a Deed granted from or by the Developer or any subsequent Owner, which deed has been recorded in the Recorder of Deeds Office for Clay County, Missouri (but not including Common Property) together with all permanent structural improvements thereon.

1.06 "Member" shall mean and refer to every person or entity holding membership in the Association, as provided herein.

1.07 "Voting Member" shall mean and refer to the representative selected by the Owner(s) of each Lot to cast votes for any and all Association-related activities, including votes for, but not limited to, the election of Directors, amendments to the Declaration herein or By-Laws and all other matters.

### **ARTICLE III** **MEMBERSHIP**

**SECTION 1. MEMBERSHIP.** The Members of the Association shall be the Record Owners of Lots subject to the Declaration and any amendments thereto and as otherwise defined in these Bylaws.

**SECTION 2. MEMBERSHIP CERTIFICATES.** No membership certificate shall be issued by the Association.

**SECTION 3. FEES, DUES AND ASSESSMENTS.** Fees, dues and assessments shall be levied and collected as provided by these Bylaws and the Declaration, and any amendments or additions thereto.

**SECTION 4. TRANSFER OF MEMBERSHIP.** Transfers of Membership in the Association may be made by assignment of the Membership to any person or entity acquiring a Lot from an existing Member.

**SECTION 5. VOTING RIGHTS.** Each Member shall be entitled to one (1) vote upon each matter submitted to a vote at a meeting of Members.

### **ARTICLE IV** **MEETINGS OF MEMBERS**

**SECTION 1. ANNUAL MEETING.** The annual meeting of the Members shall be held on \_\_\_\_\_, beginning with the year 2018.



**SECTION 2. NOTICE OF MEETING.** Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officer or persons calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Any Member may elect to receive notices by electronic mail by notifying the Secretary of the Member's election to do so and providing the Secretary with an e-mail address. All notices delivered by e-mail shall be deemed to be delivered when the delivery of the e-mail notice is initiated by the sender thereof.

**SECTION 3. PLACE OF MEETING.** The Board may designate any place within Clay County, Missouri as the place of meeting for any annual meeting or for any special meeting called by the Board. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Association in the State of Missouri.

**SECTION 4. PROXIES.** Voting may be performed in person or by proxy. At all meetings of Members, a Member may vote by proxy executed in writing by the

Member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting.

**SECTION 5. QUORUM.** Members holding twenty-five percent (25%) of the total outstanding votes shall constitute a quorum for any action, except for the amendment of the Declaration which shall be as set forth in Article IX of the Declaration. Less than such quorum shall have the right successively to adjourn the meeting to a specified date not longer than ninety (90) days after such adjournment and no notice may need be given of such adjournment to Members not present at the meeting. If a quorum is present, the affirmative vote of a simple majority of the Members represented at the meeting shall be the act of the Members and the Association unless the vote of a greater number is required by the Declaration, The Not-For-Profit Association Law of Missouri, the Articles of Incorporation or these Bylaws.

**SECTION 6. SPECIAL MEETINGS.** Special meetings of the Members may be called by the Board, president, or by the written request of forty percent (40%) or more of the Members.

**SECTION 7. WAIVER OF NOTICE.** Any notice required by these Bylaws may be waived by the persons entitled thereto signing a waiver of notice before or after the time of said meeting and such waiver shall be deemed equivalent to the giving of said notice. Attendance of a Member at any meeting shall constitute a waiver of notice of such meeting except where a Member attends a meeting for the express purpose of

objecting to the transaction of any business because the meeting is not lawfully called or convened.

## **ARTICLE V** **DIRECTORS**

**SECTION 1. GENERAL POWERS.** The property and business of the Association shall be controlled and managed by the Board. These powers shall only be limited by the Articles of Incorporation, these Bylaws, the Declaration and the Non-Profit Mutual Benefit Association Law of the State of Missouri.

**SECTION 2. NUMBER, TENURE AND QUALIFICATIONS.** The number of Directors of the corporation shall be three (3) persons who shall be members. Directors shall be elected annually by the Members (cumulative voting for same shall not be permitted) shall be elected for one (1) year terms of office, and shall serve thereafter until their successors are elected and qualified.

**SECTION 3. REGULAR MEETINGS.** A regular meeting of the Board may be held without other notice than this Bylaw, immediately after, and at the same place as, the annual meeting of Members. The Board may provide, by resolution, the time and place, either within or without the State of Missouri, for the holding of additional regular meetings without other notice than such resolution.

**SECTION 4. SPECIAL MEETINGS.** Special meetings of the Board may be called by or at the request of the president or any two Directors. The person or persons

authorized to call special meetings of the Board may fix any place, either within or without the State of Missouri, as the place for holding any special meeting of the Board called by them.

**SECTION 5. NOTICE.** Notice of any special meeting shall be given at least two (2) days previous thereto by written notice delivered personally or mailed to each Director at his business address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board need be specified in the notice or waiver of notice of such meeting.

**SECTION 6. QUORUM OF BOARD.** A majority of the full Board as prescribed in the Articles of Incorporation and these Bylaws shall constitute a quorum for the transaction of business by the Board. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. Members of the Board or of any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and

participation in a meeting in this manner shall constitute presence in person at the meeting.

**SECTION 7. VACANCIES.** Whenever any vacancy on the Board shall occur due to death, resignation or otherwise, the remaining Board Members shall fill the vacancy until the next regular election for Directors.

Upon Developer's transfer or assignment of its rights, the remaining Directors, or a majority of them, may fill the vacancy or vacancies until a successor or successors shall be elected at a Members' meeting.

**SECTION 8. INFORMAL ACTION BY DIRECTORS.** Unless specifically prohibited by the Articles of Incorporation or Bylaws, any action required to be taken at a meeting of the Board, or any other action that may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof. Any such consent signed by all the Directors shall have the same effect as a unanimous vote, and may be stated as such in any document filed with the Secretary of State.

**SECTION 9. COMPENSATION.** Directors as such shall not receive any salary or compensation for their services as Directors; provided, however, that nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor. Payment of per diem, mileage, or

other reimbursement of expenses to a Director shall not constitute salary or compensation.

## **ARTICLE VI** **OFFICERS**

**SECTION 1. ELECTION AND TERM OF OFFICE.** The officers of the Association shall be elected annually by the Board at the first meeting of the Board held after each annual meeting of Members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Vacancies may be filled or new offices filled at any meeting of the Board. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not of itself create contract rights.

**SECTION 2. REMOVAL.** Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

**SECTION 3. VACANCIES.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

**SECTION 4. PRESIDENT.** The president shall be the principal executive officer of the Association and shall supervise and control all of the business and affairs of the Association. The president shall preside at all meetings of the Members and of the Board. The president may sign, with the secretary or any other proper officer of the

Association thereunto authorized by the Board, certificates for Members of the Association, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board from time to time.

**SECTION 5. THE SECRETARY.** The secretary shall: (a) keep the minutes of the Members' and of the Board meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) keep a register of the post office address of each Member which shall be furnished to the secretary by such Member; (e) have general charge of the Member transfer books of the Association; (f) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board.

**SECTION 6. THE TREASURER.** The Treasurer shall have the custody of the Association's funds and shall keep full and separate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies in the name and to the credit of the Association in such depositories as may be designated by the Board.



The Treasurer shall disburse the funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the Board, at its regular meetings, or when the Board so requires, an account of all transactions as Treasurer and of the financial condition of the Association.

If required by the Board, the Treasurer shall give the Association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of the Treasurer's office and for the restoration to the Association, in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the Treasurer's possession or under the Treasurer's control belonging to the Association.

The Board may require that all checks drawn upon the Association's accounts require dual signatures, one of which shall be the Treasurer and one of which shall be another officer of the Association.

**SECTION 7. COMPENSATION.** Officers as such shall not receive any salary or compensation for their services as Officers; provided, however, that nothing herein contained shall be construed to preclude any Officer from serving the Association in any other capacity and receiving compensation therefore. Payment of per diem, mileage, or other reimbursement expenses to an Officer shall not constitute salary or compensation.

**SECTION 8. INSURANCE.** The Officers may maintain insurance as provided in the Declaration, including, without limitation, fidelity coverage and errors and omission coverage relating to their own acts and duties.

**ARTICLE VII**  
**FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of January in each year and end on the last day of December in each year.

**ARTICLE VIII**  
**WAIVER OF NOTICE**

Whenever any notice whatever is required to be given under the provisions of these Bylaws, the Articles of Incorporation or under the provisions of The Not-For-Profit Association Law of Missouri, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE IX**  
**CONTRACTS AND COMMITTEES**

**SECTION 1. CONTRACTS.** The Board may enter into, make, perform and carry out contracts of every kind and character for any lawful purpose, consistent with the status of a non-profit Association, with any person or persons, partnership, firm, association, corporation, private, public or municipal, any body politic, any state, territory

or municipality of the United States, or with the government of the United States or any department, branch, board, commission or contracting authority thereof, including the right to make agreements with municipal, county, township, state, national or other public officials, or with any political subdivision or any corporation or individual for and on behalf of the Record Owners of the property covered by the Declaration.

**SECTION 2. COMMITTEES.** The Board may maintain and operate such departments, boards, committees as may be provided for in these Bylaws or as it may provide by resolution, with such powers and authority as may be conferred, and to make funds of the Association available for the use of such departments, boards, and committees. The Board may employ a manager, secretaries, engineers, auditors, legal counsel, technical consultants, or any other employees or assistants provided for by these Bylaws or authorized by the Board, and may pay all expenses necessary or incidental to the conduct and carrying on of the business of the Association.

## **ARTICLE X** **AMENDMENTS**

These Bylaws, or any of them, or any additional or supplementary Bylaws, may be amended or repealed and new Bylaws may be adopted at any meeting of the Board or at any special meeting of the Board after notice has been given of the nature of the proposed Bylaw change.

These First Amended Bylaws adopted by the Board of Directors of Harbor Lakes  
Homes Association, Inc. by a majority affirmative vote at a board meeting held on the  
7<sup>th</sup> day of December, 2017.

Paul E Meers  
Paul E Meers  
Paul Meers, President

ATTEST:

Cory Booth, Secretary



## Neighborhood Beautification Grant Application City of Smithville, MO

### Applicant Information

**Neighborhood or Homeowners' Association Name:** Harborview HOA **Date:** 3/31/22

**Address:** 405 Marina Drive  
**Street Address**  
Smithville, MO 64089

**City** **State** **ZIP Code**

**Phone:** 816-289-1749 **Email:** newharborviewbod@gmail.com

**Contact Person:** Terry Snyder **Title:** President

**Project Title:** 2022 Harborview Beautification Project

#### Brief Description of the proposed Project:

We propose to install a connector trail from Lakeview Drive, South to the Corps of Engineer's land, remove overgrown brush and trees along greenspaces, trim up trees identified by our arborist, plant 40+ new trees, and install pet waste stations throughout the neighborhood.

### Budget Information

The amount of grant funds awarded to the neighborhood ranges from \$50 - \$25,000. All funds awarded are required to have matching funds contributed from the neighborhood. Matching funds can come in the form of actual funds or in-kind donations such as volunteer hours or equipment. The required match must be equal to 50% of the total project cost. (e.g., if total project cost is \$10,000, the neighborhood or homeowners' association contributes \$5,000 and requests \$5,000 in grant funds from the program.) Volunteer hours are calculated at the rate of \$20/hour and must be confirmed at the completion of the project.

<b>Total Project Cost:</b>	\$15,400
<b>Grantee Cash Contribution:</b>	\$5,920
<b>Grantee In-Kind Contribution:</b>	\$2,280
<b>Grant Amount Requested:</b>	\$8,200

### Project Information – Please attach additional documentation if needed

**Expected Project Start Date** 4/15/22 **Expected Completion Date** 6/27/22

#### Description of how this project will enhance the neighborhood:

Through the previous decades, we have lost a lot of trees in our greenspaces. We are looking to clean up those greenspaces, take care of the trees that are there, and add to their number with 40+ new trees to be planted. Our connector trail will allow our neighbors to walk to the adjoining Corps of Engineer's trail without having to walk through mud, and brush. Our pet waste stations will ensure that pet waste is not an issue on our sidewalks.

**Description of how the grant funding will be matched by the organization:**

Our projects call for 114 hours of labor, to be provided by volunteers within the neighborhood. We will be working in tandem with our arborist and contractor during the connector trail installation.

**Description of how the project will be maintained or funded in the future, if necessary:**

Pet waste stations will be added to our annual budget for supplies, as well as a weekly stocking/cleaning route to ensure that pet waste doesn't linger. Our connector trail will added to our annual facilities review.

**Required Attachment Checklist**

In addition to this application, the following documents will be required to fully assess the proposed project:

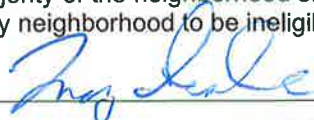
- ☐ **A detailed Project Budget shown through a completed Attachment A (Example Included)**
- ☐ **Photos of the proposed project area**
- ☐ **Plan or map showing the location of the project and projected improvements**
- ☐ **At least three estimates for all work**
- ☐ **Letter of authorization from any agencies, utilities, or property owners affected by the project**
- ☐ **Letter of approval of use of funds from the neighborhood or homeowners' association Board**
- ☐ **If using cash contribution for the match, proof of available funds**
- ☐ **If planning to use volunteer hours for an in-kind match, a completed Volunteer Pledge Sheet (Attachment B)**
- ☐ **A copy of the by-laws for your neighborhood or homeowners' association**
- ☐ **A list of the current neighborhood or homeowners' association board members**

**Disclaimer and Signature**

I, the applicant, understand and agree that all applicable required City permits, which may include a building permit, right of way permit, must be obtained before work begins.

I, the applicant, confirm that I have read the terms of the application and that I am acting on behalf of my neighborhood or homeowners' association, in accordance with their expressed wishes, which were determined by a vote or consensus of the majority of the neighborhood stakeholders. I understand that acting without consent of my organization may cause my neighborhood to be ineligible for future grants.

Authorized Agent's Signature: \_\_\_\_\_



Date: \_\_\_\_\_

**3-31-22**

**Attachment A: Detailed Project Budget Form**

<b>TOTAL PROJECT COST (grant funds requested plus applicant match)</b>		
List all items/service required for project completion.		
<b>Vendor/supplier:</b>	<b>Item/service:</b>	<b>Amount:</b>
Sam the Concrete Man	Connector Trail	<del>-\$6,600</del> \$7685
Urban Tree	Tree trimming/removal	\$2,625
Global Industrial	Pet Waste Stations	\$2,400
Lowes/Home Depot	Trees, rental equipment	\$3,775
<b>Total Project Cost</b>		<del>\$15,400</del> \$16,485

<b>CASH MATCH CONTRIBUTION</b>		
List any cash that will be contributed by your organization or others.		
<b>HOA/entity contributing cash</b>	<b>Item/services to be paid (if specified):</b>	<b>Amount:</b>
Harborview HOA	Cash	\$5,420
<b>Total Cash Contribution</b>		\$5,420

<b>IN-KIND MATCH CONTRIBUTIONS</b>		
List any services or supplies that will be contributed by your organization or others.		
<b>HOA/entity donating</b>	<b>Item/services to be donated:</b>	<b>Value:</b>
Harborview HOA	Labor	\$2,280
<b>Total In-Kind Contribution</b>		\$2,280

<b>Total Project Cost</b>	<del>\$15,400</del> \$16,485
<b>Total Cash Contribution</b>	\$5,420
<b>Total In-Kind Contribution</b>	\$2,280
<b>Total Grant Amount Requested from the NBG Program</b>	<b>\$7,700</b> \$8,242.50

## Harborview HOA Board of Directors

Name	Position	Term
=====	=====	=====
Terry Snyder	President	2024
Phil Smith	Vice President	2025
Bailey Meyer	Treasurer	2023
Dwayne Smith	Secretary	2023
Barb Parkerson	Member at Large	2025



# EXPIRED PROPOSAL

Sam The Concrete Man - Kansas City  
6320 Brookside Plaza  
Suite 189  
Kansas City, MO 64113  
(913) 215-9585



<https://kansas-city.samtheconcreteman.com/>

## Billing/Service Address

Todd Johnson  
301 Lakeview Dr  
Smithville, MO 64089  
(913) 424-6701 (Mobile)  
newharborviewbod@gmail.com

Date	March 25, 2022
Total	\$7,685.00

This proposal expired on 4/24/2022

Prepared by Nick Maassen ([nmaassen@samtheconcreteman.com](mailto:nmaassen@samtheconcreteman.com))

This proposal contains 1 option. Be sure to click the checkboxes below for the options you want to include.

## LOCALLY OWNED AND OPERATED

Item	Description	Amount
Estimate	Sidewalk Installation -Remove and dispose of yard waste where new concrete is to be poured. - Install approximately 4' x 118' sidewalk.	\$7,685.00
Included Services	<ul style="list-style-type: none"><li>Remove and dispose of the existing concrete up to 4" thick with wire mesh reinforcement. Any additional thickness or reinforcement may incur additional charges.</li><li>Compact the subgrade with a mechanical compactor as required.</li><li>Install and compact rock base material or select fill as needed to reach the proper grade.</li></ul>	

	<ul style="list-style-type: none"> <li>• The driveway will be 4" of 4,000-psi a/e concrete reinforced with 3/8" rebar every 36" each way depending on vehicle traffic.</li> <li>• Expansion joints will be installed as needed.</li> <li>• A brushed finish will be applied.</li> <li>• Control joints will be installed as needed. Sections not to exceed 10' each way unless specified otherwise.</li> <li>• Backfill the edges of the new concrete with fill dirt and recycled dirt on site. Does not include re-grading of current landscape to meet new concrete grade.</li> <li>• Clean up daily and at the job completion.</li> <li>• If permits are required, all required costs will be added to the proposal at cost plus an additional \$50.00 charge.</li> </ul>	
	Base	\$7,685.00
	Subtotal	\$7,685.00
	Tax	\$0.00
	Total	\$7,685.00

**Notifications** Text message to (913) 424-6701

**T E R M S   A N D   C O N D I T I O N S**

***For Warranty Information-Click here***

Concrete is a natural material and therefore textures and color are affected by factors beyond our control. New concrete should not be expected to match existing work or samples provided. Work is guaranteed to be as specified herein and will be completed in a workmanlike manner per industry-standard practices. Changes to this contract requested by Customer is to be made to the owner may become an extra charge over and above the proposed amount. Notice of any initial installation defects must be made within five days of job completion. Payment: A deposit of 50% of total job is due at the start of work with balance due at job completion. Acceptable forms of payment include cash, check, or money order. This proposal is subject to acceptance within 30 days and may be void thereafter at the discretion of Local Owner. Cancellation Policy: In the event of cancellation by the client, Local Owner shall be entitled to retain 10% of the contract amount or actual damages, whichever is greater. If Local Owner cancels the contract before work begins, Customer shall be entitled to a refund any deposit paid.

(a) NJM Properties LLC "Local Owner" is a franchisee of SAMCO, LLC d/b/a Sam the Concrete Man ("Franchisor"). The only relationship between Franchisor and Local Owner is that of independent contractor operating its business pursuant to a license from Franchisor, that the business conducted

by Local Owner is completely separate and apart from any business that may be operated by Franchisor. This Agreement does not create a fiduciary relationship between them or constitute either party as agent, legal representative, subsidiary, joint venturer, partner, employee, servant or fiduciary of the other party for any purpose whatsoever. Local Owner is not an affiliate of Franchisor and does not have authority to act for Franchisor in any manner and cannot create any obligations or indebtedness that would be binding upon the Franchisor. Customer agrees and acknowledges that Franchisor is not in any way responsible for any acts and/or omissions of Local Owner, its agents, servants or employees.

(b) Sole Remedy: Customer's sole remedy for any defective work is described in the attached Limited Warranty incorporated into this Agreement for all purposes as Attachment "A". Customer waives any right to incidental or consequential damages, including but not limited to, sprinkler heads, water lines or other buried lines that are within close proximity to the project. (c) Force Majeure: Local Owner shall not be responsible for any delay, liability, loss or damage due to any failure to perform under this Agreement, due to strikes, inability to obtain transportation, Acts of God, inclement weather, fire, floods, storms, disease, or any causes beyond Local Owner's reasonable control, nor shall Local Owner be responsible for failure of delivery or delay due to federal, state or other governmental statute, regulation or authority. (d) Authority: You represent that you have the authority to contract for the work and are responsible for payment for the work. You represent that you are the owner or authorized agent of the owner of the property where the work is being performed. You agree to indemnify and hold harmless Local Owner for any liability of Local Owner for unauthorized work if you are in breach of this provision. (e) Changes: Changes to this contract must be requested in writing to Local Owner and may become an extra charge over and above the proposed amount. (f) Statute of Limitations: The statute of limitations for filing a claim under this Agreement is 1 year from date of discovery of any breach of this agreement. (g) Governing Law and Venue: This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Missouri, without reference to its choice of laws principles. The parties: (i) agree that any suit, action or legal proceeding arising out of or relating to this Agreement shall be brought in the courts located in the county in which the work is performed; (ii) consents to the exclusive jurisdiction of each such court in any suit, action or proceeding; (iii) waives any objection which it may have to the laying of venue of any such suit, action or proceeding in any of such courts. If any provision of this Agreement is void, illegal or unenforceable by law, the remaining terms shall be valid and enforceable. This Agreement is between you and Local Owner.

I agree to be bound by this Agreement.



Harborview HOA  
Jennifer Pease  
405 Marina Dr  
Smithville, MO 64089

**Proposal Date:** 11/2/2021  
**Work Site:** 405 Marina Dr  
Smithville, MO 64089  
**Proposed By:** Nicholas Goergen  
**Ad Source:** Referral  
:  
816-592-9704

Qty	Plant	Location		Cost
1	Oak (Pin)	South	1) Crown raise to approx 12 ft - Remove deadwood 1-2 inch and greater - Slight thinning - Remove broken and hangers	\$400.00
1	Magnolia	South	2) unsustainable, overplanted - Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade	\$200.00
1	Spruce	South	3) Remove volunteers growing under tree and treat to not grow back	\$75.00
1	Crabapple	South	4) Maintenance Prune - Weight reduction throughout as recommended - Crown raise to approx 6 ft	\$75.00
1	Maple (Red)	South	5) Maintenance Prune - Single Stem Development - Crown raise to approx 6-7 ft	\$150.00
1	Stump(s)	South	6) Machine grind below ground level and remove stump-grinding debris to approximately soil grade	\$100.00
1	Oak (Pin)	Center	7) Crown raise to balance - Remove low deadwood	\$150.00
1	Pear	East center	8) unsustainable, extremely poor structure - Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade	\$500.00
			Replacement - Sugar maple	
1	Crabapple	East center	9) Maintenance Prune - Weight reduction throughout as recommended - Crown raise to approx 6 ft	\$75.00
1	Pear	East center	10) Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade = \$200.00	\$0.00
			* This tree is currently fine, but has been dubbed a noxious weed and is prone to storm damage. This should be replaced with a sustainable tree, such as Sugar maple.	
1	Ash	East center	11) Suckered out stump - Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade	\$50.00





1	Pear	NW	12) Poor structure, shading desirable oak - Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade	\$300.00
DO NOT replace tree. Let the Swamp White oak become dominant. This area should not have another tree.				
1	Oak (swamp whi	NW	13) Maintenance Prune - Single Stem Development - Crown raise to approx 5-6 ft	\$50.00
1	Maple (Red)	NW	14) Maintenance Prune - Weight reduction throughout as recommended - Crown raise to approx 8 ft	\$150.00
1	Pear	NE	15) larger of 2 - Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade = \$300.00	\$0.00
This should be removed and replaced for the same reason as the other pears. This tree was definitely damaged by the sidewalk replacement, and it's a good time to go.				
This area should have one tree, centered on each side. I would plant these as Prairie Fire crabapple, which is a cultivar of our native, is very resistant to insect and disease issues, and will thrive in this spot. Much lower maintenance, and very sustainable.				
1	Pear	NE	16) Same reason - Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade = \$75.00	\$0.00
1	Pear	NE	17) Remove to ground level, machine grind the stump and remove stump-grinding debris to approximately soil grade	\$350.00
* Same reasons as above, plus this tree has substantial die out from Fireblight. Treatments are costly and not very affective. Remove and replace.				

**Subtotal: \$2,625.00**

**Tax: \$0.00**

**Total: \$2,625.00**





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## Terms and Conditions

It is agreed by and between Urban Tree Specialists LLC and the authorizing party (customer and/or customer's agent) that the following provisions are made as part of this contract:

**Insurance by Contractor:** Urban Tree Specialists LLC warrants that it is insured for liability resulting from injury to person(s) or property and that all employees are covered by Workers' Compensation as required by law. Certificates of coverage are available upon request.

**Cancellation Fee:** Urban Tree Specialists LLC kindly requests that the authorizing party provide at least 24 hours advance notice of any full or partial work cancellation. If a crew has been dispatched to the job site, the customer will be assessed a mobilization fee of \$150.00 for incurred expenses.

**Completion of Contract:** Urban Tree Specialists LLC agrees to do its best to meet any agreed upon performance dates, but shall not be liable in damages or otherwise for delays because of inclement weather, labor, or any other cause beyond its control; nor shall the customer be relieved of compensation for delays.

**Tree Ownership:** The authorizing party warrants that all trees listed are located on the customer's property, and, if not, that the authorizing party has received full permission from the owner to allow Urban Tree Specialists LLC to perform the specified work. Should any tree be mistakenly identified as to ownership, the customer agrees to indemnify Urban Tree Specialists LLC for any damages or costs incurred from the result thereof.

**Safety:** Urban Tree Specialists LLC warrants that all arboricultural operations will follow the latest version of the ANSI Z133.1 Tree Care industry safety standards. The authorizing party agrees to not enter the work area during arboricultural operations unless authorized by the crew leader on-site.

All Work to Conform to ANSI A300 Tree Care Management Standards for the arboricultural Industry unless otherwise specified in this proposal.

**Stump Removal:** Unless specified in the proposal, stump removal is not included in the price quoted. Grindings from stump removal will be removed to approximately soil grade unless specified otherwise. Surface and subsurface roots beyond the stump are not removed unless specified in this proposal. Urban Tree Specialists LLC is not responsible for damages to underground sprinklers, drain lines, invisible fences or underground cables unless the system(s) are adequately and accurately mapped by the authorizing party and a copy is presented before or at the time the work is performed.

**Concealed Contingencies:** Any additional work or equipment required to complete the work, caused by the authorizing party's failure to make known or caused



816.214.8327 • [www.urbantreekc.com](http://www.urbantreekc.com) • PO Box 901422 • Kansas City, MO 64190



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\$2,166.70 (42)

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1.888.978.7769

## Shopping Cart

Email Cart Print Cart



**Global Industrial™ Pet Waste Plastic Bags With Tie-Handles, Green, 400 Bags/Roll**  
T9F6S5798

\$9.90

▼ 24 ▲



Add-ons

Delivery to 64089: Expected delivery on or before Mon, Apr 04 with standard shipping.

**Subtotal (42 Items)**  
**\$2,156.70**

[Calculate shipping](#) ▾

64089

Ship Method: GROUND

Item(s): \$2,156.70

Shipping: \$221.99

Total does not include tax

**Total: \$2,378.69**

[Delete](#)

[Keep for Later](#)

▼ 12 ▲



Add-ons

**Global Industrial™ Heavy Duty Black Trash Liners, 1.5 Mil, 13 Gallon, 50/Box**  
T9F6S5813

\$24.95

Delivery to 64089: Expected delivery on or before Mon, Apr 04 with standard shipping.

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Have a promo code?

[Apply](#)



**Global Industrial™ Steel Pet Waste Station With Tie-Handle Waste Bags, Green**  
T9F6S5796

\$269.95

▼ 6 ▲



Add-ons

Delivery to 64089: Expected delivery on or before Tue, Apr 05 with standard shipping.

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[Keep for Later](#)



CHECKOUT

Check out with **PayPal**

Platinum Paving And Concrete  
104 Belmont Blvd  
Kansas City, MO 64123  
(816) 702-0013  
Platinumpavingkc@gmail.com  
www.platinumpavingkc.com



**Estimate 3762**

**ADDRESS**

Harborview BOD

DATE  
02/01/2022

TOTAL  
\$15,600.00

EXPIRATION  
DATE  
03/01/2022

ACTIVITY	DESCRIPTION
Project address	301 Lakeview Dr
EARTH EXCAVATION	Earth Excavation: Strip grass and excavate dirt/subgrade approximately 0" deep. Does not include big rock excavation. All Labor, Equipment and Materials are included for this scope of work. Approximately: 115 Square yards
ASPHALT PAVING OVERLAY	Asphalt Paving Overlay: Install asphaltic concrete approximately 4" thick in a single lift and roll for compaction as per specifications over existing parking lot and or roads. All Labor, Equipment and Materials are included for this scope of work. Approximately: 1035 Square Feet, 1 @ \$15,600.00
NOTICE TO OWNER	NOTICE TO OWNER  FAILURE OF THIS CONTRACTOR TO PAY THOSE PERSONS SUPPLYING MATERIAL OR SERVICES TO COMPLETE THIS CONTRACT CAN RESULT IN THE FILING OF A MECHANIC'S LIEN ON THE PROPERTY WHICH IS THE SUBJECT OF THIS CONTRACT PURSUANT TO CHAPTER 429, RSMO. TO AVOID THIS RESULT YOU MAY ASK THIS CONTRACTOR FOR "LIEN WAIVERS" FROM ALL PERSONS SUPPLYING MATERIAL OR SERVICES FOR THE WORK DESCRIBED IN THIS CONTRACT. FAILURE TO SECURE LIEN WAIVERS MAY RESULT IN YOUR PAYING FOR LABOR AND MATERIAL TWICE.

Thank you have a great day!



ACTIVITY	DESCRIPTION
<b>NOTE TO OWNER</b>	<p>Note to Owner: The owner/property representative is responsible for all tow charges to remove vehicles left in the work area during the scheduled date. All Irrigation systems must be turned off 24-36 hours before scheduled work and 24-36 hours after.</p> <p>Notes &amp; Exclusions:  Excludes obtaining &amp; furnishing any/all permits  Excludes KCMMB concrete mix designs  Excludes removal of irrigation lines and heads  Excludes finish grading, topsoil, backfilling, &amp; all landscaping  Excludes sub-base stabilization/undercutting of unsuitable soils  Excludes all bollards &amp; signage  Excludes manhole lid adjustments  Excludes engineered traffic control  Contractor to establish property lines, easements &amp; as needed survey staking to layout from  Contractor to be responsible for any demolition &amp; haul off that doesn't pertain to the above scope of work  Excludes relocating existing utilities/ utility kills  Excludes damage to items embedded in concrete/asphalt or just below the surface  Excludes furnishing a performance &amp; payment bond  Excludes survey staking  Excludes concrete &amp; soils testing</p>
<b>Terms and Conditions</b>	<p>This proposal may be withdrawn if not accepted within 30 days. Payment terms: Residential due upon completion, Commercial Net 30, 1.5% APR. Taxes are included.</p>
<b>Warranties Exclusions and Terms of Agreement</b>	<p>All labor and materials carry a one (1) year warranty.  Warranties, Exclusions and Terms of Agreement:  Sales tax is not included and will be added to invoice, unless proper tax-exempt documents are provided. No tax charged on new construction. Platinum Paving and Concrete is not responsible for losses incurred due to strikes, weather, accidents or other conditions beyond our control. Buyer is solely responsible for obtaining all necessary government approval and permits before construction begins. Milling widths are averaged and determined to aid in positive drain flow. There could be unforeseen sub grade problems that may allow more damage due to arrival of Platinum Paving's equipment. Contractor is not responsible for damage to buyer's site due to Platinum Paving's equipment being on site to perform other duties. This estimate excludes the following unless otherwise noted: permits, engineering, staking, testing, services, inspection fees, rock excavation, repair of unmarked sprinklers &amp; private utilities, topsoil, seeding, sodding of disturbed areas, relocation of utilities, caulking, prime coat and herbicide. Back filling is done with on site dirt unless otherwise specified. Platinum Paving cannot guarantee overlays over broken asphalt. Cracks may reform in the new surface due to freeze and thaw cycles. Petro mat is always an insurance policy for this problem. Platinum Paving cannot be responsible for damage caused by snow, water and ice asphalt, concrete and seal coated asphalt surfaces. Any claims of unacceptable materials or workmanship must be made in writing within (7) days from invoice. This estimate does not include any performance or payment bonds. Contact us @ 816-215-9031 if bonds are required. Platinum Paving and Concrete reserves the right to partial invoice if said project takes over thirty (30) days. Platinum Paving will begin work at a pre-determined time set forth by the property manager. Buyer is responsible for removal of vehicles from work site. Any vehicle left on the work site will be towed at buyers expense. Payment shall be made as specified on estimate. Any invoice not paid in full by said due date becomes subject to the maximum interest allowed at the time of the default. All attorney's fees necessary to collect this debt become the sole responsibility of the buyer. Including, but not limited to, liens, foreclosures, court costs and attorney fees. By signing this contract buyer agrees to all terms set forth in this contract. No modification or amendment to this contract will be valid unless in writing and signed by both parties. All terms are applicable unless otherwise specified.</p>
	<p>*Cold-mix and patching are not included in the 1-year warranty as this is a temporary solution.</p>

Thank you have a great day!

TOTAL	\$15,600.00
-------	-------------

THANK YOU.

Accepted By

Accepted Date





Alliance Association Bank, a division of Western Alliance Bank.  
Member FDIC.

PO Box 26237 • Las Vegas, NV 89126-0237

Return Service Requested

HARBOR VIEW HOMEOWNERS ASSOCIATION, INC.  
C/O COMMUNITY ASSOCIATION MANAGEMENT  
OPERATING  
5000 W 95TH ST SUITE 280  
PRAIRIE VILLAGE KS 66207-3377

Last statement: February 28, 2022  
This statement: March 31, 2022  
Total days in statement period: 31

Page 1  
XXXXXX5635  
( 8)

Direct inquiries to:  
888-734-4567

Alliance Association Bank  
3033 W Ray Road, Ste 200  
Chandler AZ 85226

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**THANK YOU FOR BANKING WITH US!**

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## AAB Community Checking

Account number	XXXXXX5635	Beginning balance	\$60,442.38
Enclosures	8	Total additions	4,857.79
Low balance	\$59,997.47	Total subtractions	2,862.23
Average balance	\$61,665.51	Ending balance	\$62,437.94
Avg collected balance	\$61,555		

### CHECKS

Number	Date	Amount	Number	Date	Amount
228	03-03	675.00	234 *	03-23	810.00
229	03-03	11.52	235	03-31	108.50
230	03-08	258.02	238 *	03-31	675.00
231	03-15	87.00	* Skip in check sequence		
232	03-14	129.31			

### DEBITS

Date	Description	Subtractions
03-09	' ACH Debit	107.88
	ATT Payment 220309	

### CREDITS

Date	Description	Additions
03-01	' Lockbox Deposit	241.61
03-04	' Lockbox Deposit	969.48
03-07	' Lockbox Deposit	726.35

HARBOR VIEW HOMEOWNERS ASSOCIATION, INC.  
March 31, 2022

Page 2  
XXXXXX5635

Date	Description	Additions
03-14	' Lockbox Deposit	722.29
03-16	' Lockbox Deposit	241.61
03-21	' Lockbox Deposit	241.61
03-22	' Lockbox Deposit	25.24
03-23	' Lockbox Deposit	243.23
03-25	' Lockbox Deposit	241.61
03-28	' Lockbox Deposit	241.61
03-31	' Lockbox Deposit	961.84
03-31	' Interest Credit	1.31

#### DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
02-28	60,442.38	03-09	61,327.40	03-23	61,775.07
03-01	60,683.99	03-14	61,920.38	03-25	62,016.68
03-03	59,997.47	03-15	61,833.38	03-28	62,258.29
03-04	60,966.95	03-16	62,074.99	03-31	62,437.94
03-07	61,693.30	03-21	62,316.60		
03-08	61,435.28	03-22	62,341.84		

#### INTEREST INFORMATION

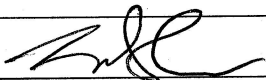
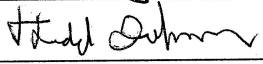
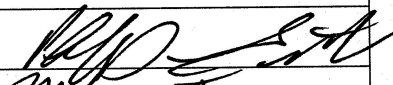



Annual percentage yield earned	0.03%
Interest-bearing days	31
Average balance for APY	\$61,555.35
Interest earned	\$1.31

#### OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

*Thank you for banking with Alliance Association Bank*

**Attachment B: Volunteer Pledge Form**  
In-kind match of volunteer hours is rated at \$20 per hour.

Name	Phone Number	# of Hours Pledged	Signature
TERRY SNYDER	816-289-1749	10	
TODA JOHNSON	913-424-6701	10	
JENNIFER PEASE	816-592-9704	10	
TIM PEASE	816-592-9649	10	
SHELLEY DELICH	816-405-2676	10	
JAMES UNDERWOOD	816-743-1953	10	
HEATHER UNDERWOOD	215-906-3792	10	
PHIL SMITH	816-807-9608	10	
Monica Taney	816-866-3707	10	
Barb Parkerson	816-551-8674	10	
Dwayne Smith	816-500-4137	10	
TOTAL HOURS PLEDGED			

**BYLAWS  
OF  
HARBORVIEW HOMEOWNERS ASSOCIATION, INC.**

**Article I  
Meetings of Lot Owners**

**Section 1. Annual Meeting.** The annual meeting of Lot Owners ("Lot Owners") of the HARBORVIEW HOMEOWNERS ASSOCIATION, INC. (the "Association") shall be held at such place in Clay County, Missouri, on the third Tuesday in January each year at a time the Board of Directors may determine.

**Section 2. Quorum.** A majority of Lot Owners shall constitute a quorum at any annual or special meeting. A majority of all votes cast, whether in person or by proxy, at any meeting of the Lot Owners shall determine any question, unless otherwise provided by these Bylaws.

**Section 3. Special Meetings.** Special meetings of Lot Owners, other than those regulated by statute, may be called at any time if requested by a majority of the Directors, by the President, or by Lot Owners holding at least one-third (1/3<sup>rd</sup>) of the votes in the Association. No business other than that specified in the call for the meeting shall be transacted at any meeting of the Lot Owners.

**Section 4. Notice.** The Secretary shall serve notice of all annual and special meetings, either personally or by mail, to each Lot Owner at least 10 days and not more than 30 days before the day set for such meeting. Notice shall include the time, date, place, and agenda of the meeting. If mailed, the notice shall be directed to a Lot Owner at his or her address as it appears on the records of the Association. Such agenda shall include a statement of the general nature of any proposed amendment to the Declaration or Bylaws, any budget proposals or changes, and any proposal to remove an Officer or Board member.

**Section 5. Order of Business.** The order of business at all meetings of the Lot Owners shall be as follows:

1. Roll call.
2. Proof of notice of meeting or waiver of notice.
3. Reading of minutes of preceding meeting.
4. Reports of Officers.
5. Reports of Committees.
6. Appointment of Inspectors of Election.
7. Election of Directors.
8. Unfinished business.
9. New business.
10. Open discussion.

*BM flm*



## **Article II Directors**

**Section 1. Number.** The affairs and business of this Association shall be managed by a Board of five Directors, who need be Lot Owners of record.

**Section 2. How Elected.** At the annual meeting of Lot Owners, the requisite number of persons receiving a majority of the votes cast shall be the Directors and shall constitute the Board of Directors of the ensuing year. No Lot Owner may carry more than 15% of any directed or undirected votes.

**Section 3. Term of Office.** The term of office of each of the Directors shall be three years, and thereafter until his or her successor has been elected. At the annual meetings in 2019 and 2020, two Directors shall be elected each year. At the annual meeting in 2021, one director will be elected. At each annual meeting thereafter, the same election pattern shall be conducted.

**Section 4. Powers and Duties of Directors.** The Board of Directors shall have the control and general management of the affairs and business of the Association. Such Directors shall in all cases act as a Board, regularly convened, by a majority, and they may adopt such rules and regulations for the conduct of their meetings and the management of the Association as they may deem proper, not inconsistent with these Bylaws and the Laws of the State of Missouri, the Articles of Incorporation of this Association, and the aforementioned "Declaration Creating Harborview Homes Association" as may be hereinafter amended.

a. Before adopting, amending, or repealing any rule, the Board shall give the Lot Owners notice of its intentions and shall provide the text of the rule or the proposed change, along with the date on which the Board will act on the proposed rule and amendment. Following adoption, amendment, or repeal of a rule, notice of the action shall be sent to all Lot Owners, along with a copy of the new or revised rule. Such notice may be delivered in person or by mailing to the Lot Owner's last known post office address.

b. Prior to each annual meeting, the Directors shall propose an annual budget. Lot Owners must be given reasonable opportunity to comment on the budget at the annual meeting, and copies of the proposed budget must be made reasonably available. The budget shall be voted on by all Directors present at the meeting, and it shall pass by a majority of the eligible Director votes present at the meeting.

c. The Directors shall have the duty and obligation to determine and cause to be determined and levied the annual assessment as authorized by the said Homes Association Declaration.

d. Any powers, rights and duties of the Association may be delegated to a managing agent under a management contract; PROVIDED, HOWEVER, that no such delegation shall relieve the Association from its obligation to perform any such delegated duty. Any contract entered into by the Association for professional management or other



services shall not exceed a term of three years, which term may be renewed by agreement of the parties for successive three-year terms.

The Board of Directors shall have the power to:

- a. Scope. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration.
- b. Employment. Employ (and contract with for such periods of time and on such terms as may be deemed appropriate) agents, independent contractors, managers and employees, and to prescribe their duties and responsibilities.
- c. Records and Reports. Cause to be kept a complete record of all its acts and of the corporate affairs of the Association and to present reports thereof to the members.
- d. Supervision. Supervise all officers, agents and employees of the Association, and see that their duties are properly performed.
- e. Assessments. As more fully provided in the Declaration, provide for the levying of assessments against each Lot and take all actions necessary or appropriate to collect the same.
- f. Certificates. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not an assessment has been paid. A reasonable charge may be made by the Association for the issuance of these certificates.
- g. Insurance. Procure and maintain public liability insurance, fire and extended coverage hazard insurance and other insurance on property owned or controlled by the Association and maintain officer's and director's liability insurance, all with such coverage and in such sums as may be deemed appropriate by the Board of Directors.
- h. Bonding. Cause property managers, officers or employees having fiscal responsibility to be bonded, as the Board of Directors may deem appropriate.
- i. Maintenance. Cause the Common Areas and other areas to be maintained as provided in the Declaration.
- j. Committees. Any such committee shall be composed of at least one director and any other individuals as the Board of Directors shall designate. Not all members of a committee need be Directors unless otherwise provided in the Declaration, Articles of Incorporation or by law. A quorum of any committee so designated by the Board of Directors shall not consist of less than one-half of the total number of members appointed to such committee. The Board may designate one or more individuals as

alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

**Section 5. Directors' Meetings.** Regular meetings of the Board of Directors shall be held immediately following the annual meeting of the Lot Owners, and at such other times as the Board of Directors may determine. Special meetings of the Board of Directors may be called by the President at any time, and shall be called by the President or the Secretary upon the written request of any Director.

**Section 6. Notice of Meetings.** Notice of meetings, other than the regular annual meetings, shall be given by service upon each Director in person, or by other reasonable method at least 10 days before the date therein designated for such meeting, of a written or printed notice thereof, specifying the time, date, and place of such meeting, and the business to be brought before the meeting, and that no business other than that specified in such notice shall be transacted at any special meeting. Each Lot Owner must also be given notice of such meetings in the manner specified in these Bylaws.

**Section 7. Open Meetings.** All regular and special meetings of the Board of Directors and Committees of the Association must be open to all Lot Owners, except for "Executive Sessions" held during such regular or special meetings. Executive Sessions may be held to consult with the Association's attorney, to discuss existing or potential legal matters, to discuss labor or personnel matters, to discuss contracts, leases, or commercial transactions, or to prevent the public knowledge of any matter in order to protect the privacy of any person. No final votes or actions may be taken during an Executive Session.

**Section 8. Quorum.** At any meeting of the Board of Directors, a majority of the Board shall constitute a quorum for the transaction of business; but in the event of a quorum not being present, a less number may adjourn the meeting to some future time, not more than five days later.

**Section 9. Voting.** At all meetings of the Board of Directors, each Director is to have one vote.

**Section 10. Removal and Vacancies.** Any director may be removed from the Board of Directors, with or without cause, by a majority of the members of the Association entitled to vote. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of his or her predecessor.

**Section 11. Meetings by Conference Telephone or Similar Communications Equipment.** Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting pursuant hereto shall constitute presence in person at such meeting.

**Section 12. Action Taken Without a Meeting.** Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if written consent thereto is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board or committee.

**Section 13. Qualifications.** Each director must be and remain a member or spouse of a member of the Association in good standing in order to be elected and remain as a director.

**Section 14. Compensation.** No director shall receive compensation for the service he or she may render to the Association as a director. However, any director may be reimbursed for his or her reasonable out-of-pocket expenses incurred in the performance of his or her duties.

### **Article III Officers**

**Section 1. Number.** The Officers of this Association shall be:

1. President
2. One Vice President
3. Secretary
4. Treasurer

**Section 2. Election.** All Officers of the Association shall be elected annually by the Board of Directors at its meeting held immediately after the meeting of the Lot Owners, and shall hold office for the term of one year or until their successors are duly elected.

**Section 3. Duties of Officers.** The duties and powers of the Officers of the Association shall be as follows:

#### **President**

The President shall preside at all meetings of the Board of Directors and Lot Owners.

He or she shall present at each annual meeting of the Lot Owners and Directors a report of the conditions of the business of the Association.

He or she shall cause to be called regular and special meetings of the Lot Owners and Directors in accordance with these Bylaws.

#### **Vice President**

During the absence and inability of the President to render and perform his or her duties or exercise his or her powers as set forth in these Bylaws or in the acts under which this Association is organized, the same, including the execution of deeds of the

*BM*



Association, shall be performed and exercised by the Vice President, and when so acting, he or she shall have all the powers and be subject to all the responsibilities hereby given to or imposed upon the President.

### **Secretary**

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members, shall keep the corporate seal, if any, of the Association and affix it on all papers required to have the seal affixed thereto, shall serve notice of meetings of the Board and of the members, shall keep appropriate current records showing the members of the Association, together with their addresses, and shall perform such other duties, and have such other powers as may be prescribed by the Board of Directors or usually vested in the office of Secretary.

### **Treasurer**

The Treasurer shall have responsibility for the safekeeping of the funds of the Association, shall keep or cause to be kept full and accurate accounts of receipts and disbursements of the Association and such other books of account and accounting records as may be appropriate, and shall perform such other duties and have such other powers as may be prescribed by the Board of Directors or usually vested in the office of Treasurer. The books of account and accounting records shall at all reasonable times be open to inspection by any director.


The Board of Directors may delegate certain of the Treasurer's duties to a managing agent.

**Section 4. Bond.** The Treasurer shall, if required by the Board of Directors, give to the Association such security for the faithful discharge of his or her duties as the Board may direct.

**Section 5. Vacancies, How Filled.** All vacancies in any office shall be filled by the Board of Directors without undue delay, at its regular meeting, or at a meeting specifically called for that purpose. Each replacement shall remain in his or her position until the next regularly scheduled election.

**Section 6. Compensation of Officers.** The Officers shall not receive salary or compensation, but may be reimbursed for their reasonable out-of-pocket expenses incurred in the performance of their duties.

**Section 7. Removal of Officers.** These Officers may be removed by a vote of a majority of directors.



## **Article IV**

### **Accounting and Financial Matters**

**Section 1. Fiscal Year.** The Association's fiscal year shall be the calendar year.

**Section 2. Accounting.** The following accounting standards shall be followed unless the Board determines otherwise:

- a. Accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- b. Accounting and controls should conform to generally accepted accounting principles; and
- c. No remuneration shall be accepted by the managing agent from contractors, or others providing goods or services to the Association, whether in finder's fees, service fees, prizes, gifts, or otherwise; any thing of value regarding Association.

## **Article V**

### **Indemnification**

**Section 1. Indemnification of Directors and Officers.** When a person is sued or prosecuted in a criminal action, either alone or with others, because he or she is or was a Director or Officer of the Association, or of another Association serving at the request of this Association, in any proceeding arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or with others, because he or she is or was a Director or Officer of the Association, or of another Association serving at the request of this Association, in any proceeding arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the Association or by the Association, he or she shall be indemnified for his or her reasonable expenses, including attorney fees incurred in the defense of the proceedings, if both of the following conditions exist:

- a. The person sued is successful in whole or in part, or the proceeding against him or her is settled with the approval of the court.
- b. The court finds that his or her conduct fairly and equitably merits such indemnity.

The amount of such indemnity which may be assigned against the Association, its receiver, or its trustee, by the court in the same or in a separate proceeding, shall be so much of the expenses, including attorney fees incurred in the defense of the proceedings, as the court determines and finds to be reasonable. Application for such indemnity may be made either by the person sued or by the attorney or other person rendering services to him or her in connection with the defense, and the court may order the fee and expenses to be paid directly to the attorney or other person, although he or she is not a party to the proceeding. Notice of the application for

such indemnity shall be served upon the Association, its receiver, or its trustee, and upon the plaintiff and other parties to the proceedings. The court may order notice to be given also to the Lot Owners in the manner provided in Article I, Section 4 for giving notice of Lot Owners' meetings, in such form as the court directs.

## **Article VI Amendment**

Pursuant to the Articles of Incorporation, these Bylaws may from time to time be altered, amended, repealed, or new Bylaws may be adopted by a two-thirds vote of the Lot Owners of the Association entitled to vote who are present at a meeting at which a quorum is present or by a majority vote of the Board of Directors.

## **Article VII Conflict**

In the case of any conflict between the Articles of Incorporation of the Association and these Bylaws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

## **Article VIII Notices and Waiver of Notice**


Any notice to Lot Owners given by the Association under any provisions of these Bylaws may be given by a form of electronic transmission (electronic mail or facsimile) consented to by the Lot Owner to whom the notice is given. Any such consent shall be revocable by the Lot Owner upon written notice to the Association. Any such consent shall be deemed revoked if: (1) the Association is unable to deliver by electronic transmission two consecutive notices given by the Association in accordance with the consent, and (2) such inability becomes known to the Association's Secretary or property manager.

Whenever any notice is required to be given under the provisions of the statutes of Missouri, or of the Articles of Incorporation or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Lot Owners, Directors or members of a committee of Directors need be specified in any written waiver of notice unless so required by the Articles of Incorporation or these Bylaws.

\* \* \*

The undersigned Secretary of Harborview Homeowners Association, Inc., a Missouri not-for-profit corporation, hereby certifies that the foregoing Bylaws are the original Bylaws of said corporation adopted by vote of Directors of the Association at a meeting on 6-26, 2018.

**HARBORVIEW HOMEOWNERS ASSOCIATION, INC.**

By:   
Printed Name: Byron MacCist  
Its: President

By:   
Printed Name: Ric Miller  
Its: Secretary





## Neighborhood Beautification Grant Application City of Smithville, MO

### Applicant Information

Neighborhood or Homeowners' Association Name: Hills of Shannon Date: 3/24/2022

Address: c/o CAM Management 5000 W 95th St Suite 280 Prairie Village, KS 66207

**Street Address**

Prairie Village

KS

66207

**City**

**State**

**ZIP Code**

Phone: 918-397-2904 Email: hillsofshannon@gmail.com

Contact Person: Constance Scott Title: HOA Board President

Project Title: Fountain Replacement

**Brief Description of the proposed Project:**

The Hills of Shannon HOA we be replacing our old fountain that no longer works. Having a fountain in our pond helps to keep unsightly algae blooms at bay, reduces the smell from vegetation and decreases the misquitos population all while encouraging a healthy underwater eco-system.

### Budget Information

The amount of grant funds awarded to the neighborhood ranges from \$50 - \$25,000. All funds awarded are required to have matching funds contributed from the neighborhood. Matching funds can come in the form of actual funds or in-kind donations such as volunteer hours or equipment. The required match must be equal to 50% of the total project cost. (e.g., if total project cost is \$10,000, the neighborhood or homeowners' association contributes \$5,000 and requests \$5,000 in grant funds from the program.) Volunteer hours are calculated at the rate of \$20/hour and must be confirmed at the completion of the project.

Total Project Cost: 4,891.41

Grantee Cash Contribution: 2,445.71

Grantee In-Kind Contribution:

Grant Amount Requested: 2,445.70

### Project Information – Please attach additional documentation if needed

Expected Project Start Date ASAP Expected Completion Date ASAP

**Description of how this project will enhance the neighborhood:**

We have a small pond. A fountain will help reduce the algae blooms, the smell from the algae blooms, and reduce the mosquito population, and encourage a healthy ecosystem with moving water instead of stale and stagnant water. Our nature trail also goes along side our pond and many people see the pond daily. The fountain will not only be pleasant for the homeowners who live in front of the pond but our homeowners who use the trail on the daily.



**Description of how the grant funding will be matched by the organization:**

Due to the need for a replacement fountain, the Hills of Shannon has already set aside 2,500 dollars for fountain maintenance from our 2022 yearly budget. The Hills of Shannon budgeted for that cost in October of 2021, prior to the price increases that are being reflected in current bids we have recieved.

**Description of how the project will be maintained or funded in the future, if necessary:**

The HOS HOA has always had a yearly budget for the maintenance and health of our pond. We will adhere to any of the recommendations made by the manufacturer. An end of the season inspection will be done yearly. However, the model that we have selected has stainless steel components, optimized hydraulics that increase performance and efficiency while using octagonal bearings to protect against abrasive particles. These small but significant additions to the pump will allow us to optimize the life of the pump for as many years as possible.

**Required Attachment Checklist**

In addition to this application, the following documents will be required to fully assess the proposed project:

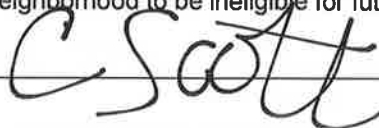
- ☐ A detailed Project Budget shown through a completed Attachment A *(Example Included)*
- ☐ Photos of the proposed project area
- ☐ Plan or map showing the location of the project and projected improvements
- ☐ At least three estimates for all work
- ☐ Letter of authorization from any agencies, utilities, or property owners affected by the project
- ☐ Letter of approval of use of funds from the neighborhood or homeowners' association Board
- ☐ If using cash contribution for the match, proof of available funds
- ☐ If planning to use volunteer hours for an in-kind match, a completed Volunteer Pledge Sheet (Attachment B)
- ☐ A copy of the by-laws for your neighborhood or homeowners' association
- ☐ A list of the current neighborhood or homeowners' association board members

**Disclaimer and Signature**

I, the applicant, understand and agree that all applicable required City permits, which may include a building permit, right of way permit, must be obtained before work begins.

I, the applicant, confirm that I have read the terms of the application and that I am acting on behalf of my neighborhood or homeowners' association, in accordance with their expressed wishes, which were determined by a vote or consensus of the majority of the neighborhood stakeholders. I understand that acting without consent of my organization may cause my neighborhood to be ineligible for future grants.

Authorized Agent's Signature: \_\_\_\_\_



Date: \_\_\_\_\_

03/24/2022

**Attachment A: Detailed Project Budget Form**

<b>TOTAL PROJECT COST (grant funds requested plus applicant match)</b>		
List all items/service required for project completion.		
<b>Vendor/supplier:</b>	<b>Item/service:</b>	<b>Amount:</b>
Aquatic Ecosystem Consultants	1 1/2 HP Sterling Fountain	3,908.45
Aquatic Ecosystem Consultants	200 ft power cable	435.00
Aquatic Ecosystem Consultants	Fountain Motor Disconnects	272.96
	Shipping	275.00
<b>Total Project Cost</b>		<b>4,891.41</b>

<b>CASH MATCH CONTRIBUTION</b>		
List any cash that will be contributed by your organization or others.		
<b>HOA/entity contributing cash</b>	<b>Item/services to be paid (if specified):</b>	<b>Amount:</b>
Hills of Shannon HOA	Budget allotment	2,445.71
<b>Total Cash Contribution</b>		<b>2,445.71</b>

<b>IN-KIND MATCH CONTRIBUTIONS</b>		
List any services or supplies that will be contributed by your organization or others.		
<b>HOA/entity donating</b>	<b>Item/services to be donated:</b>	<b>Value:</b>
<b>Total In-Kind Contribution</b>		

<b>Total Project Cost</b>	<b>4,891.41</b>
<b>Total Cash Contribution</b>	<b>2,445.71</b>
<b>Total In-Kind Contribution</b>	
<b>Total Grant Amount Requested from the NBG Program</b>	<b>2,445.70</b>

**Attachment B: Volunteer Pledge Form**  
 In-kind match of volunteer hours is rated at \$20 per hour.

Name	Phone Number	# of Hours Pledged	Signature
<b>TOTAL HOURS PLEDGED</b>			



# Central Bank

MEMBER FDIC

P.O. Box 4500, Jefferson City, MO 65102  
(816) 525-5300

RETURN SERVICE REQUESTED

OSB014001 014 OSB001

Effective March 1, 2022, a Cash Handling Fee will be applied to cash and coin transactions with a cumulative total in excess of \$10,000 per month. For additional details, please visit your banking center or call 816-525-5300.

**HILLS OF SHANNON HOMES ASSOCIATION**  
5000 W 95TH ST STE 280  
PRAIRIE VILLAGE KS 66207-3377

Period 02/01/2022 - 02/28/2022 Page 1 of 1

Web Address  
www.centralbank.net

M  
130064329

## Your Financial Summary on February 28, 2022

	Bank Deposits	Totals
Bank Deposit Accounts:		
IMMA	\$ 35,684.71	
Bank Deposit Total		\$ 35,684.71
<b>Total Assets:</b>	\$ 35,684.71	\$ 35,684.71

## Detailed Explanation of Account Balances and Other Assets

### Business Money Market Account

No. 130064329	Beginning Balance January 31, 2022	\$ 35,683.89
Deposits		
Feb. 28	Interest Earned	0.82
	Total	+\$ 0.82
	Ending Balance February 28, 2022	\$ 35,684.71

Number of days since last statement/interest cycle 28  
Beginning and ending dates for calculation of statement/interest cycle are 02/01/2022 through 02/28/2022  
Average collected balance 35,683.00  
Interest rate 0.03%  
Annual percentage yield earned 0.03%

End of Bank Deposits

## To Balance Your Checkbook

Fill in amounts below from your checkbook or savings record book and bank statement.

Send inquiries to:

### Central Bank

Bookkeeping Department  
P.O. Box 1400  
Lee's Summit, Missouri 64063-1400  
816-525-5300  
Member FDIC

Enter balance shown on bank statement. \$ \_\_\_\_\_

Add deposits not on bank statement. \$ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Subtotal (+)** \$ \_\_\_\_\_

Subtract checks or withdrawals issued but not on statement. \$ \_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Subtotal (-)** \$ \_\_\_\_\_

Balance shown in your checkbook or savings record book. (=) \$ \_\_\_\_\_

Enter balance shown in your checkbook or savings record book. \$ \_\_\_\_\_

Add any deposits and other additions, loan advances, bank deposits, Online Banking deposits, other electronic deposits, or transfers between savings & checking (including Online Banking, InfoLine, and ATMs) not entered in your checkbook or savings record book. \$ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Subtotal (+)** \$ \_\_\_\_\_

Subtract service charges, maintenance fees, automatic payments, the bank withdrawals, Online Banking payments, Debit Point-of-Sale transactions, other electronic transactions, or transfers between savings & checking (including Online Banking, InfoLine, and ATMs) not entered in your checkbook or savings record book. \$ \_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Subtotal (-)** \$ \_\_\_\_\_

### Balance

(=) \$ \_\_\_\_\_

**These totals represent the correct amount of money you have in the bank and should agree. Please examine your statement promptly and report any errors immediately.**

### Important Information About Securities Line, Cash Reserve and Business Reserve

#### INTEREST CHARGE CALCULATION:

We figure the interest charge on your account by applying the daily periodic rate to the "daily balance" of your account for each day in the billing cycle. To get the "daily balance", we take the beginning balance of your account each day, add any new advances and subtract any credits or payments for that day. This gives us the daily balance. We add each day's interest charge to get the total interest charge which is shown on your monthly statement.

To calculate the Average Daily Balance noted in the Balance Subject to Interest Rate column we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance". The interest charge may be calculated by multiplying each of the average daily balances by the applicable daily periodic rate, multiplying the results by the number of days in the billing cycle divided by 365 and adding together to get the Total Interest For This Period.

### WHAT TO DO IF YOU THINK YOU FIND A MISTAKE ON YOUR STATEMENT/BILL:

If you think there is an error on your statement/Bill, write to us at:  
Central Bank, P.O. Box 1400, Lee's Summit, Missouri 64063-1400

In your letter, give us the following information:

- > Account Information: Your name and account number.
  - > Dollar amount: The dollar amount of the suspected error.
  - > Description of Problem: if you think there is an error on your statement/bill, describe what you believe is wrong and why you believe it is a mistake.
- You must contact us within 60 days after the error appeared on your statement/bill. You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question. While we investigate whether or not there has been an error, the following are true:
- > We cannot try to collect the amount in question, or report you as delinquent on that amount.
  - > The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
  - > While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
  - > We can apply any unpaid amount against your credit limit.

### PERSONAL ACCOUNTS:

#### IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Telephone us at 1-866-998-4617

or write us at:

Central Banccompany, Regulation E Investigations, P.O. Box 779, Jefferson City, MO 65102-9982

as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error occurred.

- (1) Tell us your name and account number
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this (20 business days if the transfer involved a new account), we will recredit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.

**HILLS OF SHANNON HOMEOWNERS ASSOCIATION  
OPERATING BUDGET  
CALENDAR YEAR 2022**

**2022**

**INCOME**

	PER UNIT	ANNUAL BUDGET
Assessments (261 Lots)	\$ 170.00	\$ 44,370.00
Late Fees		\$ -
Legal Fee Income		\$ -
Bank Interest		\$ -
Fine Charges		\$ -
Special Assessment		\$ -
<b>TOTAL INCOME</b>		<b>\$ 44,370.00</b>

**EXPENSES**

*Administrative Expenses*

Credit Reporting	\$ 24.00
Bad Debt - WriteOff	\$ -
Management Fees	\$ 5,580.00
Management Consult	\$ 440.00
Annual Registration	\$ 30.00
Web Site	\$ 120.00
Insurance	\$ 1,810.00
Water	\$ 350.00
Electric	\$ 2,100.00
Storage Unit	\$ 780.00
Legal Fees / Taxes	\$ 2,500.00
Printing / Postage / Bank S/C	\$ 2,000.00
General Maintenance	\$ 1,000.00
Member Engagement Committee	\$ 600.00
Other Committees	\$ 300.00
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$ 17,634.00</b>

*Operating Expenses*

Landscape Services	\$ 14,175.00
Tree Trimming	\$ 2,000.00
Circle Planter & Landscaping Improvements	\$ 5,500.00
Playground Equipment	\$ 1,361.00
Fountain Maintenance	\$ 3,500.00
Decorate Entrance	\$ 200.00
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 26,736.00</b>

<b>TOTAL EXPENSES</b>	<b>\$ 44,370.00</b>
-----------------------	---------------------

Hills of Shannon HOA  
% CAM Management  
5000 W 95th St Suite 280  
Prairie Village, KS 66207

City of Smithville, MO  
107 W Main Street  
Smithville, MO 64089  
Phone: (816)592-9167

Sir or Madam -

This letter is to inform you that the Hills of Shannon HOA Board has voted to spend \$2,445.70 on the fountain replacement project for the Smithville Neighborhood Beautification Grant. Please see the attached financial document that shows the ability for the Hills of Shannon to pay their part of the grant agreement.

Thank you for your time and consideration in this matter. We look forward to hearing from you.

Sincerely,

Hills of Shannon HOA Board:

Constance Scott - President  
Art Jonhson - Vice President  
Bradely Scott - Treasurer  
Dave Mullen - Secretary  
Vic Amos - Member at Large



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We Sell The Most Rugged Pond Fountain Pumps  
Heavy Duty Trash Pumps Designed to Operate in Dirty Water

Lighted Fountains: 1-800-351-8814  
Unlighted Fountains: 1-800-293-3937

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Fountains / [EFS4000 Heavy Duty Lake Fountain 40' x 40' sprays](#)

8 of 8



## EFS4000 Heavy Duty Lake Fountain 40' x 40' sprays

**\$7,720.00**

N/A

**Spray heads:**  
(?):

2 sets of spray heads are included with this fountain.

Pond Fountain

Unlighted Fountain

Lighted Fountain

Fountains 101

Learn about which  
Eagle Fountain is right



Fountains / EFS4000 Heavy Duty Lake Fountain 40' x 40' sprays

⏩ 8 of 8 ⏪



# EFS4000 Heavy Duty Lake Fountain

## 40' x 40' sprays

**\$7,720.00**

**Spray heads:**  
(?):

N/A

2 sets of spray heads are included with this fountain.

**40 amp GFCI  
breaker  
disconnect  
option (?)**:

YES (+\$260.00) ▼

A GFCI breaker disconnect option is available on the EFL450 fountain. The cost of the GFCI service breaker disconnect is \$260.00 which will be added to the fountain total when selected. Change the default setting from 'NO' to 'YES' to include the GFCI.

**Additional  
Service Cord:**

No ▼

This fountain comes standard with 150 feet of electrical cord. If you wish, we can lengthen the cord in 10 foot increments, up to a maximum of 200 feet.

CODE:

EFS-4000

Quantity:

+

1

-

ADD TO CART

Pond Fountain

Unlighted Fountain

Lighted Fountain

Fountains 10'

Learn about which  
Eagle Fountain is right for you

### CUSTOMER TESTIMONIALS

"I purchased the EFS 1900 fountain from Eagle Fountains in June of 2004 (almost 11 ago) for our retention and pond in our mobile home. I finally quit last week, Feb. - Mitchell Manor Mobile

Read More Testimonials

Features

WE'VE WORKED WITH  
THESE COMPANIES

**Aquatic Ecosystem Consultants**

P.O. Box 523

Bonner Springs, KS 66012

**Estimate 1125**

DATE	TOTAL	EXPIRATION
03/24/2022	<b>\$4,891.41</b>	DATE
		04/24/2022

**ADDRESS**

Hills of Shannon HOA

14608 Green Castle St

Smithville, MO 64089

DESCRIPTION	QTY	RATE	AMOUNT
CFTN0496 Sterling Fountain 1.5HP - 230V	1	3,908.45	3,908.45
CBL0532 Cable 200' 10/4	200	2.175	435.00
FTP0044 Fountain Motor Disconnects	1	272.96	272.96

\*Electrician will be needed for installation of PCC and conduit  
from PCC to pond edge.

SUBTOTAL	4,616.41
TAX	0.00
SHIPPING	275.00

\*Pricing includes anchoring of fountain in pond.

TOTAL	<b>\$4,891.41</b>
-------	-------------------

THANK YOU.

Accepted By

Accepted Date

# Scott Aerator 1HP Amherst Decorative Water Fountain

Home Floating Pond Fountains Scott Aerator 1HP Amherst Decorative Water Fountain



## Scott Aerator 1HP Amherst Decorative Water Fountain

**\$2,699.00 - \$4,634.00**

CORD LENGTH 150ft.

LED LIGHT KIT Warm White LED Lights



Cle

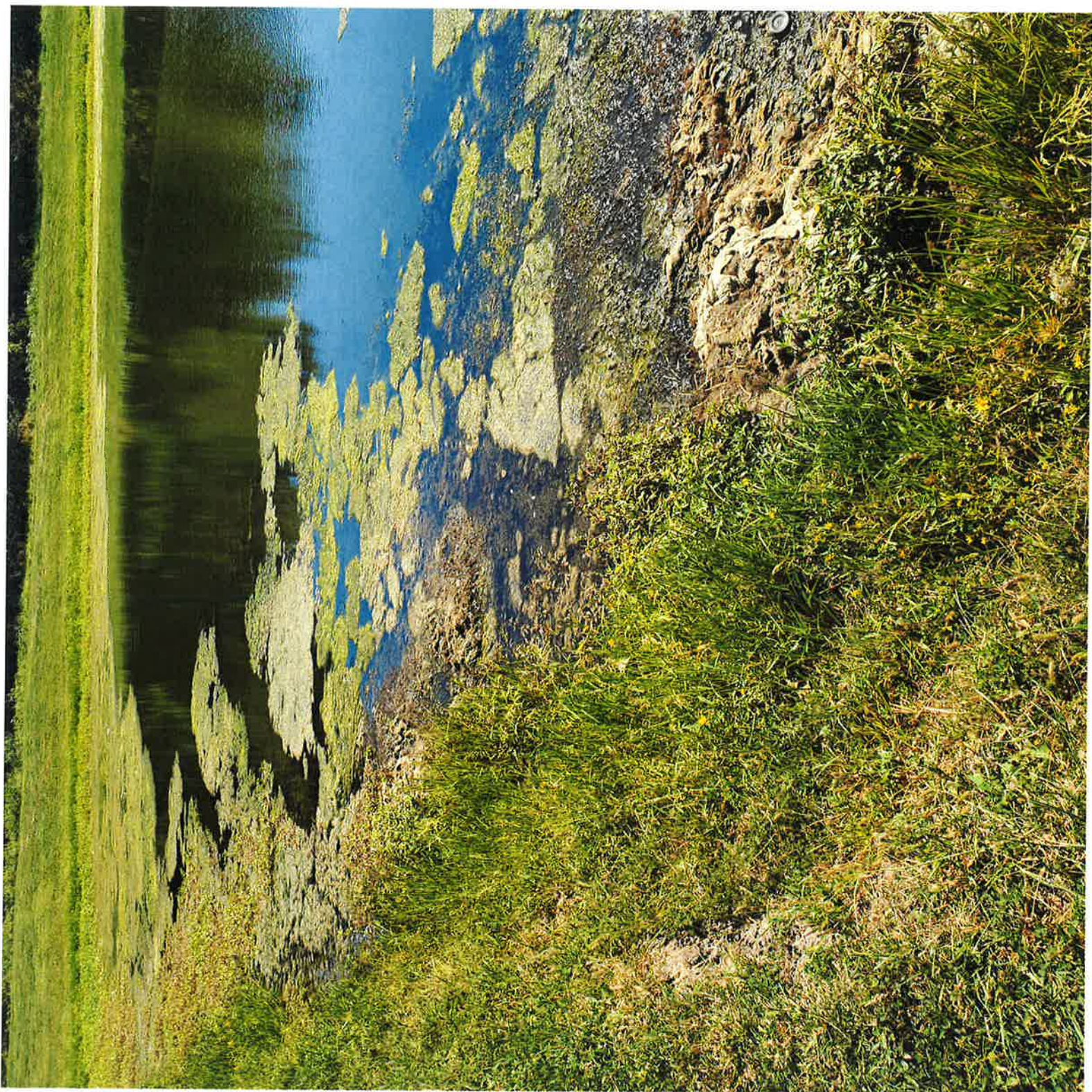
Amherst Fountain: 1hp | 115V | 150ft cord | 2-Fixture Warm White LED Light Kit

~~\$4,350.00~~ **\$4,314.00**

Out of stock

ADD TO CART













Groceries

Restaurants

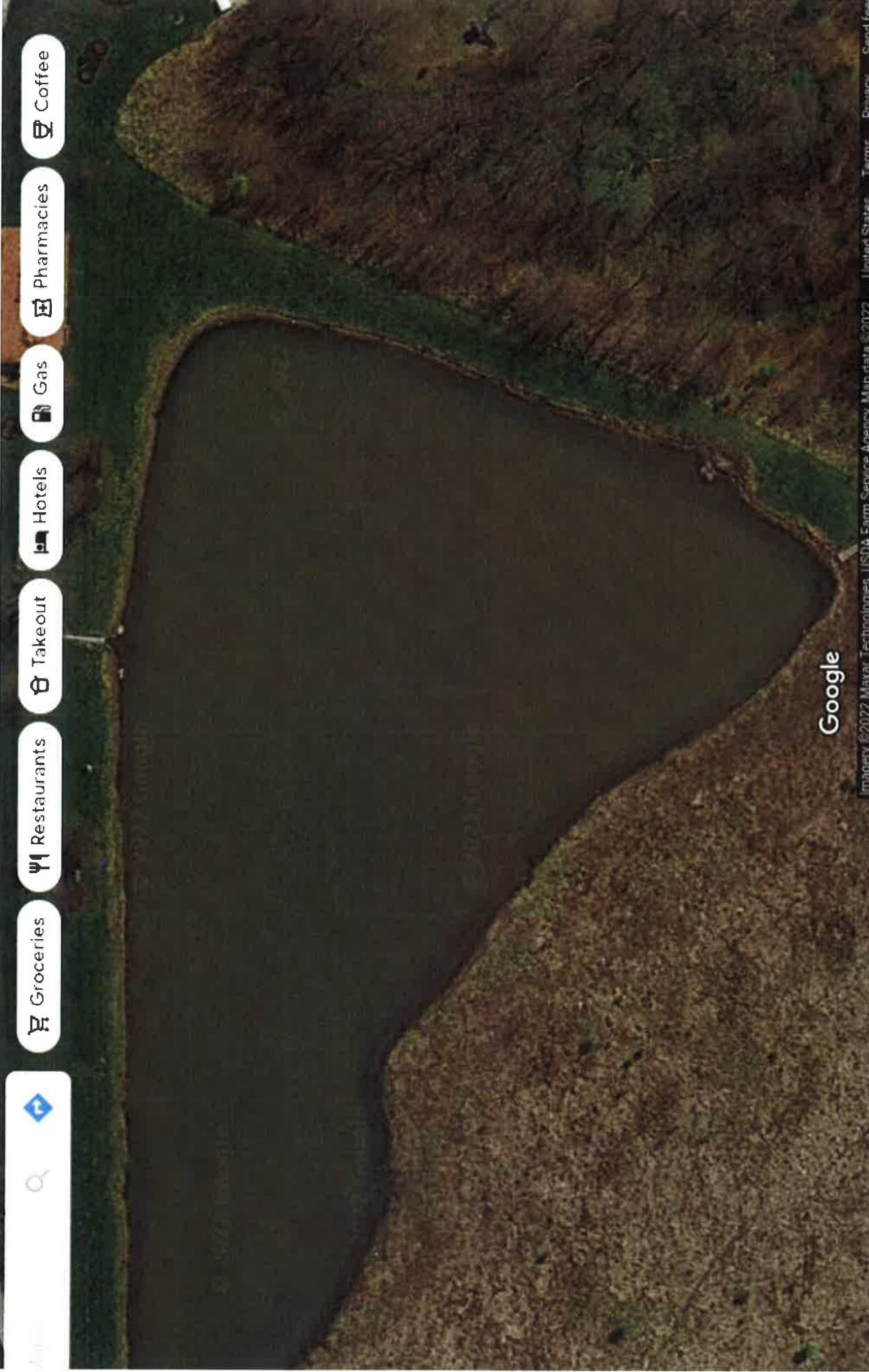
Takeout

Hotels

Gas

Pharmacies

Coffee



Google



1 1-2 HP Classic Fountain

**BYLAWS  
OF  
HILLS OF SHANNON HOMES ASSOCIATION**

**ARTICLE I.  
OFFICES**

1.1 **Name.** The name of the corporation is HILLS OF SHANNON HOMES ASSOCIATION. It is incorporated under the laws of the State of Missouri as a corporation not-for-profit.

1.2 **Location.** The principal office of the corporation and meetings of members and directors may be held at a place so designated by the board of directors.

**ARTICLE II.  
DEFINITIONS**

2.1 **Association** shall mean the HILLS OF SHANNON HOMES ASSOCIATION, its successors and assigns.

2.2 **District** shall mean all of the property which is now or hereafter within the jurisdiction of the Association as provided in the Declaration.

2.3 **Common Areas**, if any, shall have the meaning set forth in the Declaration.

2.4 **Street** shall mean any public or private street, road, terrace, circle or boulevard shown on any recorded plat of all or part of the District.

2.5 **Lot** shall mean any lot as shown as a separate lot on any recorded plat of all or part of the District; provided, however, that if an Owner, other than the Developer, owns all or part of one or more adjacent lots upon which only one residence has been, is being, or will be erected, then such adjacent property under common ownership shall be deemed to constitute only one "Lot".

2.6 **Owner** shall mean the record owner in fee simple of any Lot in the District, including the Developer.

2.7 **Developer** shall mean and refer to Criterion Communities, L.L.C., a Colorado corporation, and its successors and assigns.

2.8 **Restrictions** shall mean the Declaration of Restrictions for Hills of Shannon, dated as of July 26, 1994, and recorded August 15, 1994 in Document M-30265, at Book 2381, Page 334, in the Office of the Recorder of Deeds, Clay County, Missouri, as such Restrictions may be amended from time to time.



2.9 **Declaration** shall mean the Hills of Shannon Homes Association Declaration dated September 2, 1994, and recorded September 6, 1994 in Document M-32482, at Book 2387, Page 314, in the Office of the Recorder of Deeds, Clay County, Missouri, as such Declaration may be amended from time to time.

### **ARTICLE III. MEMBERSHIP**

3.1 **Membership.** Membership in the Association shall be limited to any person or entity who is the Owner of the fee interest or of an undivided portion of the fee interest in any Lot which is now or hereafter within the jurisdiction of the Association. Persons or entities who hold an interest merely as security for the performance of an obligation shall not be members. Membership shall be appurtenant to and may not be separated from ownership of a Lot which is subject to assessment by the Association.

3.1.1 **Membership for Guardian of Minors.** In case the legal title to a Lot in the District is held by one or more minors, their natural or legal guardian or guardians shall be eligible for membership, or if there be more than one such guardian, they shall jointly have the right to cast only one vote for any candidate at any election or on any question or such guardians may designate in writing one of them as a member in their stead and such person shall thereupon become eligible for membership, subject to the approval of the Board of Directors.

3.1.2 **Membership for Representatives of Corporations.** In case the legal title to a Lot in the District is held by a corporation, partnership or other entity, the Owner may designate, by filing a written instrument with the Association, any person as its member representative.

3.1.3 **Suspension of Membership.** During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association as provided in the Declaration, the voting rights and the right to use any recreational facilities, if any, in or available to the District may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed 90 days, for violation of any of the rules and regulations established by the Board of Directors governing the use of the Common Areas, if any, and the recreational facilities, if any, in or available to the District.

#### **ARTICLE IV.**

#### **VOTING RIGHTS**

The Association shall have two classes of voting members:

4.1 **Class A.** Class A members shall consist of all of the persons and entities who are members as provided in Article III; and shall be entitled to one vote for each Lot owned. When more than one person holds such interest in any Lot, all such persons shall be members and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast by members with respect to any Lot.

4.2 **Class B.** The Class B member shall be Developer; and shall be entitled to ten (10) votes for each Lot owned by Developer within the entire District. Provided, however, so long as Developer is the owner of at least one Lot, then notwithstanding any provision herein to the contrary, the Class B member shall be entitled to approve and/or exercise veto power in conjunction with all votes by the members, including all votes by the Board of Directors of the Association. In the event Developer owns less than one Lot, the Class B Membership shall cease and be converted to a Class A membership.

4.3 **Developer Control.** Notwithstanding anything herein to the contrary, no members shall have any votes nor assume any of the rights provided herein or in the Declaration without the express written relinquishment of such control by Developer. Until such assignment or conveyance occurs, Developer shall appoint all members of the Board of Directors, and otherwise exercise all decisions of the Association, except as may be delegated or otherwise transferred as herein provided.

#### **ARTICLE V.**

#### **USE OF COMMON AREAS**

5.1 **Undedicated Common Areas.** The Owners of Lots within the District shall have the right to the use of Common Areas, if any, appearing as undedicated common areas, if any, on the plat of the District, or as may appear on subsequent plats of the District, or as may be created by separate document filed for that purpose with the Recorder of Deeds of Clay County, Missouri, by the Developer, or as may otherwise be created.

5.2 **Rules and Regulations.** The Association shall have the right and the power, from time to time, to make reasonable rules and regulations which shall govern the use of the Common Areas. The rules and regulations set forth at Exhibit "A" attached hereto are hereby adopted as of the date hereof.

#### **ARTICLE VI.**

#### **BOARD OF DIRECTORS**

6.1 **Number.** The business and affairs of the Association shall be managed by a Board of Directors, composed of **three (3)** directors, initially who shall be appointed by the Developer. The initial directors, or their successors appointed by Developer, shall hold office

until Developer no longer owns any Lots in the District or until Developer relinquishes its Class B membership, whereupon, the Developer must call a special meeting for the election of directors. Each director nominated at the special meeting shall hold office until the next annual election of directors or until his or her earlier resignation or removal. Each individual elected as a director shall serve for a term of one year and until his or her successor is duly elected and has commenced his or her term of office, or his or her earlier resignation or removal.

6.2 **Qualification.** All directors, other than the initial directors, shall be members in good standing of the Association.

6.3 **Removal.** Any director, except for the initial directors, may be removed from the Board of Directors, with or without cause, by a majority vote of the members of the Association entitled to vote. In the event of death, resignation or removal of a director, a successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of such predecessor.

6.4 **Compensation.** No director shall receive compensation for the service to the Association as a director. However, any director may be reimbursed for actual expenses incurred in the performance of such duties.

## **ARTICLE VII. MEETINGS OF DIRECTORS**

7.1 **Annual Meetings.** Annual meetings of the Board of Directors shall be held following the annual meeting of the members at such place as may be fixed by the board.

7.2 **Regular Meetings.** Regular meetings of the Board of Directors shall be held at such place and time as may be fixed from time to time by the board.

7.3 **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the president of the Association or by any two directors.

7.4 **Notice of Special Meetings.** Written or printed notice stating the place, day and hour of a special meeting and the purpose or purposes for which the meeting is called, shall be delivered to each director not less than five days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his address as it appears on the records of the Association, with postage thereon prepaid.

7.5 **Waiver of Notice.** Any notice provided or required to be given to the directors may be waived in writing by any of them whether before or after the time stated therein. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where the director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

7.6 **Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business. Except as provided in Article XVI hereof, every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the board.

7.7 **Adjournment.** If a quorum shall not be present at any such meeting, the directors present shall have the power successively to adjourn the meeting, without notice other than announcement at the meeting, to a specified date. At any such adjourned meeting at which a quorum shall be present any business may be transacted which could have been transacted at the original session of the meeting.

7.8 **Meetings by Conference Telephone or Similar Communications Equipment.** Unless otherwise restricted by the Articles of Incorporation or these Bylaws, members of the Board of Directors of the Association, or any committee designated by the board, may participate in a meeting of the board or committee by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant hereto shall constitute presence in person at such meeting.

7.9 **Action Taken Without a Meeting.** The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## **ARTICLE VIII.**

### **NOMINATION AND ELECTION OF DIRECTORS**

8.1 **Nomination.** Subject to Section 6.1, nomination for election to the Board of Directors shall be made from the floor at the annual meeting of the members.

8.2 **Election.** Election to the Board of Directors shall be by written ballot. At any such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of Article IV hereof. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

8.3 **Commencement of Term of Office.** A director shall be deemed elected at the time of such election, but shall not be deemed to have commenced the term of office or to have any of the powers or responsibilities of a director until the time he or she accepts the office of director either by a written acceptance or by participating in the affairs of the Association at a meeting of the board of directors or otherwise.

## **ARTICLE IX.**

### **POWERS OF THE BOARD OF DIRECTORS**

The members of the Board of Directors shall have the following powers:

9.1 **Scope.** Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, the Declaration or the Restrictions.

9.2 **Rules and Regulations; Common Areas; Pond.** The Association shall assume control of all Common Areas, and shall adopt and publish rules and regulations governing the use of the Common Areas, if any, and the personal conduct of the members and their guests thereon, and to establish penalties, including monetary fines, for the infraction thereof; provided, however, that the Board of Directors may not, in any event, revoke, limit, restrict, or suspend in any way, the right of any Owner to use and enjoy any street for ingress and egress. The Association recognizes that the pond located within the Common Areas is an asset which requires strict rules and regulations regarding access, use and any activities related thereto. During any period of time that the Developer owns other property not a part of the District which adjoins such pond, the Association shall nonetheless endeavor to control and maintain all use of and activities concerning the pond and other Common Areas and shall indemnify and hold Developer harmless from any claim, loss, cost, or expense related to any member, guest, invitee, contractor or licensee of the District and Association and their respective employees, contractors and officers. The Association shall maintain contractual liability insurance with respect to such indemnities in accordance with Section 9.8 below.

9.3 **Employment.** Employ (and contract with for such periods of time and on such terms as may be deemed appropriate) agents, independent contractors, managers and employees, and to prescribe their duties and responsibilities, if necessary.

9.4 **Records and Reports.** Cause to be kept a complete record of all its acts and of the corporate affairs of the Association and to present reports thereof to the members.

9.5 **Supervision.** Supervise all officers, agents and employees of the Association, and see that their duties, if necessary, are properly performed.

9.6 **Assessments.** As more fully provided in the Declaration, provide for the levying of the annual assessment against each Lot and any special assessment against any Lot.

9.7 **Certificates.** Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not an assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment.

9.8 **Insurance.** The Board of Directors shall procure and maintain (i) insurance covering the Association and the Developer against any liability to the public or the members, and their invitees and tenants, incident to the operation of the Association, including ownership and operation of all Common Areas, in an amount not less than \$1,000,000 against the claim of one person or \$2,000,000 against the claims of two or more persons in one occurrence, (ii) property damage insurance in an amount not less than \$500,000 per occurrence, and (iii) errors and omissions insurance for directors and officers. Such policy or policies shall contain an

endorsement providing that the rights of the named insured shall not be prejudiced with respect to actions against other named insureds, and shall contain a contractual liability endorsement with respect to any contractual obligations and indemnities provided by the Association in these Bylaws or otherwise duly adopted or agreed by the Association. Notwithstanding the foregoing, the Board of Directors shall have the authority to maintain such other insurance as the Board deems advisable in the operation and protection of the District and the Association.

9.9 **Bonding.** Cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate.

9.10 **Maintenance.** Cause the Common Areas, as they exist from time to time, to be maintained and maintain the entry landscape easements. The Association shall also maintain, repair and replace the cluster mailboxes erected for use by the members in compliance with local rules and ordinances for such receptacles.

9.11 **Committees.** During the period that the Developer appoints the directors, the Board may appoint an Advisory Committee of the membership from which to seek input and assistance in operating and maintaining the District. The Board may otherwise appoint an executive committee and other committees and delegate to such committees any of the powers and authority of the Board of Directors in the management of the business and affairs of the Association. Any such committee shall be composed of two or more directors.

9.12 **Indebtedness of Association.** To the extent permitted by the Declaration, borrow money and incur indebtedness for purposes of the Association and cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor; provided, however, that the repayment of any such indebtedness shall not be or become the personal obligation of any Owner.

9.13 **Performance.** Perform all acts and do all things required or permitted to be done by the Association by the Declaration or otherwise; and perform all acts and do all things permitted or required of a Board of Directors of a not-for-profit corporation under the laws of the State of Missouri.

## **ARTICLE X.**

### **MEETINGS OF MEMBERS**

10.1 **Annual Meetings.** The annual meetings of the members of the Association shall be held on the first Tuesday of November of each year, commencing November 2003, at such place as may be fixed by the Board of Directors. If the day for the annual meeting of members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday. At the annual meeting, directors shall be elected, reports of the affairs of the Association shall be considered, assessment levels shall be established and any other business within the powers of the membership may be transacted.

10.2 **Special Meetings.** Special meetings of the members may be called at any time by the president or by a majority of the Board of Directors, or upon written request of members holding at least one-tenth (1/10th) of the votes of the members.

10.3 **Notice of Meetings.** Written notice of each meeting of the members shall be given by, or at the direction of, the secretary of persons authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least five days before a regular meeting and at least ten days before a special meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

10.4 **Quorum.** The presence at a meeting, in person or by proxy, of members entitled to cast at least one-fourth (1/4th) of a total votes of the membership shall constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be obtained. Except as otherwise provided in the Declaration or the Articles of Incorporation or by law, a majority vote of those present at a meeting at which a quorum is present shall be necessary to transact any business.

10.5 **Proxies.** At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing on forms provided by the Association and shall be validly notarized by a notary public, and filed with the secretary of the Association before the meeting. Every proxy shall be revocable and shall automatically cease to be effective, if not sooner terminated by its terms or revoked, upon the expiration of one year from the date of its issuance or upon conveyance by the member of his Lot, whichever event shall occur sooner.

## **ARTICLE XI.**

### **OFFICERS AND THEIR DUTIES**

11.1 **Enumeration of Offices.** The officers of the Association shall be a president, a vice-president, a secretary and a treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board of Directors may from time to time elect.

11.2 **Election of Officers.** Initially, the officers shall be elected by the Board of Directors named by the incorporator of the Association at the first meeting of that body, to serve at the pleasure of the board until the first annual meeting of the board and until their successors are duly elected and qualified or until their earlier resignation or removal.

At the first and each subsequent annual meeting of the Board of Directors the newly elected board shall elect officers to serve at the pleasure of the board until the next annual meeting of the board and until their successors are duly elected and qualified or until their earlier resignation or removal.

An officer shall be deemed qualified when he or she enters upon the duties of the office to which elected or appointed and furnishes any bond required by the Board or these Bylaws; but the Board may also require of such person a written acceptance and promise faithfully to discharge the duties of such office.

11.3 **Special Appointments.** The Board of Directors may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

11.4 **Resignation and Removal.** Any officer may be removed from office by the Board of Directors, with or without cause, at any time. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

11.5 **Vacancies.** A vacancy in any office may be filled by the Board of Directors at any time. The officer elected to such vacancy shall serve for the remainder of the term of the officer replaced.

11.6 **Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any other offices except in the case of the Developer or special offices created pursuant to this Article.

11.7 **Duties.** The duties of the officers are as follows:

**President.** The president shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Association. The president shall preside at all meetings of the membership and at all meetings of the Board of Directors. He shall be ex officio a member of all standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

**Vice President.** The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties and have such other powers as may be prescribed by the Board of Directors.

**Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members, shall keep the corporation seal of the Association and affix it on all papers required to have the seal affixed thereto, shall serve notice of meetings of the Board and of the members, shall keep appropriate current records showing the members of the Association, together with their addresses, and shall perform such other duties, and have such other powers as may be prescribed by the Board.



Treasurer. The treasurer shall have responsibility for the safekeeping of the funds of the Association, shall keep or cause to be kept full and accurate accounts of receipts and disbursements of the Association and such other books of account and accounting records as may be appropriate, and shall perform such other duties and have such other powers as may be prescribed by the Board of Directors. The books of account and accounting records shall at all reasonable times be open to inspection by any director.

11.8 **Compensation.** Officers of the Association shall not receive any compensation or salary for their services, but may be reimbursed for their actual expenses incurred in the performance of the duties of their offices.

## **ARTICLE XII. ASSESSMENTS**

12.1 **Purposes.** The assessments levied by the Association shall be used to provide a general fund to enable the Association to exercise the powers, maintain the Common Areas and improvements and render the services provided for in these Bylaws, the Declaration, the Restrictions and the Articles of Incorporation.

12.2 **Provisions Governing Assessments.** Assessments shall be levied in the manner provided in the Declaration and all matters concerning assessments shall be governed by the provisions of the Declaration.

## **ARTICLE XIII. BOOKS AND RECORDS**

The books and records of the Association shall, upon notice, at all times, be subject to inspection by any member. The Declaration, Articles of Incorporation and Bylaws of the Association shall also be available for inspection by any member at the principal office of the Association.

## **ARTICLE XIV. CORPORATE SEAL**

The Association shall not have a corporate seal.

## **ARTICLE XV. GENERAL PROVISIONS**

15.1 **Depositories and Checks.** The monies of the Association shall be deposited in such manner as the directors shall direct in such banks or financial institutions as the directors may designate and shall be drawn out by checks signed in such manner as may be provided by resolution adopted by the Board of Directors.

15.2 **Certain Loans Prohibited.** The Association shall not make any loan to any officer or director of the Association.

15.3 **Absence of Personal Liability.** The directors, officers, and members of the Association shall not be individually or personally liable for the debts, liabilities or obligations of the Association.

15.4 **Indemnification and Liability of Directors and Officers.** Each person who is or was a director or officer of the Association or is or was serving at the request of the Association as a director or officer of another corporation (including the heirs, executors, administrators and estate of such person) shall be indemnified by the Association as of right to the full extent permitted or authorized by the laws of the State of Missouri, as now in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorneys' fees) asserted or threatened against and incurred by such person in his capacity as or arising out of his status as a director or officer of the Association or, if serving at the request of the Association, as a director or officer of another corporation. The indemnification provided by these bylaw provisions shall not be exclusive of any other rights to which those indemnified may be entitled under the Articles of Incorporation, under any other bylaw or under any agreement, vote of members or disinterested directors or otherwise, and shall not limit in any way any right which the corporation may have to make different or further indemnifications with respect to the same or different persons or classes of persons.

#### **ARTICLE XVI.** **AMENDMENT**

These Bylaws may be altered, amended, or repealed in any of the following ways: (i) by a two-thirds (2/3) vote of the total votes of the Class A and Class B members of the Association present at a meeting at which a quorum is present, or (ii) by a two-thirds (2/3) vote of the Board of Directors, both of which require the approval of the Class B member, so long as Class B membership exists.

#### **ARTICLE XVII.** **CONFLICT**

In the case of any conflict between the Articles of Incorporation of the Association and these Bylaws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

#### **ARTICLE XVIII.** **FISCAL YEAR**

The Board of Directors shall have power to fix and from time to time change the fiscal year of the Association. In the absence of action by the board of directors, the fiscal year of the Association shall end each year on the date which the Association treated as the close of its first fiscal year, until such time, if any, as the fiscal year shall be changed by the Board of Directors.

**CERTIFICATE**

The undersigned secretary of HILLS OF SHANNON HOMES ASSOCIATION, a Missouri not-for-profit corporation, hereby certifies that the foregoing Bylaws are the original Bylaws of said Association adopted by the initial directors named by the incorporator of the Association.

Dated: November 15, 2002

James L. Wasko  
Name: James L. Wasko  
Title: Secretary

STATE OF Missouri )  
COUNTY OF Jackson ) ss.

On this 15<sup>th</sup> day of November 2002, before me, a Notary Public, personally appeared James L. Wasko, President of HILLS OF SHANNON HOMES ASSOCIATION, a Missouri not-for-profit corporation, to me known to be the person described in and who executed the foregoing instrument on behalf of said corporation, and acknowledged that he executed the same as the free act and deed of said corporation.

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

Ann Combs  
NOTARY PUBLIC

My commission expires:

Dec 4, 2005

**ANN M. COMBS**  
Notary Public-Notary Seal  
Olay County-State of Missouri  
My Commission Exp. 12/5/04

## EXHIBIT "A"

### A. Lake/Pond Rules and Regulations.

1. No motorized vehicles are allowed on dam or common areas other than for maintenance purposes.
2. No motorized boats or motorized rafts are allowed on lake.
3. No docks, rafts or other structures may be built into or over the lake.
4. No unattended rafts or boats or paddle boats may be docked on common property.
5. No trash may be disposed of in or near the lake.
6. No swimming or diving in lake is permitted for safety reasons.
7. No glass containers or littering in or around lake are permitted.
8. No cleaning of fish is allowed in or around lake.
9. Only residents of Hills of Shannon and accompanied guests are allowed to use lake and surrounding common areas.
10. Residents are encouraged to have at least two clean-up days for beautifying of area.
11. All lake users do so at their own risk. Swimming is not permitted and there is no lifeguard on duty; therefore, children should be properly supervised.
12. No loud noises.
13. Hours: Dawn to Dusk.

- B. Mail Boxes. Once cluster mailboxes have been installed by Developer, they then will become the property of the Association and shall be maintained by the Association permanently. Lost keys shall be replaced at the expense of individual homeowners.



## Neighborhood Beautification Grant Application City of Smithville, MO

### Applicant Information

Neighborhood or Homeowners' Association Name: Hills of Shannon Date: 03/24/2022

Address: c/o CAM Management 5000 W 95th St Suite 280

**Street Address**

Prarie Village

KS

66207

**City**

**State**

**ZIP Code**

Phone: 918-397-2904 Email: hillsofshannon@gmail.com

Contact Person: Constance Scott Title: HOA Board President

Project Title: Playground Upgrade Including ADA accessible needs

**Brief Description of the proposed Project:**

Upgrading our community playground to be more inclusive by adding an ADA swing, a ramp for wheel chairs to access the playground, a border, and swing mats.

### Budget Information

The amount of grant funds awarded to the neighborhood ranges from \$50 - \$25,000. All funds awarded are required to have matching funds contributed from the neighborhood. Matching funds can come in the form of actual funds or in-kind donations such as volunteer hours or equipment. The required match must be equal to 50% of the total project cost. (e.g., if total project cost is \$10,000, the neighborhood or homeowners' association contributes \$5,000 and requests \$5,000 in grant funds from the program.) Volunteer hours are calculated at the rate of \$20/hour and must be confirmed at the completion of the project.

Total Project Cost:	<u>4,663.40</u>
Grantee Cash Contribution:	<u>2,241.70</u>
Grantee In-Kind Contribution:	<u>180.00</u>
Grant Amount Requested:	<u>2,331.70</u>

### Project Information – Please attach additional documentation if needed

Expected Project Start Date ASAP Expected Completion Date July 30th 2022

**Description of how this project will enhance the neighborhood:**

As one of the larger subdivisions, The Hills of Shannon prides itself on being inclusive as possible for our all of our homeowners needs. The addition of an ADA swing, ramp, border, and rubberize mulch will allow the Hills of Shannon to stand out as a community aware that all ages and all abilities love to swing and play. Physical limitations should not bar a young child from experincing the joy of playing with peers on a playground.

**Description of how the grant funding will be matched by the organization:**

We are jumping at the chance to provide an upgrade and increase inclusivity in our community. Therefore, we will be accessing our savings fund to help secure the finances for the upgrade should this grant be approved.

**Description of how the project will be maintained or funded in the future, if necessary:**

The Hills of Shannon will perform a yearly check and maintenance on the ADA swing per the vendor's recommendations. We will also walk the perimeter and inspect the boards for any wear and tear. We will oil any moving parts as needed and replace smaller items such as chains or screws as needed due to the elements. We will inspect all swing mats twice yearly: once in the spring as the weather becomes nicer and once towards end of summer/beginning of fall as the season wears down.

**Required Attachment Checklist**

In addition to this application, the following documents will be required to fully assess the proposed project:

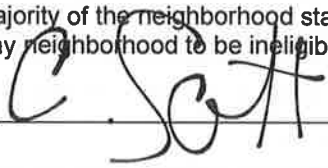
- ☐ A detailed Project Budget shown through a completed Attachment A *(Example Included)*
- ☐ Photos of the proposed project area
- ☐ Plan or map showing the location of the project and projected improvements
- ☐ At least three estimates for all work
- ☐ Letter of authorization from any agencies, utilities, or property owners affected by the project
- ☐ Letter of approval of use of funds from the neighborhood or homeowners' association Board
- ☐ If using cash contribution for the match, proof of available funds
- ☐ If planning to use volunteer hours for an in-kind match, a completed Volunteer Pledge Sheet (Attachment B)
- ☐ A copy of the by-laws for your neighborhood or homeowners' association
- ☐ A list of the current neighborhood or homeowners' association board members

**Disclaimer and Signature**

I, the applicant, understand and agree that all applicable required City permits, which may include a building permit, right of way permit, must be obtained before work begins.

I, the applicant, confirm that I have read the terms of the application and that I am acting on behalf of my neighborhood or homeowners' association, in accordance with their expressed wishes, which were determined by a vote or consensus of the majority of the neighborhood stakeholders. I understand that acting without consent of my organization may cause my neighborhood to be ineligible for future grants.

Authorized Agent's Signature: \_\_\_\_\_



Date: \_\_\_\_\_

**03/30/2022**

**Attachment A: Detailed Project Budget Form**

<b>TOTAL PROJECT COST (grant funds requested plus applicant match)</b>		
List all items/service required for project completion.		
<b>Vendor/supplier:</b>	<b>Item/service:</b>	<b>Amount:</b>
Discount Playground Supply	12 inch border - 27.95 per unit (55 units)	1,537.25
Discount Playground Supply	ADA Full Wheel Chair Ramp	617.95
Discount Playground Supply	Extreme Swing Mat	97.95
Discount Playground Supply	ADA Swing (ages 2-12)	865.95
" "	shipping	1,070.45
Install Hours (Volunteer)		180.00
<b>Total Project Cost</b>		<b>4,663.40</b>

<b>CASH MATCH CONTRIBUTION</b>		
List any cash that will be contributed by your organization or others.		
<b>HOA/entity contributing cash</b>	<b>Item/services to be paid (if specified):</b>	<b>Amount:</b>
Hills of Shannon HOA	Alloted Amount from savings	2241.70
<b>Total Cash Contribution</b>		<b>2,241.70</b>

<b>IN-KIND MATCH CONTRIBUTIONS</b>		
List any services or supplies that will be contributed by your organization or others.		
<b>HOA/entity donating</b>	<b>Item/services to be donated:</b>	<b>Value:</b>
HOA Volunteer Hours	4.5 hours labor per person (2)	180.00
<b>Total In-Kind Contribution</b>		

<b>Total Project Cost</b>	<b>4,663.40</b>
<b>Total Cash Contribution</b>	<b>2,241.70</b>
<b>Total In-Kind Contribution</b>	<b>180.00</b>
<b>Total Grant Amount Requested from the NBG Program</b>	<b>2,331.70</b>

**Attachment B: Volunteer Pledge Form**  
In-kind match of volunteer hours is rated at \$20 per hour.

Name	Phone Number	# of Hours Pledged	Signature
Constance Scott	918-397-2904	4.5	C. Scott
Bradley Scott	816-679-6529	4.5	Bradley Scott
<b>TOTAL HOURS PLEDGED</b>			



Hills of Shannon HOA  
% CAM Management  
5000 W 95th St Suite 280  
Prairie Village, KS 66207

City of Smithville, MO  
107 W Main Street  
Smithville, MO 64089  
Phone: (816)592-9167

Sir or Madam -

This letter is to inform you that the Hills of Shannon HOA Board has voted to spend \$2,331.70 on the playground upgrades project for the Smithville Neighborhood Beautification Grant. Please see the attached financial document that shows the ability for the Hills of Shannon to pay their part of the grant agreement.

Thank you for your time and consideration in this matter. We look forward to hearing from you.

Sincerely,

Hills of Shannon HOA Board:

Constance Scott - President  
Art Jonhson - Vice President  
Bradely Scott - Treasurer  
Dave Mullen - Secretary  
Vic Amos - Member at Large



MEMBER FDIC

# Central Bank

P.O. Box 4500, Jefferson City, MO 65102  
(816) 525-5300

RETURN SERVICE REQUESTED

OSB014001 014 OSB001

Effective March 1, 2022, a Cash Handling Fee will be applied to cash and coin transactions with a cumulative total in excess of \$10,000 per month. For additional details, please visit your banking center or call 816-525-5300.

**HILLS OF SHANNON HOMES ASSOCIATION**  
5000 W 95TH ST STE 280  
PRAIRIE VILLAGE KS 66207-3377

Period 02/01/2022 - 02/28/2022 Page 1 of 1

Web Address  
www.centralbank.net

M  
130064329

## Your Financial Summary on February 28, 2022

	Bank Deposits	Totals
Bank Deposit Accounts:		
IMMA	\$ 35,684.71	
Bank Deposit Total		\$ 35,684.71
<b>Total Assets:</b>	<b>\$ 35,684.71</b>	<b>\$ 35,684.71</b>

## Detailed Explanation of Account Balances and Other Assets

### Business Money Market Account

No. 130064329	Beginning Balance January 31, 2022	\$ 35,683.89
Deposits		
Feb. 28	Interest Earned	0.82
	Total	+\$ 0.82
	Ending Balance February 28, 2022	\$ 35,684.71

Number of days since last statement/interest cycle 28  
Beginning and ending dates for calculation of statement/interest cycle are 02/01/2022 through 02/28/2022  
Average collected balance 35,683.00  
Interest rate 0.03%  
Annual percentage yield earned 0.03%

End of Bank Deposits

## To Balance Your Checkbook

Fill in amounts below from your checkbook or savings record book and bank statement.

Send inquiries to:

### Central Bank

Bookkeeping Department  
P.O. Box 1400  
Lee's Summit, Missouri 64063-1400  
816-525-5300  
Member FDIC

Enter balance shown on bank statement. \$ \_\_\_\_\_

Add deposits not on bank statement. \$ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subtotal (+) \$ \_\_\_\_\_

Subtract checks or withdrawals issued but not on statement. \$ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subtotal (-) \$ \_\_\_\_\_

Balance shown in your checkbook or savings record book. (=) \$ \_\_\_\_\_

Enter balance shown in your checkbook or savings record book. \$ \_\_\_\_\_

Add any deposits and other additions, loan advances, bank deposits, Online Banking deposits, other electronic deposits, or transfers between savings & checking (including Online Banking, InfoLine, and ATMs) not entered in your checkbook or savings record book. \$ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subtotal (+) \$ \_\_\_\_\_

Subtract service charges, maintenance fees, automatic payments, the bank withdrawals, Online Banking payments, Debit Point-of-Sale transactions, other electronic transactions, or transfers between savings & checking (including Online Banking, InfoLine, and ATMs) not entered in your checkbook or savings record book. \$ \_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Subtotal (-) \$ \_\_\_\_\_

Balance

(=) \$ \_\_\_\_\_

**These totals represent the correct amount of money you have in the bank and should agree. Please examine your statement promptly and report any errors immediately.**

### Important Information About Securities Line, Cash Reserve and Business Reserve

#### INTEREST CHARGE CALCULATION:

We figure the interest charge on your account by applying the daily periodic rate to the "daily balance" of your account for each day in the billing cycle. To get the "daily balance", we take the beginning balance of your account each day, add any new advances and subtract any credits or payments for that day. This gives us the daily balance. We add each day's interest charge to get the total interest charge which is shown on your monthly statement.

To calculate the Average Daily Balance noted in the Balance Subject to Interest Rate column we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance". The interest charge may be calculated by multiplying each of the average daily balances by the applicable daily periodic rate, multiplying the results by the number of days in the billing cycle divided by 365 and adding together to get the Total Interest For This Period.

#### WHAT TO DO IF YOU THINK YOU FIND A MISTAKE ON YOUR STATEMENT/BILL:

If you think there is an error on your statement/Bill, write to us at:  
Central Bank, P.O. Box 1400, Lee's Summit, Missouri 64063-1400

In your letter, give us the following information:

- > Account Information: Your name and account number.
  - > Dollar amount: The dollar amount of the suspected error.
  - > Description of Problem: if you think there is an error on your statement/bill, describe what you believe is wrong and why you believe it is a mistake.
- You must contact us within 60 days after the error appeared on your statement/bill. You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question. While we investigate whether or not there has been an error, the following are true:
- > We cannot try to collect the amount in question, or report you as delinquent on that amount.
  - > The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
  - > While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
  - > We can apply any unpaid amount against your credit limit.

#### PERSONAL ACCOUNTS:

##### IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Telephone us at 1-866-998-4617

or write us at:

Central Banccompany, Regulation E Investigations, P.O. Box 779, Jefferson City, MO 65102-9982

as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error occurred.

- (1) Tell us your name and account number
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this (20 business days if the transfer involved a new account), we will recredit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.

**Discount Playground Supply**

P.O Box 278  
Simpsonville South Carolina 29681  
888-760-2499

# Estimate

# EST-119393

**Bill To****Hills of Shannon HOA - MO**

308 Killarney Lane  
Smithville, MO 64089

**Ship To****Hills of Shannon HOA - MO**






Constance Scott  
308 Killarney Lane  
Smithville, MO 64089

Estimate Date : 03.22.2022

Expiry Date : 04.05.2022

Reference# : (As Requested Per QN5188)

Sales Person : Perry Perret

#	Item & Description	Qty	Rate	Amount
1	 12" Plastic Border w/Spikes ACTI-APS-Border12	55 Each	35.45	1,949.75
2	 ADA Full Wheelchair Ramp for 8" -12" Borders ACTI-APS-ADAFullRamp	1 Each	825.95	825.95
3	 Premium Swing Mat MAHA-Premium Swing Mat	4 Each	72.95	291.80
4	 Adaptive Swing Seat 2-12 Year Old's - 125 lbs. - Dark Red SUPE-ADP-10-Dark Red	1 Each	865.95	865.95
5	 Shipping Charges Customer Shipping Charges	1 Each	1,345.40	1,345.40
Sub Total				5,278.85
Total				<b>\$5,278.85</b>

**Notes**

Purchase orders can be faxed to 888.988.4355

**Terms & Conditions**

Unless approved, all orders must be prepaid before your order is shipped.  
Due to impact of the Covid 19 virus, freight is only guaranteed for 30 days

**Discount Playground Supply**

P.O Box 278  
Simpsonville South Carolina 29681  
888-760-2499

# Estimate

# EST-119394

**Bill To****Hills of Shannon HOA - MO**

308 Killarney Lane  
Smithville, MO 64089

**Ship To****Hills of Shannon HOA - MO**






Constance Scott  
308 Killarney Lane  
Smithville, MO 64089

Estimate Date : 03.22.2022

Expiry Date : 04.05.2022

Reference# : Alternate Items

Sales Person : Perry Perret

#	Item & Description	Qty	Rate	Amount
1	 12" Plastic Border w/spike - Each 2by2-2by2412	55 Each	27.95	1,537.25
2	 ADA Full Wheelchair Ramp for 12" Borders 2by2-2by2FRS12	1 Each	617.95	617.95
3	 Extreme Swing Mat 32" x 54" x 2" - Black INTE-MAT32X54BK-Black	4 Each	97.95	391.80
4	 Adaptive Swing Seat 2-12 Year Old's - 125 lbs. - Dark Red SUPE-ADP-10-Dark Red	1 Each	865.95	865.95
5	 Shipping Charges Customer Shipping Charges	1 Each	1,070.45	1,070.45
			<b>Sub Total</b>	<b>4,483.40</b>
			<b>Total</b>	<b>\$4,483.40</b>

**Notes**

Purchase orders can be faxed to 888.988.4355

**Terms & Conditions**

Unless approved, all orders must be prepaid before your order is shipped.  
Due to impact of the Covid 19 virus, freight is only guaranteed for 30 days



Connie Scott &lt;pinkfish187@gmail.com&gt;

**Fwd: [Recreation Installations , LLC Contact] From Dave Mullen**

2 messages

**Dave Mullen** <dave.mullen4@gmail.com>  
To: Connie Scott <pinkfish187@gmail.com>

Thu, Mar 24, 2022 at 12:11 PM

Here you go

----- Forwarded message -----

From: **Steve Grider** <steve@recinstall.com>  
Date: Tue, Feb 22, 2022, 1:19 PM  
Subject: Re: [Recreation Installations , LLC Contact] From Dave Mullen  
To: Dave Mullen <dave.mullen4@gmail.com>

The swing with concrete pad, pour in place rubber surfacing, sidewalk, installation would run 25-27k. The panels depending on how you did any kind of surfacing would run 10-11k with sidewalk. They technically do not need any surfacing since this is no fall height requirement.



Recreation Installations  
We See Fun In Your Future

Steve Grider  
President  
816-651-4141  
[recreationinstallations.com](http://recreationinstallations.com)  
[facebook.com/recinstall](https://facebook.com/recinstall)

On Tue, Feb 22, 2022 at 9:10 AM Dave Mullen <dave.mullen4@gmail.com> wrote:  
What kind of money are we talking about to do both ideas?

Dave Mullen

On Fri, Feb 18, 2022, 9:56 AM Steve Grider <steve@recinstall.com> wrote:

Good morning. We went by your existing playground and took a look. As you know, what you have there has no ADA compliance nor can be changed to be compliant. So I think the best thing to do would be to add something to the east side of the existing play area. You would also need about 21ft of sidewalk poured to a new play area that is designed for ADA children. Or to simplify, you could also add a large group of free standing panels that would be fun for that child. See attached. This could be placed just to the east of the existing play area.

Another option would be to do a 2 seat ADA swing. The attached picture is a job we did for the Make A Wish foundation. Just wanted to get your thoughts on maybe what direction you think would be best??



Recreation Installations  
We See Fun In Your Future

Steve Grider  
President  
816-651-4141  
[recreationinstallations.com](http://recreationinstallations.com)  
[facebook.com/recinstall](https://facebook.com/recinstall)



On Tue, Feb 8, 2022 at 9:37 AM Dave Mullen <[dave.mullen4@gmail.com](mailto:dave.mullen4@gmail.com)> wrote:  
Thanks

On Tue, Feb 8, 2022, 9:32 AM Steve Grider <[steve@recinstall.com](mailto:steve@recinstall.com)> wrote:  
Sounds good!! I will take a look and give you some feedback.



Recreation Installations  
We See Fun In Your Future

Steve Grider  
President  
816-651-4141  
[recreationinstallations.com](http://recreationinstallations.com)  
[facebook.com/recinstall](https://facebook.com/recinstall)

On Tue, Feb 8, 2022 at 9:29 AM Dave Mullen <[dave.mullen4@gmail.com](mailto:dave.mullen4@gmail.com)> wrote:  
Yes that is the location.

We do have a few kids with disabilities in the HOA. No one is complaining one family has asked us to look into it. The city of Smithville is currently giving grant money to HOAs for beautification projects. Also there are other places to get Grant's for this type of thing. We are trying to be proactive instead of reactive.

Dave Mullen

On Tue, Feb 8, 2022, 9:14 AM Steve Grider <[steve@recinstall.com](mailto:steve@recinstall.com)> wrote:

Good morning. I am planning on going by the park area this Thursday. I am assuming it is the only one in the HOA?? Its off of Derby St near the lake, correct? You had mentioned that you would to get the playground more ADA accessible, do you have children with disabilities in the HOA? Have their parents complained?? Just trying to get the scope of the situation.

Thanks!



Recreation Installations  
We See Fun In Your Future

Steve Grider  
President  
816-651-4141  
[recreationinstallations.com](http://recreationinstallations.com)  
[facebook.com/recinstall](https://facebook.com/recinstall)

On Wed, Jan 26, 2022 at 11:28 AM Dave Mullen <[dave.mullen4@gmail.com](mailto:dave.mullen4@gmail.com)> wrote:  
Sounds good.

On Wed, Jan 26, 2022, 8:54 AM Steve Grider <[steve@recinstall.com](mailto:steve@recinstall.com)> wrote:  
Sounds great! I will be back in the country Feb 6th. I will come out and take a look at things the week of Feb 7th.

On Wednesday, January 26, 2022, WordPress <[wordpress@recreationinstallations.com](mailto:wordpress@recreationinstallations.com)> wrote:  
Name: Dave Mullen

Email: [dave.mullen4@gmail.com](mailto:dave.mullen4@gmail.com)

Comments: Our HOA is looking to improve our current playground area and would also like to make it more ada accessible. We would like your input and a quote as to what it would take to get it done.

We are the Hills of Shannon in Smithville.



Recreation Installations  
We See Fun In Your Future

Steve Grider  
President  
816-651-4141  
[recreationinstallations.com](http://recreationinstallations.com)  
[facebook.com/recinstall](https://facebook.com/recinstall)

---

**Connie Scott** <pinkfish187@gmail.com>  
To: Dave Mullen <dave.mullen4@gmail.com>

Thu, Mar 24, 2022 at 12:51 PM

Thank you so much!  
[Quoted text hidden]



**WillyGoat™**

TOYS & PLAYGROUNDS

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Swings ▾ Playgrounds ▾ Freestanding ▾ Shades ▾ Surfacing ▾ Park ▾ Exercise ▾ Amusement ▾

Product

Quantity

Total



**GroundSmart Playground Rubber Mulch -**

**Black**

**\$779.00**

- 16 +

Remove

**\$12,464.00**



**Rubberific Playground Border Timbers, 8  
Inch High - 1 Piece / Earthtone Brown**

**\$114.10**

- 4 +

Remove

**\$456.40**




**Plastic Playground Border with Spike, 12  
Inches Tall - Black / 1 Border**

**\$34.00**

- 55 +

Remove

**\$1,870.00**



WillyGoat™

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Park


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Amusement

Backyard & Toys





Helpful Links





76

Quote















	<div>Black</div> <div>\$779.00</div>	<div>Remove</div>	\$12,464.00
	<div>Rubberific Playground Border Timbers, 8 Inch High - 1 Piece / Earthtone Brown</div> <div>\$114.10</div>	<div>4</div> <div>Remove</div>	\$456.40
	<div>Plastic Playground Border with Spike, 12 Inches Tall - Black / 1 Border</div> <div>\$34.00</div>	<div>55</div> <div>Remove</div>	\$1,870.00
	<div>ADA Accessible Full Ramp</div> <div>\$850.00</div>	<div>1</div> <div>Remove</div>	\$850.00
<div>Total</div>			<div>\$15,640.40 USD</div>

Order instructions

Taxes and shipping calculated at checkout

Proceed to Checkout

100% Secure Payments





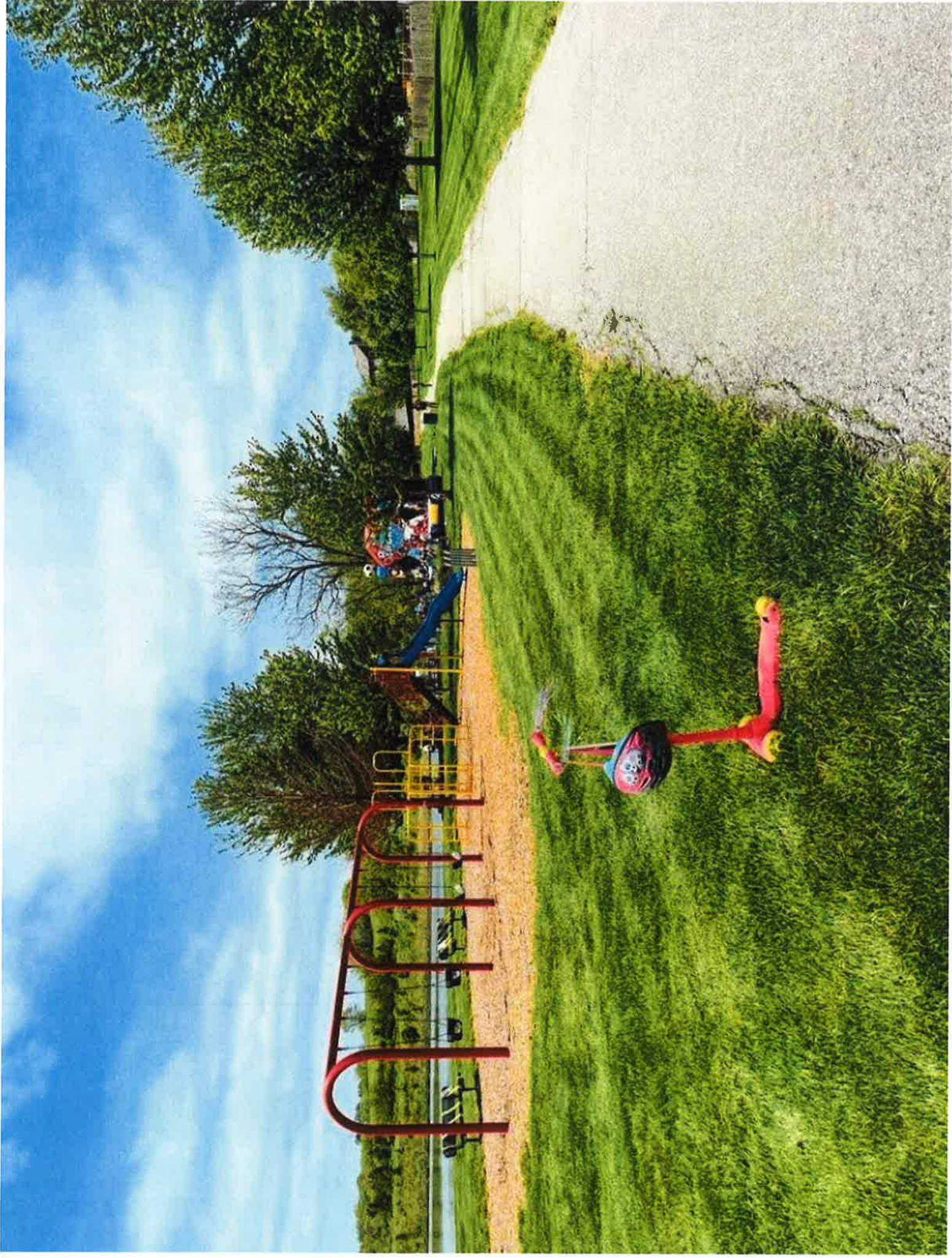


ADA  
SWING

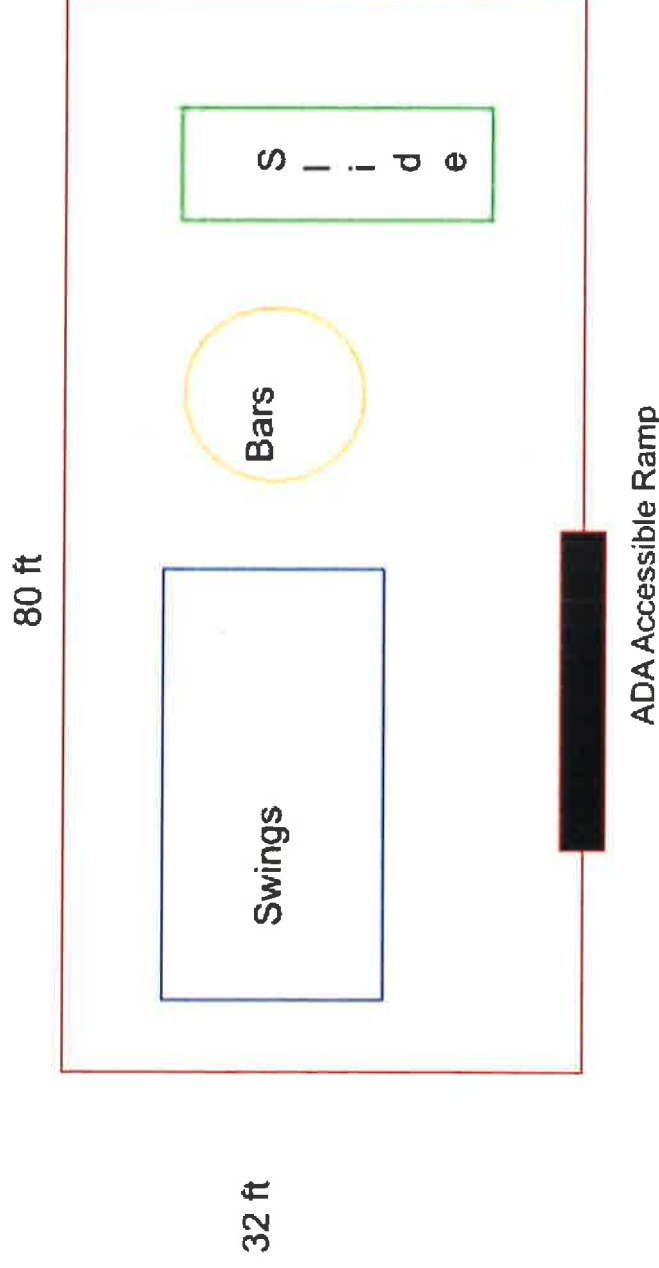












Hills of Shannon park upgrade will be a perimeter of 4ft plastic boards that are 12 inches high. They will connect via spike driven thru. The ADA accessible ramp will be in towards the left side of the playground for easy access from the walking trail. This will allow for wheelchairs to easily go into the play area. One of the 4 swings will be replaced with an ADA swing. The goal is to replace the wood mulch, if possible, with rubber mulch. The rubber mulch will be distributed at a depth of 6 inches. This depth will allow for a fall absorption of 16 inches - thus reducing injuries. Rubber mulch does not break down as quickly as wood mulch and with a border around the play area to keep the mulch contained, there will be a cost savings associated with not having to mulch every year. Rubber swing mats are the alternative for rubber mulch should the HOS need to explore other options. However, they are not the desirable option.





## Neighborhood Beautification Grant Application City of Smithville, MO

### Applicant Information

Neighborhood or Homeowners' Association Name: Rollins' Landing

Date: March 30, 2022

Address: 1506 Sophie Dr.

**Street Address**

Smithville, MO 64089

**City**

**State**

**ZIP Code**

Phone: (816)805-5395/(816)365-3689

Email: golfbcos@gmail.com

Contact Person: Becky Crosby/Nate Crosby

Title: Social and Maintenance Committee Chairs

Project Title: Pool Fence replacement and expansion of pool deck area

#### Brief Description of the proposed Project:

Install new pool fence at neighborhood pool, including adding two feet to each side for new pavers in future years.

### Budget Information

The amount of grant funds awarded to the neighborhood ranges from \$50 - \$25,000. All funds awarded are required to have matching funds contributed from the neighborhood. Matching funds can come in the form of actual funds or in-kind donations such as volunteer hours or equipment. The required match must be equal to 50% of the total project cost. (e.g., if total project cost is \$10,000, the neighborhood or homeowners' association contributes \$5,000 and requests \$5,000 in grant funds from the program.) Volunteer hours are calculated at the rate of \$20/hour and must be confirmed at the completion of the project.

Total Project Cost:	Fence \$9,225 (\$10,787.50-tearing out fence)
Grantee Cash Contribution:	\$3,432.50
Grantee In-Kind Contribution:	\$2,360
Grant Amount Requested:	\$5,792.50

### Project Information – Please attach additional documentation if needed

Expected Project Start Date April 25, 2022

Expected Completion Date April 28, 2022

#### Description of how this project will enhance the neighborhood:

The pool fence addition will allow more room for chairs and tables for growing resident population, while fixing a failing and outdated aluminum fence with a steel one.

**Description of how the grant funding will be matched by the organization:**

There is \$3,432.50 available through the HOA funds. In addition, people are offering time and talents in areas of design, tear-out of old fence and landscaping. Volunteer hours will match \$2,360 at a minimum.

**Description of how the project will be maintained or funded in the future, if necessary:**

The maintenance committee will annually assess what needs to be added or removed from landscaping, and a small annual budget of \$500 to address any needs will be planned in.

**Required Attachment Checklist**

In addition to this application, the following documents will be required to fully assess the proposed project:

- ☐ A detailed Project Budget shown through a completed Attachment A *(Example Included)*
- ☐ Photos of the proposed project area
- ☐ Plan or map showing the location of the project and projected improvements
- ☐ At least three estimates for all work
- ☐ Letter of authorization from any agencies, utilities, or property owners affected by the project
- ☐ Letter of approval of use of funds from the neighborhood or homeowners' association Board
- ☐ If using cash contribution for the match, proof of available funds
- ☐ If planning to use volunteer hours for an in-kind match, a completed Volunteer Pledge Sheet (Attachment B)
- ☐ A copy of the by-laws for your neighborhood or homeowners' association
- ☐ A list of the current neighborhood or homeowners' association board members

**Disclaimer and Signature**

I, the applicant, understand and agree that all applicable required City permits, which may include a building permit, right of way permit, must be obtained before work begins.

I, the applicant, confirm that I have read the terms of the application and that I am acting on behalf of my neighborhood or homeowners' association, in accordance with their expressed wishes, which were determined by a vote or consensus of the majority of the neighborhood stakeholders. I understand that acting without consent of my organization may cause my neighborhood to be ineligible for future grants.

Authorized Agent's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Attachment A: Detailed Project Budget Form**


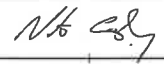
<b>TOTAL PROJECT COST (grant funds requested plus applicant match)</b>		
List all items/service required for project completion.		
<b>Vendor/supplier:</b>	<b>Item/service:</b>	<b>Amount:</b>
Elite Fence & Deck	Pool Fence	\$9,225
<b>Total Project Cost</b>		<b>\$9,225</b>

<b>CASH MATCH CONTRIBUTION</b>		
List any cash that will be contributed by your organization or others.		
<b>HOA/entity contributing cash</b>	<b>Item/services to be paid (if specified):</b>	<b>Amount:</b>
HOA Reserve Fund	Fence	\$2,252.50
<b>Total Cash Contribution</b>		<b>\$3,432.50</b>

<b>IN-KIND MATCH CONTRIBUTIONS</b>		
List any services or supplies that will be contributed by your organization or others.		
<b>HOA/entity donating</b>	<b>Item/services to be donated:</b>	<b>Value:</b>
HOA Members	Volunteer time-project design, tearing out existing fence	\$2,360
<b>Total In-Kind Contribution</b>		<b>\$2,360</b>

<b>Total Project Cost</b>	<b>\$9,225</b>
<b>Total Cash Contribution</b>	<b>\$3,432.50</b>
<b>Total In-Kind Contribution</b>	<b>\$2,360</b>
<b>Total Grant Amount Requested from the NBG Program</b>	<b>\$5792.50</b>

**Attachment B: Volunteer Pledge Form**  
In-kind match of volunteer hours is rated at \$20 per hour.

Name	Phone Number	# of Hours Pledged	Signature
Laura Coleman	(816)398-0882	8	On text
Keath Coleman	(816)442-9070	10	On text
Melissa Adair	(816)896-8567	10	On email
AL Adair	(816)896-4013	10	On email
Rachel Frankum	(816)694-7837	5	On text
Josh Frankum		10	On text
Greg Hinds	(816)868-4119	10	On text
Cindy Hinds	(816)868-8119	10	On text
Sarah Fluere	(480)516-2134	5	On text
Becky Crosby	(816)805-5395	15	
Nate Crosby	(816)365-3689	15	
Landon Hinds/Ethan Hinds	(816)868-2662/(816)886-8653	10	On text
<b>TOTAL HOURS PLEDGED</b>		<b>118</b>	

To whom it may concern. I fully support the requests for a new fence, and the entry way signage landscaping. The HOA has funds in place to get started, and may spread out over two years as re-imbursement and volunteer hours are added. We hope to be considered for this project.

John Chevalier

Rollins HOA President

816-986-9800

johnnychevyeg@gmail.com

Rollins Landing HOA Board, 2022

President, John Chevalier

Treasurer, John Rider

Secretary, Stacy Orr

**Calen Lamb <clamb7710@gmail.com>**

Tue, Mar 29, 3:52  
PM

to Golfbcos

Lamb Fence  
17718 N US 169 Hwy  
Smithville, MO 64089

Pool fence for Rollins landing swimming pool area!!

6 ft 3 Rail Majestic Black Steel fence  
With a 4 ft gate!!

Materials \$11,757.00

Tear out of old fence \$1,350.00

Labor charge \$6,575

Total fence install \$19,682

Materials price is required to start the fence! Usually take 3-7 days to get materials for the job to complete!!

Thanks Lamb Fence

# Quality Fence

Lansing, KS 66043 913-208-6957 913-208-6955  
[www.qualityfencekc.com](http://www.qualityfencekc.com)

## Estimate

Becky Crosby  
Community Pool  
Sophie Dr  
Smithville, MO  
816-365-3689  
[golfbcos@gmail.com](mailto:golfbcos@gmail.com)

March 30, 2022

### Description

This bid includes removing the existing fence and installing 265 lf\* of 6' tall Montage Majestic powder-coated steel fence.

- All posts shall be 2" square powder-coated
- All panels shall be 6' x 8' powder-coated
- Job shall take 2 working days to complete
- Building permit and applicable tax included
- Fence includes a five-year labor and Limited-Lifetime manufacturer's warranty
- Gates include a one-year warranty
- Any hole that requires rock excavation is an additional \$30.00 per hole
- Any excavation that requires the use of a jackhammer will be an additional \$150
- All posts shall be set in mixed concrete

Total \$11,845.00 installed\*

*\*Price based on virtual measurements and must be verified prior to installation.*

Customer Approval

Date

Estimate expires in 7 days.

Prices include applicable tax. Quality Fence, LLC is not responsible or liable for determining property boundaries. Customer accepts full responsibility for fence placement and will not hold Quality Fence, LLC liable if fence is located outside of property lines. Quality Fence, LLC highly recommends a stake survey be done prior to fence installation to determine property boundaries. Customer is responsible for marking any private underground utility or sprinkler lines. Quality Fence, LLC is not liable for damage to any private or public underground utility or sprinkler lines and cannot be held responsible, financially or otherwise. Quality Fence, LLC does participate in the DigSafe utility notification system. No deposit or down payment is required, however, **PAYMENT IS DUE IN FULL** on the **DAY OF COMPLETION**. Failure of this customer to pay Quality Fence for supplying material or services to complete this contract can result in the filing of a mechanic's lien on the property. Consent is hereby given for filing of mechanic's liens by Quality Fence for supplying materials or services for the work described in this contract on the property on which it is located if he is not paid. Payments made by credit card will be charged a 3% convenience fee.



# Quality Fence

Lansing, KS 66043 913-208-6957 913-208-6955  
[www.qualityfencekc.com](http://www.qualityfencekc.com)

## Estimate

Becky Crosby  
Community Pool  
Sophie Dr  
Smithville, MO  
816-365-3689  
[golfbcos@gmail.com](mailto:golfbcos@gmail.com)

March 30, 2022

### Description

This bid includes installing 265 lf\* of 6' tall Montage Majestic powder-coated steel fence.

- All posts shall be 2" square powder-coated
- All panels shall be 6' x 8' powder-coated
- Job shall take 2 working days to complete
- Building permit and applicable tax included
- Fence includes a five-year labor and Limited-Lifetime manufacturer's warranty
- Gates include a one-year warranty
- Any hole that requires rock excavation is an additional \$30.00 per hole
- Any excavation that requires the use of a jackhammer will be an additional \$150
- All posts shall be set in mixed concrete

Total \$10,785.00 installed\*

Additional \$1,060.00 to remove and haul off existing fence

*\*Price based on virtual measurements and must be verified prior to installation.*

### Customer Approval

### Date

Estimate expires in 7 days.

Prices include applicable tax. Quality Fence, LLC is not responsible or liable for determining property boundaries. Customer accepts full responsibility for fence placement and will not hold Quality Fence, LLC liable if fence is located outside of property lines. Quality Fence, LLC highly recommends a stake survey be done prior to fence installation to determine property boundaries. Customer is responsible for marking any private underground utility or sprinkler lines. Quality Fence, LLC is not liable for damage to any private or public underground utility or sprinkler lines and cannot be held responsible, financially or otherwise. Quality Fence, LLC does participate in the DigSafe utility notification system. No deposit or down payment is required, however, **PAYMENT IS DUE IN FULL on the DAY OF COMPLETION.** Failure of this customer to pay Quality Fence for supplying material or services to complete this contract can result in the filing of a mechanic's lien on the property. Consent is hereby given for filing of mechanic's liens by Quality Fence for supplying materials or services for the work described in this contract on the property on which it is located if he is not paid. Payments made by credit card will be charged a 3% convenience fee.



Prepared for:

**Rolland Landing**  
**Nate Crosby**  
**Sophie dr**  
**smithville, MO 64089**  
(816) 365-3689 | golfbcos@gmail.com



Evaluated on:

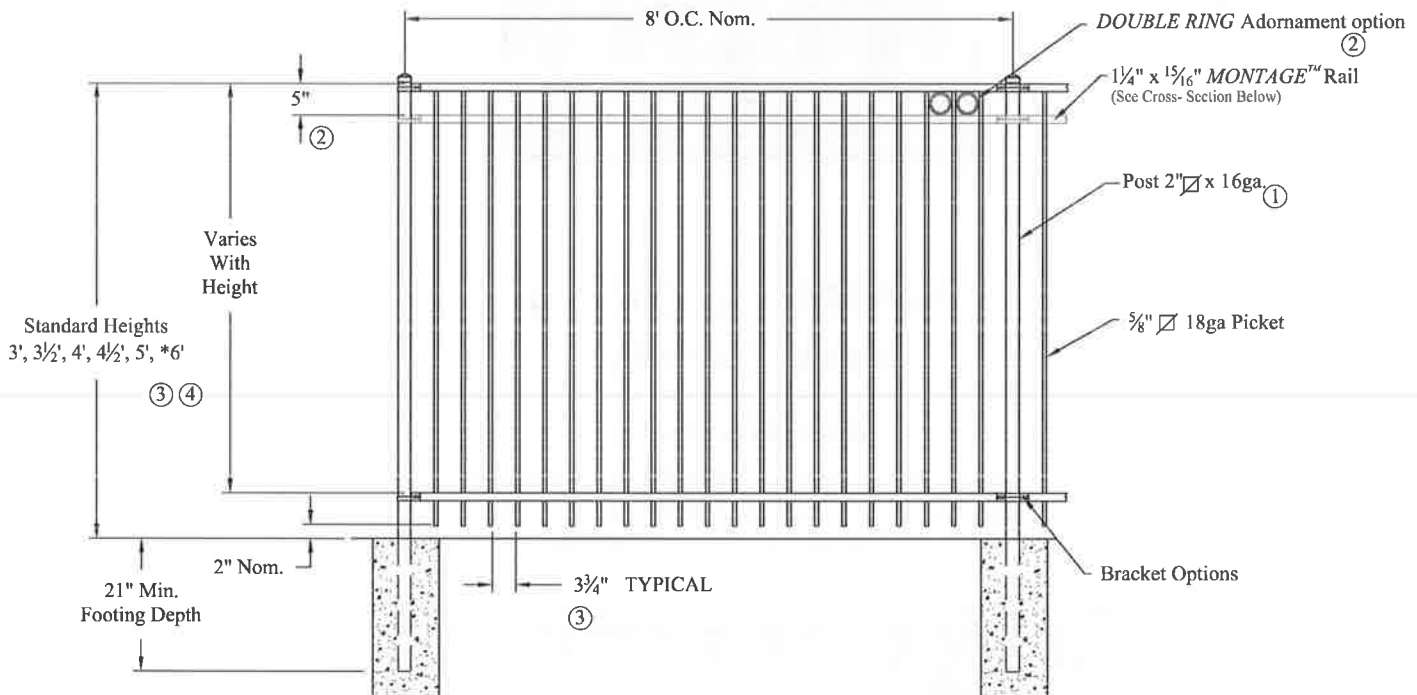
Tuesday, March 29, 2022

Evaluated By:

Dave Mansell

(816) 661-1777 | dave@elitefenceanddeck.net

**Elite Fence & Deck, Inc.**  
**1210 SW Market St**  
**Lee's Summit, MO 64081**  
**Main (816) 246-1850**  
**www.elitefenceanddeck.net**

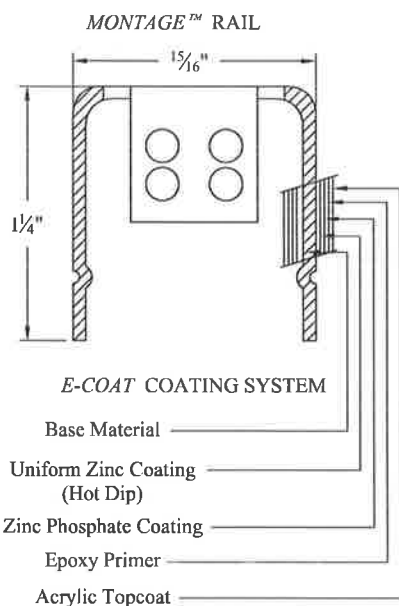


**NOTES:**

- 1.) Post size depends on fence height and wind loads. See *MONTAGE™* specifications for post sizing chart.
- 2.) Third rail required for *Double Rings*.
- 3.) Available in 3" air space and/or Flush Bottom on most heights.
- 4.) Three rails required for 6' tall.

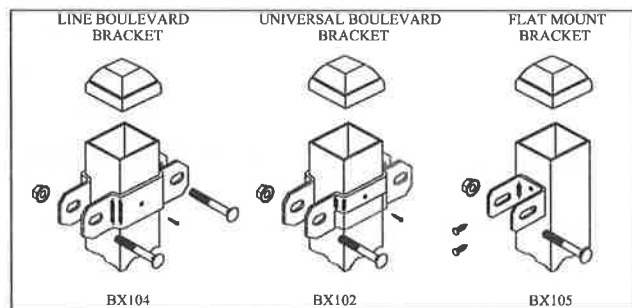
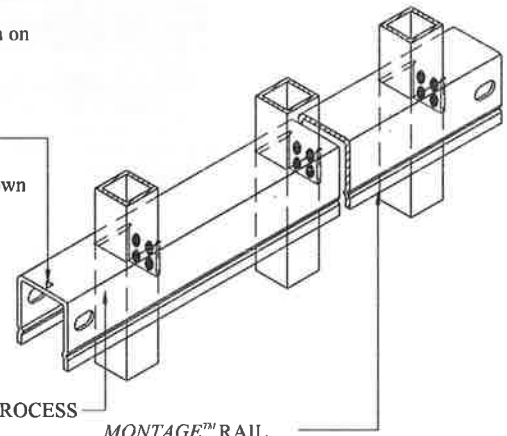
**RAKING DIRECTIONAL ARROW**

Welded panel can be raked 45° over 8' with arrow pointing down grade.



**PROFUSION™ WELDING PROCESS**

No exposed welds,  
Good Neighbor profile - Same  
appearance on both sides



**RESIDENTIAL WELDED STEEL PANEL  
PRE-ASSEMBLED**

Values shown are nominal and not to be used for installation purposes. See product specification for installation requirements.

RMISO

**MONTAGE MAJESTIC 2/3-RAIL**

DR: CI	SH. 1 of 1	SCALE: DO NOT SCALE
CK: ME	Date 7-19-11	REV: c



**AMERISTAR™**

1555 N. Mingo  
Tulsa, OK 74116  
1-888-333-3422  
www.ameristarfence.com

# Scope of Work

We would like to thank you for giving us the opportunity to earn your business. After performing a thorough examination of your property, we have prepared the following estimate and diagram to provide all labor, material, taxes, and insurance required to meet the needs of your project. We believe this will provide a detailed explanation of our solution as well as the associated costs.

## Rolland Landing pool

### Ornamental Iron Fence (Montage)

#### Fencing

Product	Quantity
6' Majestic (3 3/4" air space) <i>Flat Top, 3 Horizontal Rails, 3 3/4" spacing between pickets</i>	225
<i>Our Montage line of ornamental fences is the leader in residential steel fencing. Montage give a residence the elegant look of wrought-iron fencing without the expensive maintenance demanded by traditional wrought-iron.</i>	

#### Gates

Product	Quantity
No Gate	0

#### Notes

Re-use existing gate

### Tear Out

Product	Quantity
*Fence Tear Out & Haul Away <i>Fence Only - No Brush, Landscaping Logs, Etc.</i>	225
<i>Line posts will be cut at ground level. If possible, we remove the concrete and post at the corners and gates.</i>	

#### Notes

N/A

## Permits

Product	Quantity
No Permit Required <i>Your city does not require a fence permit.</i>	0

### Notes

N/A

## Fuel Surcharge

Product	Quantity
Zone 3	1

### Notes

N/A

# Costs

## Section: Rolland Landing pool

Description	Quantity	Cost
6' Majestic (3 3/4" air space)	225.00	\$9,225.00
*Fence Tear Out & Haul Away	225.00	\$1,462.50
Zone 3	1.00	\$100.00
Total Cost:		\$10,787.50
Total:		\$10,787.50

## Payment Terms

One-Time Payment	<i>Due after project completion</i>	\$10,787.50
------------------	-------------------------------------	-------------

# Terms & Conditions

## Contract

Customer(s) agree, warrant and state that Customer(s) are responsible for the following, unless specified in writing by Elite Fence & Deck, Inc.:

**Payment for work completed is due the day of completion.** A finance charge of 2% per month past due, which is an annual percentage rate of 24%, shall be applied to accounts that are not paid within 30 days after completion of any work invoiced. All materials will remain the property of Elite Fence & Deck, Inc. until all invoices pertaining to this job are paid in full. The Customer agrees to pay all interest, costs and attorneys' fees incurred in the collection of the amount due hereunder.

**Charge Authorization; Unpaid Invoice Amounts.** (Customer) expressly authorizes (Contractor) to charge the credit card on file for the balance due and owing, including any applicable service or late fees, if payment is not timely received in accordance with the terms of this contract. In the case of a failed or declined payment, (Customer) authorizes the credit card on file to be processed until the payment can be successfully processed or a new credit card is provided. (Customer) acknowledges that there are no refunds on amounts paid under this Agreement unless permitted in writing by (Contractor) or as otherwise provided in this Agreement. (Customer) understands that they are providing the above authorization by executing this Agreement.

Elite Fence & Deck, Inc. provides a one (1) year warranty on workmanship and is in effect from the day the job is completed, but only after payment in full of the contract by the Customer.

**Elite Fence & Deck, Inc. is not responsible for any damage that may occur to an existing underground irrigation system (sprinkler system) or pool water lines during fence or deck installation.** These are unable to be located above ground by the locate companies (Missouri One Call & Kansas One Call) or Elite Fence & Deck, Inc. employees.

**Elite Fence & Deck, Inc. is not responsible for any damage that may occur to drainage tiles, private sewer lines, private utilities, private propane tank lines, private electrical lines, etc.** These are unable to be located above ground by the locate companies (Missouri One Call & Kansas One Call) or Elite Fence & Deck, Inc. employees. You may contact the contractor that installed them to mark placement of these lines.

**Elite Fence & Deck, Inc. is not responsible for any damage that may occur to plants, shrubs or gardens, surrounding the fence line work area.** We will do our best to avoid damaging them, but sometimes it's impossible to get around them to put a fence in. Any items such as bird baths, trellis, signs, and other landscape décor should be moved out of the fence line area by the customer prior to the installation to avoid damage.

All fence lines should be clear of brush, overgrowth, and debris prior to installation.

The customer assumes full responsibility for the property line and getting the necessary **HOA or governmental authority approval** when applicable. If you are unsure of your property line, we recommend getting a survey prior to the fence installation.

Elite Fence & Deck, Inc. will obtain necessary municipal and/or county permits. If you cancel the install of the fence within 30 days of the scheduled date you will be responsible for paying Elite Fence & Deck, Inc. the permit cost. We apply for them 30 days in advance due to the time it takes for the city to approve them.

A \$10.00 per hole charge will be added to the bid in event of adverse digging (rock, root, utility lines, etc.).

Additional charges for use of jackhammer to break up rock or roots is \$125.00 for the first hour and \$45.00 per additional hour.

If we show up to start an install and the jobsite is not ready, there will be a \$300 mobilization fee added to your final invoice.

If we are unable to install the **entire job** on the original date of install and an additional date is required to come back to finish (possibly due to a pool, landscaping, or other work being done), there will be a \$300 mobilization fee added to your final invoice.

- A 25% down payment is due at bid acceptance. We will not schedule the project until the down payment is received. Bids that are accepted must have their down payment paid within 7 days or the bid will be cancelled and subject to a price increase.
- Bids over 14 days may be revised due to material cost changes. The cost and price as quoted in the bid is subject to change depending on an increase in the cost of the materials to Elite Fence & Deck, Inc. This increase in cost shall be issued and determined in the sole discretion of Elite Fence & Deck, Inc., and will be provided to the Customer in writing as soon as reasonably possible.
- The Customer is aware that outside temperature and moisture conditions may adversely effect wood products and therefore the customer expressly agrees that Elite Fence & Deck, Inc., shall not be responsible for any expansion, shrinkage, cupping, buckling, warping, checking, cracking, splitting, knots or other reaction of wood to moisture, or dryness. Wood is a natural product that changes with the outside elements. Any replacement that needs done would be at an additional charge to the Customer. Elite Fence & Deck, Inc. shall not be held responsible for any type of insect infestation.
- Most new fence installs take 2 days for installation. We set posts on day 1 and finish on day 2. If we are tearing out an existing fence, the install will take 3 days. We will tear out the fence on day 1, set posts on day 2, and finish the fence on day 3.
- This Contract shall become binding upon the Customer upon either the beginning of the work by Elite Fence & Deck, Inc. as contemplated herein or upon the Customer signing the bid and/or this Contract.

*By signing any forms or agreements provided to you by Elite Fence & Deck, Inc., you understand, agree and acknowledge that your electronic signature is the legally binding equivalent to your handwritten signature. You agree, by providing your electronic signature, that you will not repudiate, deny or challenge the validity of your electronic signature or of any electronic agreement that you electronically sign or their legally binding effect.*

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_



**Bylaws**  
**of the**  
**Rollins' Landing Homes Association, Inc.**

**A Missouri Nonprofit Corporation (Association)**

**Article I. NAME AND PURPOSE**

Section 1.01: Name

The NAME of this organization shall be the (Rollins' Landing Homes Association), hereafter referred to as THE ASSOCIATION. It shall be a nonprofit organization incorporated under the laws of the State of Missouri.

Section 1.02: Purpose

The Bylaws shall govern the Association and its members and facilitate the fulfillment of the purposes provided in the Articles of Incorporation.

**Article II. MEMBERSHIP**

Section 2.01: Requirement for Membership

Any current owner of property in the Rollins' Landing Addition, Smithville, Missouri, is a member in the Association.

Section 2.02: Annual Dues

Unless exempted, the amount required for annual dues shall be \$200 each calendar year, unless changed by a majority vote of the Association. Full payment of the annual dues and satisfaction of any assessments and/or liens will entitle the Resident or Property Owner to full association privileges for one year from the annual due date of each calendar year of January 1<sup>st</sup>. Annual dues are to be paid in full by March 1st of each calendar year.

Section 2.03: Exempt Properties

Entities such as banks, developers, etc. which own lots within the Rollins' Landing Addition, whether improved or not improved, shall not be required to pay dues as set forth in Section 2.02. This section does not apply to individuals or families who reside within the Rollins' Landing addition.

**ARTICLE III. HOME OWNERS ASSOCIATION BOARD**

Section 3.01: Officers

The Association shall have the following officers:

- 1) President,
- 2) Treasurer, and
- 3) Secretary.

Section 3.01a) Nomination

Any member of the association that is current on association dues may be nominated at the end of year annual meeting, via email or standard mail as officer positions come due for election/reelection as stated below in section 3.03.

#### Section 3.01b) Appointed Members:

In addition to the Officers, there shall be two additional appointed members: one representative from the Rules Committee and one representative from the Maintenance Committee. These individuals will be appointed by their respective committees and will serve for terms of two years. These individuals must be reappointed each term, but can serve successive terms. Together with the elected Officers, these individuals will be responsible for the overall management of the Association.

#### Section 3.02: Election of Officers

Officers shall be elected by majority vote at the annual meeting per Article V, below.

#### Section 3.03: Term of Office.

Elected Board members will serve for a period of 3 consecutive years. They will be elected by a simple majority, consistent with section V of these bylaws, and terms will end in successive years. Two consecutive terms may be served and terms can extend if they are un-opposed during the election.

- President's term will be up for election in 2018, and continue every three years thereafter
- Treasurer's term will be up for election in 2019, and continue every three years thereafter
- Secretary's term will be up for election in 2017, and continue every three years thereafter

Terms begin on January 1<sup>st</sup> unless there is a special election to fill a vacancy, then the newly elected would start immediately.

#### Section 3.04: Officer Duties

The duties of the Officers are as follows:

- 1) The *PRESIDENT* shall be the principal executive officer of the Association and shall preside over all meetings, represent the Association on public occasions, and make such committee appointments from the membership as shall be deemed advisable for the effective conduct of the work of the Association.
- 2) The *TREASURER* shall collect, safeguard, disburse and make periodic reports of all funds collected in the name of the Association.
- 3) The *SECRETARY* shall keep attendance records and record the proceedings of all meetings, maintain adequate records of the Association activities, and conduct such official correspondence as shall be required.
- 4) The duties of the officers shall not be limited as enumerated above, but they may discharge in addition such duties as are assigned by the Association Membership.

Term Limits - An elected board member may only serve two consecutive terms unless they assumed office with less than 18 months remaining in a term.

#### Section 3.05: Duties of the Rules and Maintenance Committees

- 1) Rules Committee – The Rules Committee will be responsible for ensuring the architectural guidelines established herein are adhered to. They will be responsible for pre-approval of all construction and exterior home improvement projects, with final approval by the Board. The Rules Committee has the ability to enforce restrictions as described in the CCR's
- 2) Maintenance Committee – The Maintenance Committee shall advise the HOA Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Properties, including the entry landscaping, lawn care, and the pool area and shall perform such other functions as the HOA Board, in its discretion, determines.

#### Section 3.06: Vacancies and Removal from Office

Any Officer may be removed by a majority vote, in accordance with 5.01 Voting, of the members of the Association (excluding the Officer to be removed). Upon the death, removal, resignation, or incapacity of an Officer of the Association, in accordance with 5.01 Voting, a majority vote of the Association shall elect a successor.

#### Section 3.07: Management

The Association shall be managed by the Officers so elected, with powers consistent with the Articles of Incorporation and these Bylaws of the Association.

### **ARTICLE IV. MEETINGS OF MEMBERS**

#### Section 4.01: Place of Meetings

Meetings of the Association shall be held at a designated place the President or a majority of the Board may from time to time select.

#### Section 4.02: Election Meetings

Election meetings of the Association shall be held during the month of June each calendar year, at a time and place designated by the President.

#### Section 4.03: Annual Meeting

An annual meeting of the Association shall be held in the month of December of each year. At such meeting, the Members shall receive reports on the affairs of the Association, and transact any other business which is within the power of the Members. If an annual meeting has not been called and held within six months after the time designated for it, any Member may call the annual meeting.

#### Section 4.04: Special Meetings

Special meetings of the Association may be called by the President, by a majority of the Officers of the Association, or by five percent (5%) or more of the Members entitled to vote.

#### Section 4.05: Notice of Meetings

A written or printed notice of each meeting, stating the place, day, and hour of the meeting, shall be given by the Secretary of the Association, or by the person authorized to call the meeting, to each Member of record entitled to vote at the meeting. This notice shall be given at least thirty (30) days before the date named for the meeting.

#### Section 4.06: Quorum

A minimum of 10 homes, in good standing, present at any properly announced meeting shall constitute a quorum at such meeting.

A quorum is required before any vote is held or to propose any new business at a meeting.

### **ARTICLE V. VOTING**

#### Section 5.01: Voting

All amendments, elections and proposals shall be decided by a simple majority (50%+1) of both in-person and/or submitted absentee/proxy ballots.

#### Section 5.02: Voting by Mail (includes written and electronic mail)

Where Officers are to be elected by Members, or any changes in the Bylaws/CCR's are to be voted on, or any other election is to be made whereby a count of the votes of all members may be desired, such

election may be conducted by mail/e-mail or by distribution ballot in such manner as the officers of the Association shall determine advisable.

Section 5.03: Voting Eligibility

Dues paying members in compliance with Article II Membership shall be entitled to one vote per individual lot owned in all Association elections, motions or any other issues requiring simple majority votes.

Section 5.03: Non Dues Paying Members

Any entity contemplated under Article II, Section 2.03 which does not pay annual dues, shall have one cumulative vote for all properties/lots owned.

## **ARTICLE VI. COMMITTEES**

Section 6.01: Authorization to Establish Committees

The Association may establish committees as deemed necessary to pursue its stated objectives. Members of Committees, shall be on a volunteer basis.

## **ARTICLE VII. FINANCES**

Section 7.01: Expenditures

Expenditures of funds amounting to over five hundred Dollars (\$500) in any month requires two Board member signatures.

Section 7.02: Financial Reports

Annual Financial Reports/Budgets shall be prepared by the Treasurer and presented to the Members at the annual meetings.

## **ARTICLE VIII. AMENDMENTS**

Section 8.01: Procedure

These Bylaws may be amended by a vote, as stated under section V of these bylaws, provided all members are given a written copy of proposed changes at least thirty (30) days prior to the voting deadline.

## **ARTICLE IX. ACCEPTANCE OF BYLAWS**

Section 9.01: Bylaw Acceptance

Acceptance of these Bylaws shall be by a vote, as described in section V of these bylaws, of the Members of the Association, provided written copies of the Bylaws and written notice of the meeting is given to all Members at least thirty (30) days prior to the meeting.



















## Neighborhood Beautification Grant Application City of Smithville, MO

### Applicant Information

Neighborhood or Homeowners' Association Name: Stonebridge Homeowners Association Date: 03/15/2022

Address: 199 Stonebridge Lane

**Street Address**

Smithville, MO 64089

**City**

**State**

**ZIP Code**

Phone: 816-888-9852 Email: cathy.knight@huschblackwell.com

Contact Person: Cathy Knight Title: Secretary

Project Title: Beautification Improvements

#### Brief Description of the proposed Project:

(1) 4 benches around pond and labor to install; (2) Labor to install benches; (3) 10 New trees installed; (4) New entrance bushes and flowers; (5) Mulch for flower beds 96 units and labor to install; (6) Painting of large dam and driving bridge; (7) Bridge to school; (8) Labor to install walking bridge; and (9) 4 Dog Waste Stations.

### Budget Information

The amount of grant funds awarded to the neighborhood ranges from \$50 - \$25,000. All funds awarded are required to have matching funds contributed from the neighborhood. Matching funds can come in the form of actual funds or in-kind donations such as volunteer hours or equipment. The required match must be equal to 50% of the total project cost. (e.g., if total project cost is \$10,000, the neighborhood or homeowners' association contributes \$5,000 and requests \$5,000 in grant funds from the program.) Volunteer hours are calculated at the rate of \$20/hour and must be confirmed at the completion of the project.

Total Project Cost:	<u>\$7,245.00</u>
Grantee Cash Contribution:	<u>\$2,822.50</u>
Grantee In-Kind Contribution:	<u>\$800.00</u>
Grant Amount Requested:	<u>\$3,622.50</u>

### Project Information – Please attach additional documentation if needed

Expected Project Start Date 4/1/2022 Expected Completion Date 7/31/2022

#### Description of how this project will enhance the neighborhood:

These projects will help build community pride in our HOA. A neighborhood that's cared for strengthens the community and makes people want to live there.

**Description of how the grant funding will be matched by the organization:**

The HOA has dues income to match the grant funding. Thank you for your review of our submission request.

**Description of how the project will be maintained or funded in the future, if necessary:**

The HOA has adequate dues income that can maintain the additions granted with this award.

**Required Attachment Checklist**

In addition to this application, the following documents will be required to fully assess the proposed project:

- ☐ A detailed Project Budget shown through a completed Attachment A *(Example Included)*
- ☐ Photos of the proposed project area
- ☐ Plan or map showing the location of the project and projected improvements
- ☐ At least three estimates for all work
- ☐ Letter of authorization from any agencies, utilities, or property owners affected by the project
- ☐ Letter of approval of use of funds from the neighborhood or homeowners' association Board
- ☐ If using cash contribution for the match, proof of available funds
- ☐ If planning to use volunteer hours for an in-kind match, a completed Volunteer Pledge Sheet (Attachment B)
- ☐ A copy of the by-laws for your neighborhood or homeowners' association
- ☐ A list of the current neighborhood or homeowners' association board members

**Disclaimer and Signature**

I, the applicant, understand and agree that all applicable required City permits, which may include a building permit, right of way permit, must be obtained before work begins.

I, the applicant, confirm that I have read the terms of the application and that I am acting on behalf of my neighborhood or homeowners' association, in accordance with their expressed wishes, which were determined by a vote or consensus of the majority of the neighborhood stakeholders. I understand that acting without consent of my organization may cause my neighborhood to be ineligible for future grants.

Authorized Agent's Signature: Cathy Knight Digitally signed by Cathy Knight  
Date: 2022.03.15 18:41:23 -05'00' Date: 03/15/2022

**Attachment A: Detailed Project Budget Form**

<b>TOTAL PROJECT COST (grant funds requested plus applicant match)</b>		
List all items/service required for project completion.		
<b>Vendor/supplier:</b>	<b>Item/service:</b>	<b>Amount:</b>
(1) Amazon	(1) 4 park benches around pond x \$160	\$640.00
(2) John Wheatley Handyman	(2) Labor-install 4 benches & Waste Stations (9)	\$330.00
(3) Lowes / Hardware Store / Nursery	(3) 10 Trees x \$100 each-installed	\$1,000.00
(4) Illusion Landscaping	(4) New entrance bushes & flowers-installed	\$500.00
(5) Lowes	(5) Mulch for flower beds-96 units & labor to install	\$1,485.00
(6) Mural Artist	(6) Dam and Driving bridge painting murals	\$2,000.00
(7) Amazon	(7) Walking bridge to school over creek	\$300.00
(8) Boy Scout Troop #412	(8) To install walking bridge to school	\$200.00
(9) 4 Dog Waste Stations & bags	(9) Dog waste stations & bags	\$790.00
<b>Total Project Cost</b>		<b>\$7,245.00</b>

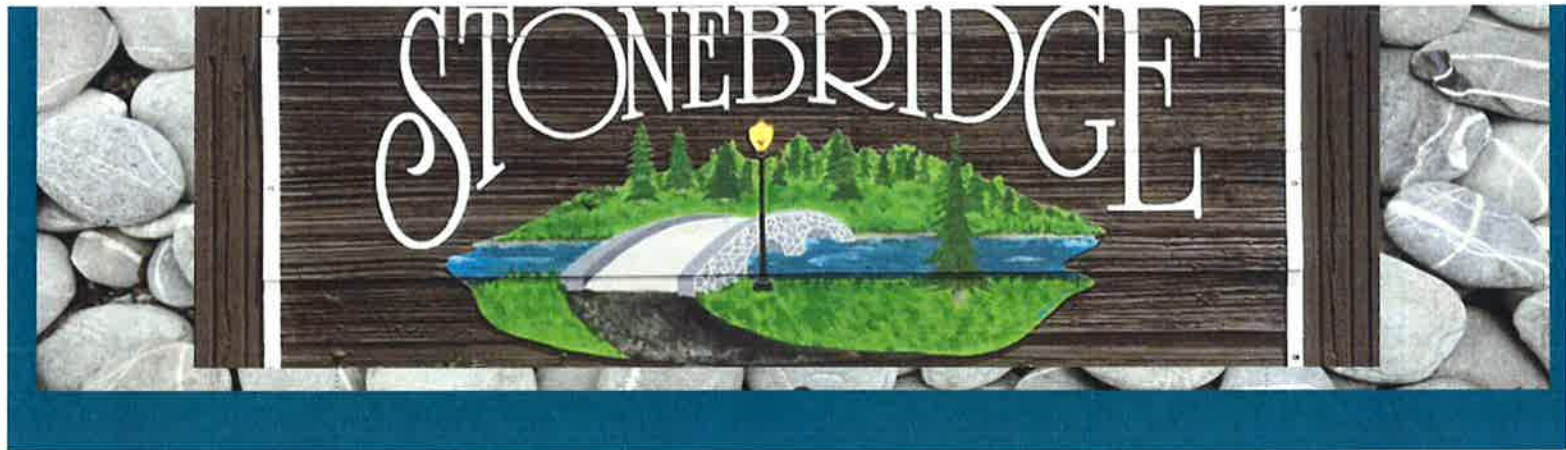
<b>CASH MATCH CONTRIBUTION</b>		
List any cash that will be contributed by your organization or others.		
<b>HOA/entity contributing cash</b>	<b>Item/services to be paid (if specified):</b>	<b>Amount:</b>
HOA		\$2,822.50
<b>Total Cash Contribution</b>		

<b>IN-KIND MATCH CONTRIBUTIONS</b>		
List any services or supplies that will be contributed by your organization or others.		
<b>HOA/entity donating</b>	<b>Item/services to be donated:</b>	<b>Value:</b>
Volunteer Hours	40 hours Labor	\$800.00
<b>Total In-Kind Contribution</b>		<b>\$800.00</b>

<b>Total Project Cost</b>	<b>\$7,245.00</b>
<b>Total Cash Contribution</b>	<b>\$2,822.50</b>
<b>Total In-Kind Contribution</b>	<b>\$800.00</b>
<b>Total Grant Amount Requested from the NBG Program</b>	<b>\$3,622.50</b>

**Attachment B: Volunteer Pledge Form**  
 In-kind match of volunteer hours is rated at \$20 per hour.

Name	Phone Number	# of Hours Pledged	Signature
President Susan Lambrecht	816-916-1032	10	/s/ Susan Lambrecht
VP Tina Wheatley	501-944-2078	10	/s/ Tina Wheatley
Secretary Cathy Knight	816-888-9852	10	/s/ Cathy Knight
Treasurer Connie Massie	816-806-6344	10	/s/ Connie Massie
TOTAL HOURS PLEDGED		40	



## HOMEOWNERS ASSOCIATION

199 Stonebridge Lane • Smithville, MO 64089

Email: [stonebridgelanehoa@gmail.com](mailto:stonebridgelanehoa@gmail.com)

Website: [www.stonebridgelanehoa.com](http://www.stonebridgelanehoa.com)

**March 15, 2021**

Ms. Anna Mitchell  
Ms. Brandi Schuerger  
Mr. Chuck Soules  
City of Smithville  
107 West Main Street  
Smithville, MO 64089

RE: Stonebridge Lane HOA – Neighborhood Beautification – Grant Application  
Letter of Approval of Use of Funds from HOA Board

Dear City of Smithville:

Please be advised that no agencies, utilities, or property owners will be affected by our proposed project. We approve the use of funds for our proposed project.

Thank you for your consideration of our grant application.

Sincerely,

President	Susan Lambrecht	816-916-1032
Vice President	Tina Wheatley	501-944-2078
Secretary	Cathy Knight	816-888-9852
Treasurer	Connie Massie	816-806-6344

## Proof of Available Funds for Cash Contribution Match

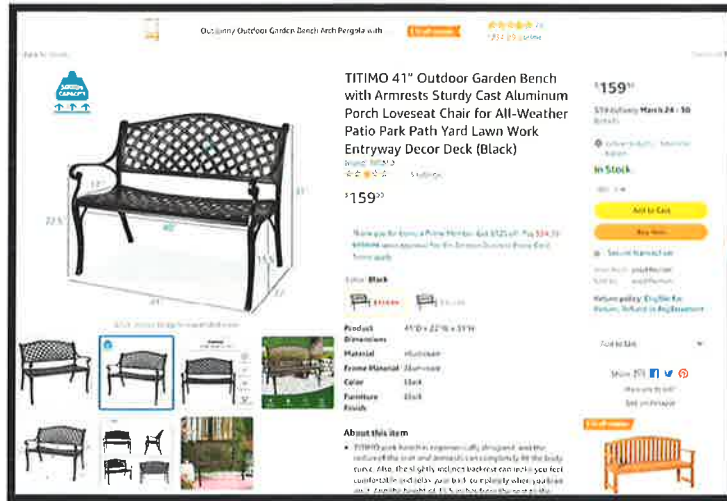
### STONEBRIDGE HOA

FEBRUARY 1, 2022 THROUGH FEBRUARY 28, 2022

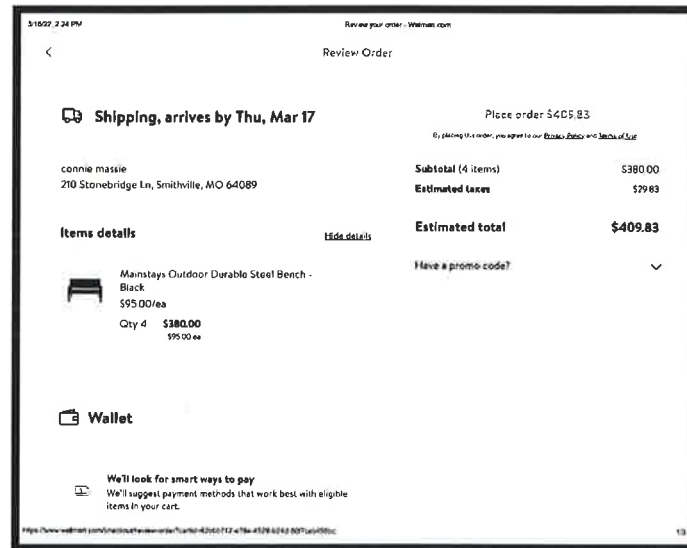
BEGINNING BALANCE:		\$60,993.86
DEPOSITS	\$	24,283.40
CHECK #1302	ILLUSIONS	\$ 1658.09
CHECK #1303	ENERGY	\$ 99.70
CHECK #1304	GRABER	\$19303.00 Balance for front steps
TOTAL EXPENSES:		\$22,060.79
ENDING BALANCE:		\$63,216.50

(1) 4 Park Benches around pond \$160.00 x 4 = \$640.00

Amazon:



Walmart:



Ebay:



(2) Handyman – Labor to install 4 benches -- \$300.00

John Wheatley

## Invoice

John H Wheatley  
149 Stonebridge  
Smithville MO 64089  
Phone 501.628.1778  
vikrider08@live.com

DATE 4-6-2021

TO:  
Stonebridge HOA  
199 Stonebridge lane  
Smithville, MO 64089  
Phone 816 813 2770 | Email

### INSTRUCTIONS

Assemble and Install 4 each benches around pond and assemble and Install dog waste station's 5 each

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
4	Labor benches	\$ 50	\$200
5	Labor dog waste stations	\$20	\$100
5	50 lbs quikrete	\$6	\$30
SUBTOTAL			
TOTAL DUE			\$330.00

Thank you for your business!

[OFFICE ADDRESS]

[PHONE NUMBER]

[EMAIL]



<h2 style="margin: 0;">Proposal</h2>			
<p>GARY Johnson LLC          350 NE 132nd St          Kuno, 64165          816-868-3513</p>			
PROPOSAL SUBMITTED TO: <u>Stone Bridge</u>		JOB NAME: _____	
ADDRESS: <u>199 Stone Bridge</u>		JOB LOCATION: _____	
<u>Smithville mo 64089</u>		DATE: _____	
PHONE: <u>816-916-1032</u>		ARCHITECT: _____	

We hereby submit specifications and estimates for

Owner Buys walk way.  
 In STALL By pouring peds on both ends.  
 price, \$ 1,200.00

Two park Benches owner Buys. In STALL  
 By pouring pads and bolting to pads

Contractor Buys all materials needed  
 to In STALL

Walk way \$ 1,200.00  
 Benches \$ 800.00  
 Total 2000.00

We propose hereby to furnish material and labor - complete in accordance with the above specifications for the sum of:

\$ walkway Half down 600.00 Benches \$ 400.00 Dollars

with payments to be made as follows: Set at \$1,600.00

Any alteration or deviation from above specifications involving extra costs will be made only upon written order and will become an extra charge cost and alter the estimate. All agreements contingent upon strikes and delays beyond our control.

Respectfully  
submitted

 LLC.  
 Date - This proposal may be withdrawn by us if not accepted within \_\_\_\_\_ days

### Acceptance of Proposal

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

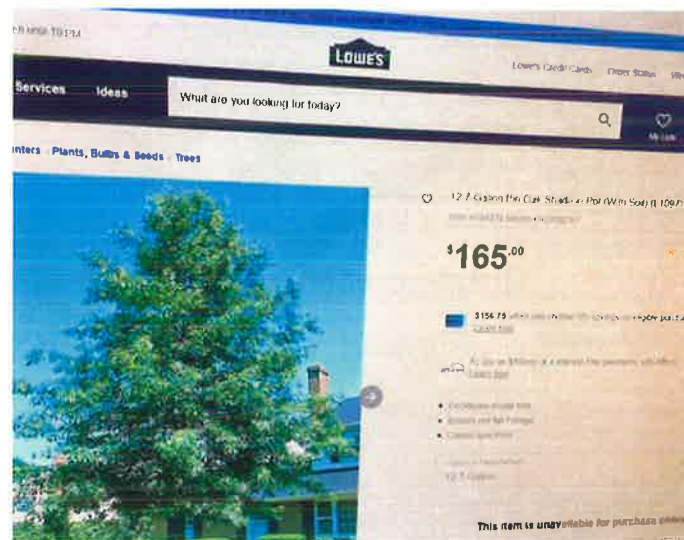
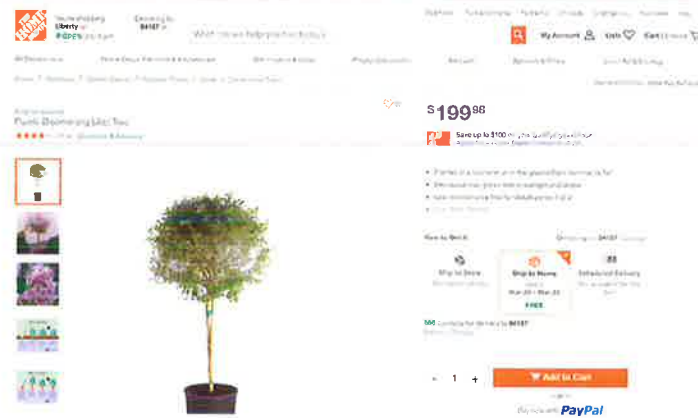
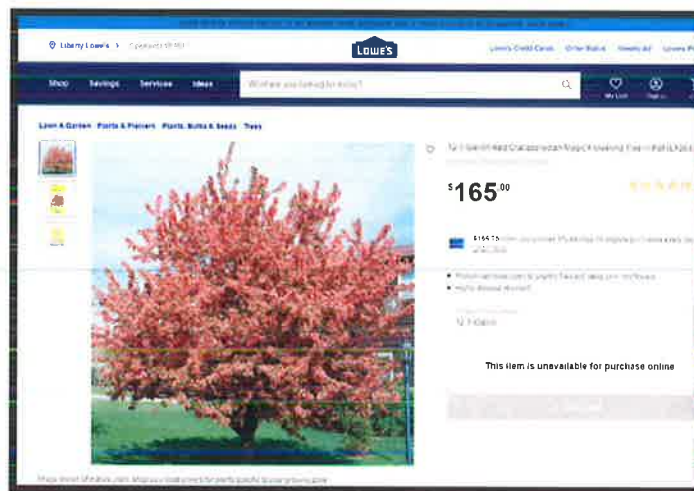
Signature \_\_\_\_\_

Date of Acceptance \_\_\_\_\_

Signature \_\_\_\_\_

(3) Illusion Landscaping – 10 Trees x \$100 each – installed = \$1,000.00

Illusion Landscape's Verbal Estimate (they are our current landscaper)=\$100 per tree installed includes fertilizer, compost and staking.



**(4) Illusion Landscaping new entrance bushes and flowers installed = \$500.00**

**Verbal estimate from our Current Landscaping Contractor**

(5) Mulch and install of same for 96 units and common areas= \$610 + \$75 for delivery + \$800 labor (volunteer hours) = \$1,485.00

### Lowes estimate:

3/10/22 10:05 AM

Checkout - Lowes.com

Shopping Cart

Item	Price	Quantity	Total
1x 10' x 10' x 10' Rubber Mulch	\$50.00	1	\$50.00
<b>Subtotal</b>			<b>\$50.00</b>
<b>Tax</b>			<b>\$0.00</b>
<b>Total</b>			<b>\$738.00</b>

3/10/22 10:05 AM

3/10/22 10:05 AM

### Rooster Rubber estimate:

3/10/22 10:13 AM

Rubber Mulch for Sale in Bulk & By the Bag | Rooster Rubber | Checkout

**Rooster Rubber**

Premium Rubber Surfacing

HOME LANDSCAPES PLAYGROUNDS INSTALLATIONS PRODUCTS SHOP More

The agency of your choice  
longer than the life

800.750.21

3330 Yinnick  
Kansas City, Mo  
Mulch.co

Delivery room open

**Shopping cart**

Store / Shopping cart

Standard Colors - 10' x 10' Premium  
Recycled Rubber Mulch for Play Areas  
and Landscapes

Order: Redwood Huggs  
Qty: 65

**\$601.00**

**Subtotal** \$601.00  
**Shipping & delivery** \$0.00  
**Taxes** \$0.00  
**TOTAL** **\$676.85**

Have a promo code? Redeem your coupon

Looking for more? Continue shopping

**Checkout**

Enter your email address. This address will be used to send you order status updates.

elm3837@gmail.com

Keep me up to date on news and exclusive offers

Next

Delivery options  
Select how you'd like receiving your order.

Payment Information  
Choose a payment method and enter your payment details.

Order confirmation  
Place your order and receive a confirmation email.

Mulch calculator  
(816) 750-2489

Buy now

You may also like

https://www.rooster-rubber.com/mulch-calculator

### Home Depot estimate:

3/10/22 3:49 AM

The Home Depot - Checkout

Vigoro 0.8 cu. ft. Red Baggo... \$592.45  
Qty: 85

**Payment**

☐ Credit Card

Enter credit card number

Expiration Month Year CVV (on back)

☐ Save as my default credit card

Apply a Gift Card | Have a PO/Job Code for this order?

The order confirmation and updates will be emailed to elm3837@gmail.com

**Place Order**

**Subtotal** \$592.45  
**Scheduled Delivery** \$70.00  
**Estimated Sales Tax\*** \$32.43  
**Apply Tax Exempt ID**

**Total** **\$723.00**

Have a promo code?

**GET \$50 OFF\* and pay \$673.00 instead on your qualifying purchase, plus receive 6 months everyday financing\*\* on purchases over \$299 when you open a new card.**

Apply Now See Terms

Need help?  
Call us at 1-800-468-3337, 8 a.m. - 2 a.m. ET  
For assistance with custom blinds, call 1-800-658-7320

\* We are required by law to charge an applicable sales tax for online orders.  
Please note that the order total during your checkout reflects estimated sales tax. The actual charge to your form of payment will include applicable state and local sales taxes and will be calculated when order is shipped.

By providing your mobile phone number and checking Place Order, you agree to receive a text message from Home Depot when your order is shipped. Once your order is shipped, we will send you a text message with the tracking information. Text messages may be sent between the hours of 9 a.m. and 9 p.m. (EST). Consent and permission to use a mobile device for text messages. You will also receive email or text messages. Text messages may be sent between 9 a.m. and 9 p.m. (EST). For more information, visit www.homedepot.com/textmessages. Text messages may be sent to you at any time.

https://www.homedepot.com/mycheckout/checkout

(6) Artist invoice for mural creations - \$2,000.00

[Only one person found for an estimate—the same person that updated our entrance sign].

## Lily Cutler Murals

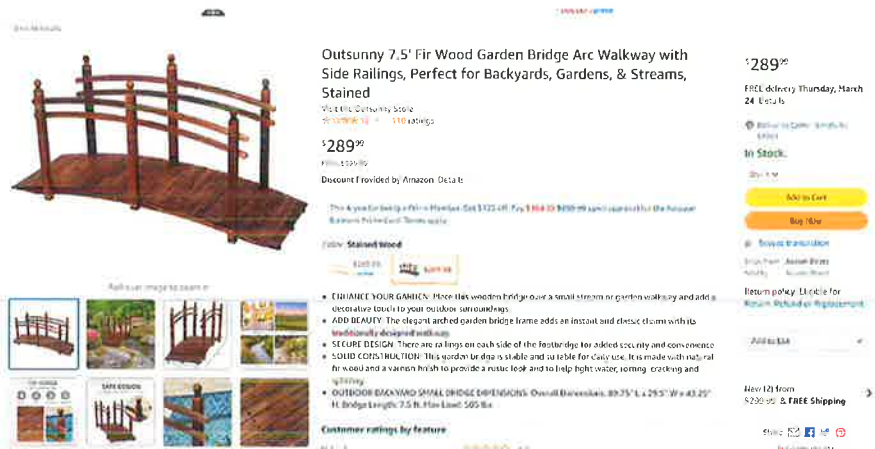
510 Kindred Drive  
Smithville, MO 64089

Stone Mural for Driving Bridge	\$ 500.00
Scenery Mural for Dam	\$1,500.00
<b>TOTAL:</b>	<b>\$2,000.00</b>

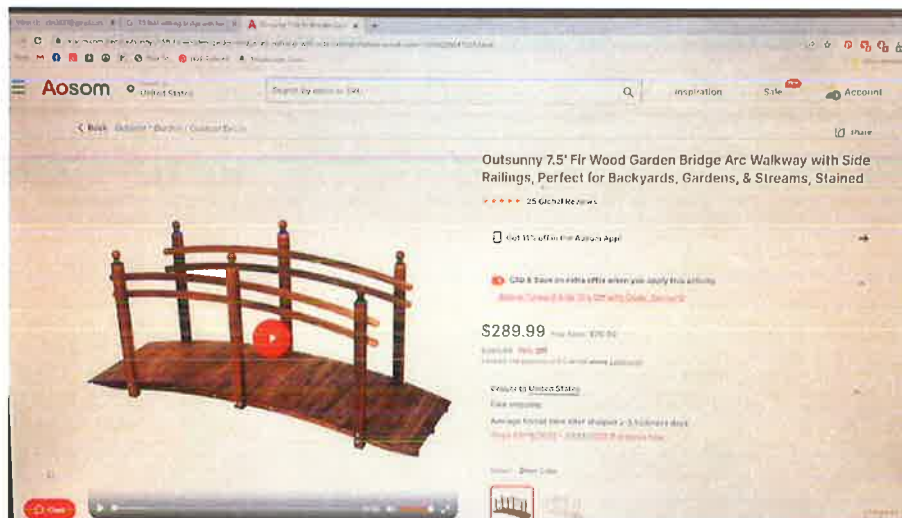


(7) Quotes for Walking Bridge = \$300.00

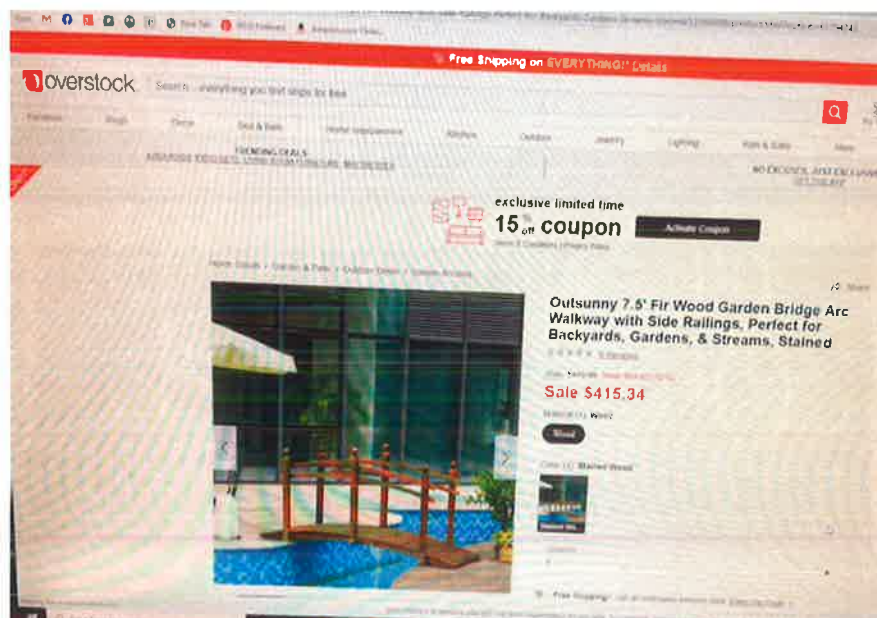
## Amazon:



**Aosom:**



**Overstok:**



(8) Boy Scout Troup #412 Install of walking bridge to school -- \$200.00

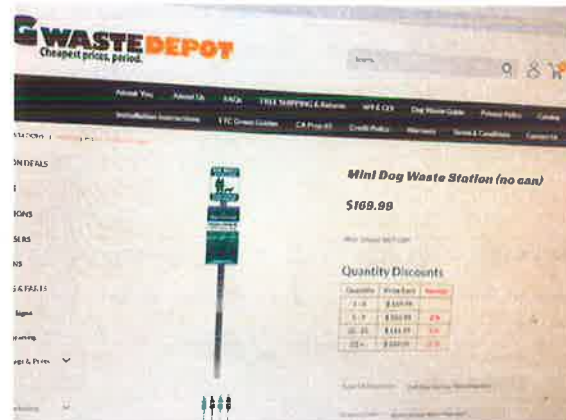
## Verbal estimate from troop leader


Gary Johnson -

Proposal		Page #	of	pages
GARY Johnson LLC 350 NE 132nd St Kumonia, 64165 816-868-3513,				
PROPOSAL SUBMITTED TO	JOB NAME	JOB #		
ADDRESS	JOB LOCATION	DATE		
DATE	DATE OF PLANS	ARCHITECT		
We hereby submit specifications and estimates for				
In STALL By pouring piers on Both Ends. Owner Buys walk way. price. \$ 1,200.00				
Two park Benches owner Buys. In STALL By pouring pads and bolting to pads. Contractors Buys all material needed to In STALL				
walk way \$ 1,200.00 Benches \$ 800.00 Total 2000.00				
We propose hereby to furnish material and labor to complete in accordance with the above specifications for the sum of				
walking Half down 600.00 Benches \$ 400.00 Dollars				
with payments to be made as follows: Let \$ 1,600.00				
Respectfully submitted				
Note -- This proposal may be withdrawn by us if not accepted within days				
Acceptance of Proposal				
The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified.				
Signature _____				
Date of Acceptance _____				



## Amazon





# Bow Wow Waste®


[SHOP](#)
[ABOUT US](#)
[FREE SHIPPING & RETURNS](#)
[CUSTOMER SERVICE](#)
[FAQS](#)
[PRIVACY POLICY](#)
[DOG WASTE](#)

[WARRANTY](#)
[CREDIT POLICY](#)
[CA PROP 65](#)
[CONTACT US](#)
[ARTICLES](#)

800.477.8772

800.477.8772

QUANT. 2    DUCK WASTE STATION    BUDGET DOG WASTE STATION



## Budget Dog Waste Station

★★★★★ (1 customer) Write a review

**\$169.99**

SKU: BW-205-30H

### Quantity Discounts

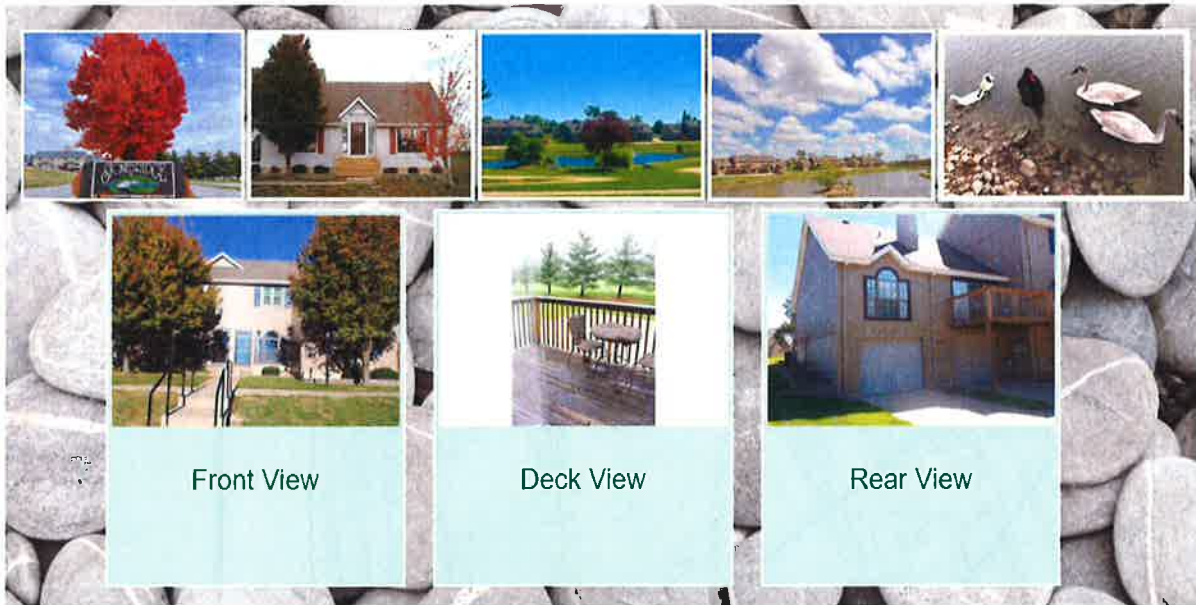
Quantity	Price Each	Savings
1	\$169.99	
2 + 9	\$154.99	9%
9 + 8	\$141.99	16%

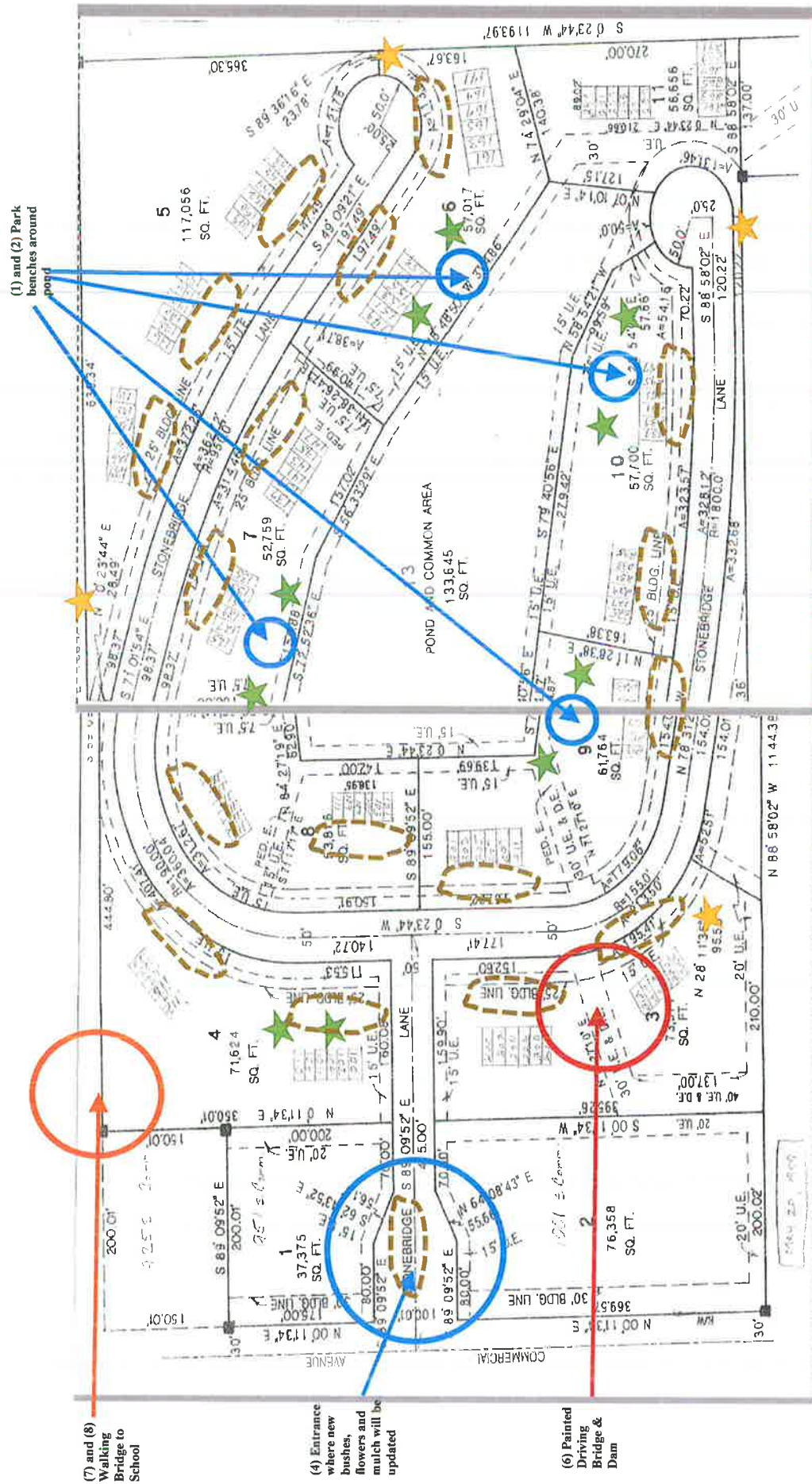


## Pictures from our HOA

And further information may be found at our website:

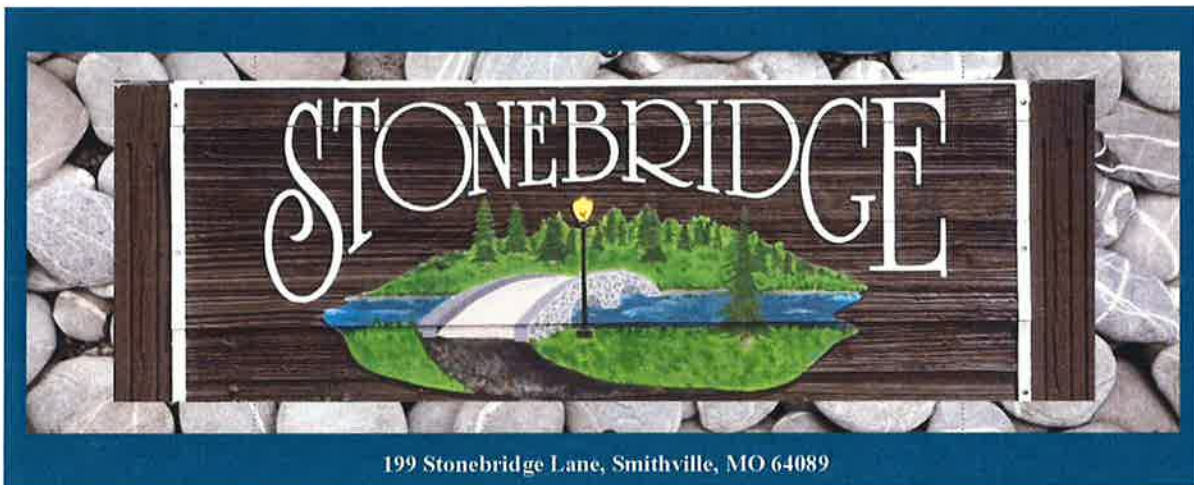
[www.stonebridgelanehoa.com](http://www.stonebridgelanehoa.com)





- (3) 10 Trees to be installed
- (5) New Mulch in all flower beds to be installed=17 buildings, entrance & common areas
- (9) Dog Waste Stations





# Stonebridge Lane

## *Welcome Packet*

*The primary purpose of the Stonebridge Lane Homeowners Association is to build community and ensure the best quality of life for all homeowners while maintaining and enhancing property values through enforcing the covenants and maintenance of the Association common areas.*



### **WEBSITE and EMAIL**

Email: [stonebridgelanhoa@gmail.com](mailto:stonebridgelanhoa@gmail.com)

Website: [www.stonebridgelanhoa.com](http://www.stonebridgelanhoa.com)

Last Updated March 16, 2022



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## **Welcome to Stonebridge**

Dear New Homeowner,

Congratulations on the purchase of your new home. On behalf of the Stonebridge Homeowner's Association and all 96 homeowners of Stonebridge, we would like to officially welcome you to our neighborhood. We are so pleased that you have chosen to call Stonebridge home. We certainly look forward to meeting you whether it be by personal visit, walking throughout the neighborhood or a community meeting.

Moving into a common-interest community, property governed by a homeowner's association, can be a confusing and challenging ordeal, more especially for those who have never before been involved with a homeowner's association. Stonebridge HOA would like your experience here to be a positive and enjoyable one.

To help you, we have created this brief document to touch upon some key areas of interest for all new homeowners. This document is not designed to replace or substitute for the Stonebridge Homeowner's Association governing documents rather providing a simple summary. All potential homeowners should be given the opportunity to read and understand the governing documents prior to moving into the Stonebridge HOA, and each homeowner has the responsibility to honor the provisions of these documents.

### **About Stonebridge**

Incorporated as a non-profit organization and located in the heart of the wonderful City of Smithville, Stonebridge offers townhomes for those seeking an affordable housing community.

### **Why Stonebridge HOA?**

Stonebridge Homeowner's Association was created by the Developer as a formal legal entity to maintain common areas of the Association and ensure quality and value of properties within the neighborhood. As a legal authority, the HOA is deemed to enact and enforce maintenance and design standards in addition to the standards established by the City of Smithville.

Last Updated March 16, 2022



## Covenants

Stonebridge is a covenant-controlled community. It is incumbent upon all homeowners to read and comply with the dedicatory documents of the Association called the Amended Declaration of Covenants, Conditions & Restrictions (DCCRs). By accepting title to your home one automatically accepts responsibility to abide by these covenants. The dedicatory documents can be found in your closing papers or on our website in the Documents Section at <https://www.stonebridgelanehoa.com/>.

The Association operates via a *volunteer* Board of Directors who oversees the community. The Board members are elected on a staggered basis by the community at elections held at the annual homeowners meeting in October of each year. Due to residing within Stonebridge, we residents are bound by the rules and regulations set forth in the dedicatory documents. Should a violation of these documents occur, a homeowner will receive a written notice of the covenant violation with proper timeframe to resolve the issue. Should a violation go unresolved a fine may be assessed.

Fines are intended to target covenant infractions that have a direct correlation to home values and consistency of community. It is not the desire of the Board to fine a homeowner, however, violations which affect property values and/or neighborhood appearance must be resolved in a timely manner. The fines are in place to provide motivation to resolve the issue, not as a punishment. Information regarding fines can be found by contacting the Board Members of Stonebridge HOA. Should you need to address a covenant violation you may utilize the Contact Us page on the website at <https://www.stonebridgelanehoa.com/>.

## HOA Annual Assessments

Each homeowner, not the bank or mortgage company is responsible for paying the annual assessment, also known as HOA dues and/or fees. See further details below in the section entitled **Stonebridge Homeowner's Association At-A-Glance**.

## HOA Communications

Stonebridge HOA produces an association newsletter at least quarterly each year. At times a special edition may be published. Newsletters include vital & current topics of interest, upcoming community events, community policing info, and other relevant information. We use the newsletter, our website, and emails to communicate with homeowners. We would appreciate your taking time to keep us advised of your current contact information. Please know your email will not be shared with outside parties.

The Stonebridge website is the center for communication and education of our Association.

Website pages at-a-glance:

- ❖ Home
- ❖ News and Meetings
- ❖ Documents
- ❖ Contact Us

Last Updated March 16, 2022



## **Stonebridge Board of Directors**

The operation of your homeowner's Association is governed by an active volunteer Board of Directors. The Board currently (November 2020), consists of four member homeowners of the Association. The Board of Directors is elected by the community to oversee the daily functions and financial responsibilities of the Association. The Board is also responsible for maintaining members' compliance with the established dedicatory documents of the Association. They have specific provisions regarding what can and cannot be done on members' properties. It is imperative that members take the time to read through the dedicatory documents you receive during the home purchase process. These are commonly available in your closing papers. Copies are also available in the Documents Section on our website: <https://www.stonebridgelanhoa.com/>.

The dedicatory documents initially set up by the Developer at the inception of the Association and recorded with the Clay County Clerk's office state the Board's primary duty is to preserve the integrity of the development and maintain the appearance of the neighborhood by managing the following:

1. Provide financial management and neighborhood planning
2. Common area maintenance and repairs
3. Provide architectural change/improvement guidance
4. Oversee the enforcement of the Declaration of Covenants, Conditions & Restrictions, and subsequent Amendments

Included with this letter is a series of pages with helpful information that will benefit you in being introduced to the Association, explaining your part as a member, and sharing valuable information on the rules and regulations that are applicable to all members which may prove helpful in the future. Please take a moment to look it over and let us know if you have any questions. We will be happy to answer your questions.

Again, welcome to your new home and your new community.

Sincerely,

**Stonebridge Homeowner's Association**

President Susan Lambrecht

Vice President Tina Wheatley

Secretary Cathy Knight

Treasurer Connie Massie

Last Updated March 16, 2022



## Stonebridge Homeowner's Association At-A-Glance

<b>Annual Hazard Insurance Assessment</b>	<ul style="list-style-type: none"> <li>An annual assessment for property hazard insurance, currently through State Farm, is assessed once per year in February and you will be mailed an invoice and becomes due and payable by March 1st of each year. If not paid by March 15th, it will be considered late and a \$50.00 late fee will be assessed.</li> </ul>
<b>Annual Meeting</b>	<ul style="list-style-type: none"> <li>Currently Stonebridge HOA holds only one annual meeting in on a Saturday October of each year</li> <li>Notices are mailed in sufficient advance by the Board to ensure your attendance</li> <li>Each homeowner is encouraged to attend the annual meeting</li> <li>At the HOA Annual Meeting in October of each year, property owners will act upon matters outlined in the notice of meeting, possibly including, but not limited to, proof of notice, election of officers, approval of minutes from the last meeting, Treasurer's financial report, President's report, new business, open floor for questions, committee reports, and/or announcement of election results. An annual meeting notice and ballot, with instructions, will be sent via USPS to HOA property owners; property owners should ensure that the HOA has your current mailing address. Property owners will be given the opportunity to vote in person at the annual meeting, or by proxy/absentee ballot</li> </ul>
<b>Architectural Control</b>	<ul style="list-style-type: none"> <li>All modifications to the exterior of your property, including painting or landscaping must be submitted and approved by HOA Board. Contact with the Board can be made by email or the website email Contact Us Section, <a href="https://www.stonebridgelanehoa.com/">https://www.stonebridgelanehoa.com/</a>.</li> </ul>
<b>Bylaws and Amended Declaration of Covenants, Conditions and Restrictions</b>	<ul style="list-style-type: none"> <li>Located in your closing papers and the Documents Library on the Association website, <a href="https://www.stonebridgelanehoa.com/">https://www.stonebridgelanehoa.com/</a>.</li> </ul>
<b>Common Areas &amp; Grounds Maintenance</b>	<ul style="list-style-type: none"> <li>Stonebridge is responsible for maintaining the lawns, trees, shrubs and other plantings located in the common areas of the HOA. This includes both entrances, park, greenbelts, creeks and walking paths. If issues arise within one of these areas please submit an inquiry to Stonebridge HOA by submitting a Maintenance Request Form in the Dropbox or using the Contact Us page on our website: <a href="https://www.stonebridgelanehoa.com/">https://www.stonebridgelanehoa.com/</a>.</li> </ul>
<b>Decks</b>	<ul style="list-style-type: none"> <li>No water fountains or water features may be kept on decks.</li> </ul>
<b>Dues and Fees - Monthly</b>	<ul style="list-style-type: none"> <li>Payment of dues is essential to the maintenance of the association. Reminders and late notices are sent to homeowners who do not pay in a timely manner. If, after all steps have been taken to collect delinquent dues, the account is still in arrears, liens will be filed and foreclosure actions will be taken. Association dues are \$135.00 per month (\$130.00 dues and \$5.00 Long Term Capital Account) plus \$75.00 per</li> </ul>

Last Updated March 16, 2022





## Stonebridge Homeowner's Association At-A-Glance

	<p>month (\$210.00 total, if you are paying your siding assessment on a monthly basis). Dues are paid on the first of each month. If not received by the 15th of the month, a late fee of \$50.00 per violation will be charged. If you pay several months at once, payment must be made in advance and not after-the-fact (e.g., dues for January through June must be made in January and not June, or you will have accrued \$250.00 in late fees, plus an additional \$250.00 in late fees for the assessment).</p> <ul style="list-style-type: none"> <li>• Due to security issues, your dues should be mailed as follows: <b>Stonebridge Homeowners Association</b>, 199 Stonebridge Lane, Smithville, MO 64089; Individual Board members are not responsible for checks or envelopes left outside storm doors. There is no the Association office. If you have questions, please email to <a href="mailto:stonebridgelanehoa@gmail.com">stonebridgelanehoa@gmail.com</a> or write the Association at the address listed above.</li> <li>• <b>PayHOA:</b> Owners will receive an access link to PayHOA.com to create an account and pay their monthly HOA dues online and see their account status. Owners can also submit maintenance reports or any correspondence needed to the HOA Board.</li> </ul>
<b>Important Contact Information</b>	<ul style="list-style-type: none"> <li>• HOA Management info Email: <a href="mailto:stonebridgelanehoa@gmail.com">stonebridgelanehoa@gmail.com</a></li> <li>• Website Administrator: <a href="https://www.stonebridgelanehoa.com/">https://www.stonebridgelanehoa.com/</a></li> </ul>
<b>Important Numbers</b>	<ul style="list-style-type: none"> <li>• Smithville City Hall: 816.532.3897</li> <li>• Smithville Police Dept: 816.532.0500; 816.858.3521 (after hour non-emergency)</li> <li>• Smithville Area Fire Protection District: 816.532.4902 (non-emergency)</li> <li>• Northland Regional Ambulance District: 816.858.4450 (non-emergency)</li> <li>• Smithville Area Chamber of Commerce: 816.532.0946</li> </ul>
<b>Lamppost Power Outage</b>	<ul style="list-style-type: none"> <li>• Lampposts within Stonebridge are maintained by the City of Smithville 816.532.3897; <a href="https://www.smithvillemo.org/">https://www.smithvillemo.org/</a></li> </ul>
<b>Landscaping &amp; Grounds Maintenance</b>	<ul style="list-style-type: none"> <li>• The HOA contracts with an irrigation and landscape maintenance company to mow, edge and fertilize all lawn areas, as well as mulch, weed, prune and apply pesticides as needed, per the HOA budget. Shrub, tree and plant replacement is also included in the maintenance by the Association.</li> </ul>

Last Updated March 16, 2022





## Stonebridge Homeowner's Association At-A-Glance

<b>Long Term Account (Reserves)</b>	<ul style="list-style-type: none"> <li>The Reserve Account is the association's way of setting aside money for future repairs and replacements. Each year, a certain portion of your association fee is set aside in a special interest bearing account to plan for the replacement and repair of items in the common areas. This helps to protect and preserve property values. This expense is included in the overall budget for the association.</li> <li>Your ability to sell your home can be influenced by the adequacy or inadequacy of reserves set aside by the association. Primary lenders consider reserves for future needs a key part of a good financial policy and can consequently be more receptive to lending money in communities with an established reserve account policy. Reserves do, therefore, directly affect the resale value in associations.</li> </ul>
<b>Meeting Minutes</b>	<ul style="list-style-type: none"> <li>Minutes are maintained by the Secretary of the HOA and posted on the HOA's website.</li> </ul>
<b>Monthly Board Meetings</b>	<ul style="list-style-type: none"> <li>The Stonebridge HOA Board holds monthly meetings the second Tuesday of each month at 5:00 PM, at , at Smithville Fire Station Conference Room, 341 Park Drive, Smithville, MO 64089</li> </ul>
<b>Paint Colors</b>	<ul style="list-style-type: none"> <li>[Will be updated].</li> </ul>
<b>Parking</b>	<ul style="list-style-type: none"> <li>Parking should be only in designated parking spaces</li> <li>No RVs, campers, ATVs, motorhomes, trailers, boats, etc. may be parked in the street</li> <li>Guest parking on the street is allowed on a temporary basis as long as street traffic is not impeded</li> <li>Please do not park on the road, block sidewalks, park on the grass, or block a fire hydrant; if parking on street. It is suggested to not park on streets to allow for visitors, emergency vehicles and snow removal</li> </ul>
<b>Pets</b>	<ul style="list-style-type: none"> <li>Please be courteous to your neighbors when considering pets. All pet owners are responsible for cleaning up after their pets. No animal may be a nuisance by barking, howling, or making loud noises so as to disturb your neighbors' peaceful enjoyment of their home. Dogs must be under leash control at all times on common property.</li> </ul>
<b>Pond</b>	<ul style="list-style-type: none"> <li>No swimming or diving permitted.</li> </ul>
<b>Postal Mailbox</b>	<ul style="list-style-type: none"> <li>U.S. Post Office, 206 Richardson St., Smithville, MO 64089; 800.275.8777</li> <li>Normally, post office box keys will be given to you by previous owner. If not, to begin delivery of your U.S. postal mail and to receive your mailbox keys, take proof of residence (i.e., warranty deed, utility bill or turn-on statement) to the PO listed above, Monday through Saturday.</li> <li>There is also an out slot for small outgoing mail.</li> </ul>

Last Updated March 16, 2022



## Stonebridge Homeowner's Association At-A-Glance

<b>Renters</b>	<ul style="list-style-type: none"> <li>If you lease or rent your home, your tenant must be familiar with the Covenants and By-Laws of the HOA. It is extremely important that your tenant has a copy of the Declaration and knows the expectations of the community standards. In the event of a violation, the owner, not the renter, is held responsible for the renter's behavior.</li> </ul>
<b>Responsibilities by HOA</b>	<ul style="list-style-type: none"> <li>Siding replacement and upkeep (not garages, front doors or windows)</li> <li>Roof shingles (repair and replacement)</li> <li>Rain Gutters</li> <li>Repair and maintenance of walkways and parking lots</li> <li>Snowplowing (After accumulation of 3+ inches)</li> <li>Lamp post lighting and back motion lights</li> <li>Landscaping</li> <li>Sprinkler Systems</li> <li>Bark Maintenance &amp; Replacement</li> <li>Common Area Weed Control</li> <li>Lawn Maintenance &amp; Fertilization</li> <li>Annual Pest Control around foundations and eaves</li> <li>Pruning, fertilizing and pest control of existing shrubs</li> <li>Replacement of dead shrubs/trees</li> </ul>
<b>Rules and Policies</b>	<ul style="list-style-type: none"> <li>Stonebridge has adopted a number of helpful rules and policies over the years to assist in improving the quality of the community and operation of the Association. These can be found in the Documents Library on our website: <a href="https://www.stonebridgelanchoa.com/">https://www.stonebridgelanchoa.com/</a>.</li> <li>Homeowners are bound by these additional restrictive covenants and bylaws. Rules address such items as pets, noise, parking, payments, repairs, etc.</li> </ul>
<b>Schools</b>	<ul style="list-style-type: none"> <li>These schools are specific to residents of Stonebridge:</li> <li><a href="https://www.smithvilleschooldistrict.net/">https://www.smithvilleschooldistrict.net/</a>; 816.532.0406; 655 S. Commercial Ave., Smithville, MO 64089</li> <li><b>Eagle Heights Elementary School</b>; 816.532.5959; 18801 Eagle Parkway, Smithville, MO 64089; <a href="https://www.smithvilleschooldistrict.net/Domain/696">https://www.smithvilleschooldistrict.net/Domain/696</a></li> <li><b>Horizon Elementary School</b>; 816.532.4566; 695 S. Commercial Ave., Smithville, MO 64089; <a href="https://www.smithvilleschooldistrict.net/Domain/10">https://www.smithvilleschooldistrict.net/Domain/10</a></li> <li><b>Maple Elementary School</b>; 816.532.0589; 600 Maple St., Smithville, MO 64089; <a href="https://www.smithvilleschooldistrict.net/Domain/11">https://www.smithvilleschooldistrict.net/Domain/11</a></li> <li><b>Smithville Middle School</b>; 816.532.1122; 675 S. Commercial Ave., Smithville, MO 64089; <a href="https://www.smithvilleschooldistrict.net/Domain/9">https://www.smithvilleschooldistrict.net/Domain/9</a></li> <li><b>Smithville High School</b>; 816.532.0405; 645 S. Commercial Ave., Smithville, MO 64089; <a href="https://www.smithvilleschooldistrict.net/Domain/8">https://www.smithvilleschooldistrict.net/Domain/8</a></li> </ul>

Last Updated March 16, 2022



## Stonebridge Homeowner's Association At-A-Glance

<b>Snow Removal</b>	<ul style="list-style-type: none"> <li>Snow removal is provided by the HOA when over 3 inches of snow accumulates.</li> </ul>
<b>Speed Limit</b>	<ul style="list-style-type: none"> <li>The speed limit throughout the neighborhood is 20 mph. Our motto regarding speed is "20 is Plenty"!</li> <li>Every homeowner, guests and service personnel are encouraged to pay attention to the speed limit. With people walking and children playing, 20 is definitely plenty.</li> </ul>
<b>Trash Pickup &amp; Recycling</b> (City service including in your water bill)	<ul style="list-style-type: none"> <li>The City of Smithville picks up household garbage and recycling within the Stonebridge neighborhood every Thursday, except weeks with holidays and then one day later.</li> <li>You may contact the city to order a trash receptacle if you are new to the neighborhood or need a replacement at WCA at 816.513.8400.</li> <li>Trash/recycle bins not to be placed at the curb prior to 6:00 PM on Wednesday prior to the Thursday AM pickup. Bins are to be removed no later than 6:PM on Fridays.</li> </ul>
<b>Utilities</b>	<ul style="list-style-type: none"> <li>Electricity: Evergy, <a href="https://evergy.com/">https://evergy.com/</a>; 888.471.5275</li> <li>Water: City of Smithville - 903.839.4914</li> <li>Cable: Spectrum; <a href="https://www.spectrum.net/">https://www.spectrum.net/</a>; 816.358.8833</li> <li>Trash/Recycling: Pickup: City of Smithville by WCA 816.513.8400; see information at <a href="https://www.smithvillemo.org/">https://www.smithvillemo.org/</a></li> <li>Telephone: AT&amp;T 800.464.7928; Spectrum 816.358.8833; Vonage 888.218.9015</li> <li>Internet: Spectrum 816.358.8833; AT&amp;T 800.695.3679</li> </ul>
<b>Violation Complaints</b>	<ul style="list-style-type: none"> <li>To report a violation within the Association, please submit your inquiry to the Board on the Contact Us page at our website: <a href="https://www.stonebridgelanehoa.com/">https://www.stonebridgelanehoa.com/</a></li> </ul>
<b>Website</b>	<ul style="list-style-type: none"> <li>Stonebridge HOA maintains a website that can be found at <a href="https://www.stonebridgelanehoa.com/">https://www.stonebridgelanehoa.com/</a></li> <li>The website provides a calendar of events, meetings and meeting minutes, all dedicatory documents, documents library, and contact information.</li> </ul>

Last Updated March 16, 2022

**BYLAWS  
OF  
STONEBRIDGE  
HOMEOWNERS ASSOCIATION**

*November 20, 2021*

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**BYLAWS  
OF  
STONEBRIDGE HOMEOWNERS ASSOCIATION**

**ARTICLE I  
OFFICES**

The principal office of the Association shall be located at 199 Stonebridge Lane, Smithville, Missouri 64089. The Board of Directors shall be authorized from time to time to designate and change the principal office of the Association.

**ARTICLE II  
MEMBERSHIP**

Section 1. Requirements for Membership. The requirements and qualifications for membership in the Association shall be the same as set forth in the Stonebridge Declaration of Covenants, Conditions and Restrictions (hereinafter "Stonebridge DCCRs"), dated November 1, 2014 and recorded on November 3, 2014 as Document No. 2014032325 in Book 7293 at Page 74 in the Office of the Recorder of Deeds of Clay County Missouri, as amended from time to time.

Section 2. Voting Rights. The voting rights of members of the Association shall be the same as set forth in the Stonebridge DCCRs, as amended from time to time.

Section 3. Termination of Membership. Membership in the Association shall terminate when the member no longer is the record owner of a fee or undivided interest in one or more Units or Unit tracts, located on the property subject to the Stonebridge DCCRs.

**ARTICLE III  
MEETINGS OF THE MEMBERS**

Section 1. When and Where Held. All meetings of the members shall be held at such place or places as may be designated from time to time by the members or the Board of Directors and appearing in the Notice of Meeting.

Section 2. Annual Meetings. The annual meeting of the members shall be held on a Saturday in October at 4:00 PM for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting is a legal holiday in the State of Missouri, such meeting shall be held on the next succeeding business day. If the election of Directors is not held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall call the election to be held at a special meeting of the members as soon thereafter as is convenient.

Section 3. Special Meetings of Members. Special meetings of the Members may be called by the President, the Board of Directors or by members in good-standing representing not less than fifty percent (50%) of Stonebridge Units. The special meetings of the members shall be held at such place or places as may be designated from time to time in the notice of the meeting.



Section 4. Notice of Special Meetings. Written, printed, emailed, or mailbox posted notice stating the place, day and hour of the special meeting and the purpose(s) for which the special meeting is called shall be delivered not less than ten (10) nor more than forty (40) days before the date of the meeting, either personally, by mail, email, website, mailbox posting, or such other reasonable means calculated to inform the Membership, by or at the direction of the President, or the Secretary or the officers or persons calling the meeting, to each Unit entitled to vote at such meeting, unless a different notification is required by the Stonebridge DCCRs. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to a Member at his/her address as it appears on the records of the Association, with postage thereon prepaid.

Section 5. Waiver of Notice. Any notice required by these Bylaws may be waived by the person entitled thereto by signing a waiver of notice before or after the time of said meeting and such waiver shall be deemed equivalent to the giving of said required notice. Attendance at a membership meeting, either in person or by proxy, of a person entitled to notice shall constitute a waiver of notice of the meeting unless he/she attends for the express purpose of objecting to the transaction of business on the grounds that the meeting was not lawfully called or convened.

Any corporate action may be taken at a membership meeting held without call or notice if attended by all Members in person or by proxy, or if all Members in writing waive notice of said meeting.

Section 6. Quorum. As defined by the DCCR.

Section 7. Voting by Mail. Where Directors/Officers are to be elected by the Members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

Section 8. Proxies. At any meeting of the Members, a Member entitled to vote may vote by proxy executed in writing by the Member or his/her duly authorized attorney-in-fact. No proxy shall be valid after thirty (30) days from the date of its execution.

Section 9. Vote Necessary for Action. The vote of a majority of the votes entitled to be cast by the Members present at a meeting and voting in person or by proxy at which a quorum is present shall be necessary for the adoption of any matter voted upon by the Members unless a different voting percentage is required under the Stonebridge DCCRs.

#### ARTICLE IV POWERS OF THE ASSOCIATION

Section 1. General Powers. The Association shall have all powers granted and conferred to Not-For-Profit Corporations under the provisions of the General Not-For-Profit Corporation Law currently Chapter 355 of the Revised Statutes of Missouri.

Section 2. Specific Powers. The Association shall have the powers and authority granted and delegated to it under the Stonebridge DCCRs, as amended from time to time. All

powers and authority granted and delegated to the Association under said DCCRs are incorporated herein by reference as if fully set forth herein.

Section 3. Rules and Regulations. The Association by and through its Board of Directors is authorized and shall be empowered to promulgate, adopt and enforce such rules and regulations necessary from time to time for architectural control within the property subject to the Stonebridge DCCRs, and the use restrictions set forth in said Stonebridge DCCRs.

## **ARTICLE V BOARD OF DIRECTORS**

Section 1. General Powers. The property, affairs and business of the Association shall be managed by the Board of Directors. The Board of Directors shall have all powers granted pursuant to the Stonebridge DCCRs.

Section 2. Number, Tenure and Qualifications. The Board of Directors shall consist of not less than three (3) nor more than five (5) Members in good-standing elected at the annual meeting by a majority of the quorum attending.

Section 3. Election. All members of the Board shall be elected for two (2) year terms. The Members of the Board shall hold office until their respective successors have been elected by the Members. At each annual meeting, the Members of the Board shall be elected by a vote of the Members of the Association.

Section 4. Annual & Regular Meetings. The newly elected Directors of the Board shall meet immediately following each annual meeting of the Members. Thereafter, regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Members of the Board.

Section 5. Special Meetings of Board of Directors. Special meetings of the Board of Directors may be called by or at the request of any two (2) Directors and shall be held at such place as the Directors may determine.

Section 6. Notice. Notice of any special meeting of the Board of Directors shall be given at least seven (7) days previous thereto by written notice delivered personally or sent by mail and email to each Director at his/her address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail in a sealed envelope so addressed with postage thereon prepaid. Neither, the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. The Membership shall be notified of special meetings of the Board of Directors by mail, email, website, mailbox posting, or such other reasonable means calculated to inform the Membership.

Section 7. Waiver of Notice. Any notice required by these Bylaws may be waived by the person entitled thereto by signing a waiver of notice before or after the time of said meeting and such waiver shall be deemed equivalent to the giving of said required notice. Attendance at a meeting of the Board of Directors, either in person or by proxy, of a person entitled to notice shall constitute a waiver of notice of the meeting unless he attends for the

express purpose of objecting to the transaction of business on the grounds that the meeting was not lawfully called or convened. Any corporate action may be taken at a Board of Directors meeting held without call or notice if attended by all Directors in person or by proxy, or if all Directors in writing waive notice of said meeting.

Section 8. Quorum. At all meetings of the Board, a majority of the Board Members thereof shall constitute a quorum for the transaction of business and the votes of a majority of the Members of the Board present and voting at a meeting in which a quorum is present shall constitute a valid decision.

Section 9. Vacancies. Any Director who ceases to own a Unit shall immediately cease to be a Director. Vacancies occurring in the Board caused for this or any other reason shall be filled by an election held by remaining Directors of the Board at a special meeting of the Board held for that purpose promptly after the occurrence of such vacancy, even if the Directors present at such meeting may constitute less than a quorum. Each person so elected shall be a Director of the Board for the remainder of the term of the Director replaced or until such time as a successor shall be elected by the Association Membership.

Section 10. Removal of Directors of the Board. At any duly held regular or special meeting of the Directors, any one or more Directors of the Board may be removed with or without cause by a majority of the Directors present and voting, and a successor may then or thereafter at the next Director's meeting be elected to fill the vacancy thus created. In the event a Director is removed pursuant to this Section, within three (3) days of removal, the Members shall be provided Notice. The Notice shall state the name of the Director removed, the time remaining in the Director's term, and if known the Director's replacement. The Notice shall further state the procedure whereby a special meeting of the Membership may be called for the purpose of re-electing the removed Director or electing the Director's replacement.

Section 11. Compensation. No Director of the Board of Directors shall receive any compensation for acting as a Director. However, Directors may be reimbursed for out-of-pocket expenses and may also be compensated for professional, materialman or other services rendered to or for the Association not directly related to the performance of Directorship duties.

## ARTICLE VI OFFICERS

Section 1. Officers. The officers of the Association shall consist of a President, a Vice President, a Secretary and a Treasurer.

Section 2. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of members and Directors of the Association. The President shall have general and active management of the business and of the activities of the Association. The President shall see that all orders and resolutions of the Board of Directors are carried into effect, subject, however, to the right of the Directors to delegate any specific power, except as may be by statute or the Stonebridge DCCRs exclusively conferred upon the President, to any other officer or officers of the Association. The President, or such other Association Officer as the President may from time to time direct act in the President's

place, shall execute deeds, bonds, mortgages and other instruments requiring a signature or the seal of the Association.

Section 3. Vice President. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and be subject to all the restrictions imposed upon him/her in such other duties as the Board of Directors may from time to time prescribe.

Section 4. Secretary. The Secretary shall attend all sessions of the Board of Directors, all meetings of the Members and keep a correct record of all such meetings in a book to be kept for that purpose. The Secretary shall keep a record of the Members of the Association and records of incorporation. The Secretary when authorized by the Board of Directors shall perform such duties as may be prescribed by the President or the Board of Directors.

Section 5. Treasurer. The Treasurer shall attend all sessions of the Board of Directors and all meetings of the Members. The Treasurer shall have custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association, in such depositories as may be designated by the Board of Directors. The Treasurer shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of the financial condition of the Association. The Treasurer shall give the Association a bond if required by the Board of Directors in a sum and with one or more sureties satisfactory to the Board for the faithful performance of the duties of the office and for the restoration to the Association in case of the Treasurer's death, resignation, retirement or removal from office of all books, papers, vouchers, money and other Association property of whatever kind in the Treasurer's possession or control.

Section 6. Election. The officers of the Association shall be elected by the Directors at the annual meeting of the Board of Directors, except as specified in Section 1 hereinabove. Voting shall be by written ballot or by roll call vote.

Section 7. Vacancies. Any vacancies occurring in any office of the Association shall be filled by the Board of Directors. An officer appointed to fill a vacancy shall serve for the unexpired term of his/her predecessor in office. Any officer who ceases to own a Unit shall immediately cease to be an officer and a special Director's meeting shall be called to fill said officer's vacancy.

## **ARTICLE VII COMMITTEES**

Special committees may be established from time to time by action of the Board of Directors for such periods of time as the Board of Directors deems necessary and appropriate. The Board of Directors shall define the duties of each special committee at the time such committee is established.

## ARTICLE VIII GENERAL

Section 1. Delegation of Duties of Officers. In case of the absence of any officer of the Association or for any other reason that the Board may deem sufficient, the Board may delegate the powers or duties of such officer to any other officer or to any Director for the time being, provided a majority of the entire Board concurs therein.

Section 2. Checks. All checks or demands for money and notes of the Association shall be signed by such officer or officers as the Board of Directors may from time to time designate. Said officers shall give the Association a bond, if required by the Board of Directors, in the sum and with one or more sureties sufficient to the Board for the faithful performance of their duties.

Section 3. Obligations. The obligations of the Association shall be signed with the name of the Association by the officer or officers executing the same. No officer shall have the power to bind the Association except as herein provided, or as may be authorized by the Board of Directors.

Section 4. Waiver of Notice. Whenever any notice is required to be given, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. Meetings by Conference Telephone or Similar Communications Equipment. Members of the Board of Directors, or Officers, designated by the Board, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all directors, members and other persons participating in the meeting can hear each other, and participation in a meeting pursuant hereto shall constitute presence in person at such meeting.

Section 6. Action Taken Without a Meeting. To the extent permitted by applicable law, any action required or permitted to be taken at any meeting of the Board of Directors or any Officers thereof may be taken without a meeting if written consent thereto is signed by all Members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board.

Section 7. Meetings Open to Members. All meetings of the Board of Directors and committees thereof shall be open for attendance by all Members of the Association to the extent required by law.

Section 8. Conduct of Meeting. Meetings of the Board of Directors, Officers or any Committee authorized herein shall not be required to be conducted in accordance with Robert's Rules of Order nor any other formal parliamentary procedure.

## **ARTICLE IX AMENDMENTS**

These Bylaws may be amended by a majority vote of the Board of Directors at any regular or special meeting of the Board.

## **ARTICLE X NO CORPORATE SEAL**

The Association shall not be required to have a corporate seal.

## **ARTICLE XI REGULATIONS**

Section 1. Vehicles. A person is in violation of this Article if he or she operates a motor vehicle on Association property including but not limited to driveways, sidewalks, yard and grass.

### **Section 2. Definitions.**

(a) Driver: Every person who drives or is in actual or physical control of a vehicle. OPERATOR: Every person who drives or is in actual physical control of a vehicle. MOTOR VEHICLE: A self-propelled vehicle not operated exclusively on tracts.

(b) Vehicle: Any mechanical device on wheels, except vehicles drawn by human motorized wheelchairs operated by handicapped persons

(c) Repairs. Each owner is responsible for the cost of repair to any and all "studs-in" damage to his or her unit.

(d) Animals. No animals shall be raised, bred or kept in any dwelling Unit except cats or other household pets of an Owner or leaseholder. No animal tiedowns are allowed. No animals may be kept or raised on the property for commercial purposes. The Board may from time to time adopt rules and regulations governing the conduct of pets kept in the dwelling Unit. Pursuant to the Declaration any pet causing or creating a nuisance or unreasonable disturbance to the neighborhood or other Owners or lease holders, shall be permanently removed from a dwelling unit upon three (3) days' notice from the Board to the Owner of the dwelling Unit containing such pet, and the decision of the Board will be final. Exotic animals with vicious or dangerous propensities and dogs with a tendency to injure persons, whether out of anger, viciousness or playfulness are not allowed on the premises. Poisonous snakes, potbellied pigs and purebred and mixed pit bull dogs are not conducive to townhouse living and are prohibited.

(e) Use Of Electronic Or Digital Media. All sections herein referring to communication / or notification by the Board, by use of "in person, by mail or by facsimile" to other Board members, the Association, it's vendors or assigns; shall here after include the use of electronic or digital means, including but not limited to: email, text messaging, and any other form of technology may become commonplace in the future.

(f) Late Fees. The Late Fees herein referenced shall be \$50.00 per month per offense. Offenses shall include but are not limited to: dues, hazard insurance premiums, assessments, etc. As long as fees are accumulating and/or litigation is pending, the offending homeowner shall be deemed "not in good standing", and subject to this Declaration, shall lose voting rights and all other privileges as herein accorded members in good standing. All dues, insurance premiums, assessments, etc. not received by the 15th of each month will incur a \$50 late fee.

(g) Additional Fees. New fees implemented as of 1/1/2022: (1) NSF Fee \$25 per occurrence; (2) Liens \$200 per filed lien; (3) Lien Release \$100; (4) Closing Status Letter \$100; and (5) Sell Transfer Fee \$100.

(h) Fines. Effective June 1, 2015 a fine system will be implemented pertaining to items in the Declaration and Bylaws (REFER TO CC&R's Article X, pages 18-21 and Bylaws Article XIII, pages 10-11). These items cover handling of pets, littering, noise and other disruptive and/or unbecoming behaviors. The first complaint filed will result in a letter being sent requesting compliance within a reasonable period of time. The second offense will result in a \$50.00 fine payable with the next dues payment. Three unpaid fines, or a fine which goes unpaid for three months, will result in a lien being placed against the unit. Regardless if the offense was made by a resident or renter, the lien falls on the unit owner.

The International Fire Code, Section 308.3.1 specifically states:

"Charcoal burners and other open-flame cooking/ornamental devices shall not be operated on combustible balconies or within 10 feet of combustible construction. Exemptions include one and two family dwellings and balconies, or decks that are protected by an automatic sprinkler system."

The above Bylaws were enacted at the first meeting of the Board of Directors of Stonebridge Homeowners Association held on the 11th day of November, 1994 and amended on November 20, 2021.

#### STONEBRIDGE HOMEOWNERS ASSOCIATION

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director



**STONEBRIDGE  
HOMEOWNERS ASSOCIATION**

**AMENDED DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

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**STONEBRIDGE HOMEOWNERS ASSOCIATION**

**AMENDED DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS AMENDED DECLARATION is made as of November 13, 2018, by the Stonebridge Homeowners' Association, successor in interest to Smithville Investment & Development Co., a Missouri Corporation (hereinafter called "*Declarant*"),

**WITNESSETH:**

**WHEREAS**, Declarant is the owner of the real property described in Article II of this Declaration and desires to develop thereon townhome residential units with permanent common areas and facilities for the benefit of said development; and

**WHEREAS**, Declarant desires to provide for the preservation and enhancement of the property values, amenities and opportunities in a planned community to be developed on the real property described in Article II and for the maintenance of the properties and improvements thereon, and to this end, desires to subject the real property, together with such additions as may hereafter be made thereto, to the covenants, conditions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

**WHEREAS**, Declarant has deemed it desirable, for the efficient preservation of the values in said development to create an association to which should be delegated and assigned the powers and duties of maintaining and administering the common areas and facilities, maintaining certain parts of the residential properties located in the development, administering and enforcing the within Covenants, Conditions and Restrictions and collecting the disbursing the assessments and charges hereinafter created; and

**WHEREAS**, Declarant has caused or will hereafter promptly cause to be incorporated under the laws of the State of Missouri, as a Not-For-Profit Corporation without capital stock, Stonebridge Homeowners' Association for the purposes of carrying out the powers and duties aforesaid, as hereinafter more fully set forth;

**NOW, THEREFORE**, Declarant hereby declares that the real property described in Article II, and such additions thereto as may hereinafter be made pursuant to Article II hereof, is and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to the covenants, conditions, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens (sometimes called "*Covenants and Restrictions*") hereinafter set forth, all of which are declared and agreed to be in aid of a plan for improvement of said real property, and shall run with and bind the real property, and shall inure to the benefit of and be enforceable by Declarant, its successors and assigns, and any person acquiring or owning an interest in said real property and improvements, including without limitation, any person, group of persons, corporation, trust or other legal entity or any combination thereof, who holds such interest solely as security for the performance of an obligation:

## ARTICLE I DEFINITIONS

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) “*Association*” shall mean and refer to the Stonebridge Homeowners’ Association, a Missouri Not-For-Profit Corporation and its successors and assigns.

(b) “*Board of Directors*” or “*Board*” shall mean and refer to the Board of Directors of the Stonebridge Homeowner’s Association.

(c) “*Properties*” shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplementary Declaration prepared and filed of record pursuant to the provisions of Article II hereof.

(d) “*Common Properties*” shall mean and refer to those areas of land designated as Common Areas or Facilities on the recorded plat of the Properties and intended to be devoted to the common use and enjoyment of the members of the Association, owners and the tenants and invitees of each, or subject to the control thereof, together with any and all such improvements that are now or may hereafter be constructed thereon. In this Declaration Common Properties shall include, without limitations the following:

(i) All real estate owned in fee simple by the Association evidenced by the warranty deed or deeds from the Declarant to the Association, recorded in the Office of the Recorder of Deeds of Clay County, Missouri.

(ii) All structures, trees, landscaping, lighting equipment, decorative equipment and other improvements located upon real estate owned by the Association.

(iii) All paved private drives, streets, and open parking areas, together with sidewalks, paths and the like, located upon real estate owned by the Association.

(iv) All installments of central services for the benefit of more than one owner such as television antennae, trash receptacles, pipes, wires, conduits, sewers, waterlines and other public utility lines and facilities situated thereon.

(v) All easements, rights and appurtenances belonging thereto, necessary to the existence, maintenance and safety of the property and improvements constructed thereon.

(vi) All personal property owned by the Association intended for use in connection with the operation of structures and other facilities of the Association.

(vii) All patios and decks adjoining a unit.

(viii) All of the Properties not within a “unit” or “unit tract”.

(e) "Lot" shall mean and refer to a plot of land shown upon the recorded plat of the Properties and any Certificate of Survey filed of record thereafter, upon which townhomes, patios and other improvements are constructed.

(f) "Building" shall mean a structure containing six (6) units located upon a lot.

(g) "Unit" shall mean a single townhome located upon a lot within the Properties. Each Unit shall have a separate legal description for purposes of identification and transfer of ownership to an Owner or Owners. "Unit tract" shall mean the real estate upon which a Unit is or will be constructed. The area of a unit or unit tract shall be computed from the outside wall, if any, or from the center of any common wall to the center of the opposite wall appurtenant thereto. The same legal description shall be used to describe a "unit" and the "unit tract" upon which the unit is or will be located. There shall be two (2) buildings per lot and six (6) units/unit tracts per building. Each building shall be described by using a different letter or letters and the units/unit tracts in each building shall be numbered 1, 2, 3, 4, 5 and 6. The building and the units/unit tracts shall be shown upon a recorded Certificate of Survey which describes the lot upon which the building and units/unit tracts are or will be located and which shows the location of each building and each unit/unit tract on said lot. For purposes of identification, transfer and conveyance, a unit/unit tract shall be described by referring to the unit number, building letter and lot number shown upon a recorded Certificate of Survey.

(h) "Owner" shall mean and refer to the record Owner, whether one or more persons are entities, of the fee simple title to any Unit or Unit tract which is a part of the Properties but notwithstanding an applicable theory of mortgages, deeds of trust or other security devices, shall not mean or refer to any Mortgagee unless and until such Mortgagee has acquired title pursuant to power of sale, foreclosure or any proceeding in lieu thereof.

(i) "Member" shall mean and refer to each Owner as provided herein in Article III.

(j) "Declarant" shall mean Stonebridge Homeowners Association its successors and assigns.

(k) "Existing Property" shall mean and refer to the real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration pursuant to Section 2.1 of Article II.

(l) "Mortgagee" shall mean and refer to the holder of a first or second deed of trust, mortgage or other equivalent lien on a Unit.

(m) "Quorum" shall mean whether in-person or by-proxy, voters in good standing constituting not less than thirty percent (30%) of all eligible Unit votes that may be cast at any meeting shall constitute a quorum at such meeting.

**ARTICLE II**  
**PROPERTY SUBJECT TO THIS DECLARATION, ADDITIONS THERETO**

Section 2.1 Existing Property. The real property which is, and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to this Declaration (hereinafter defined as "Existing Property") is located in Smithville, Clay County, Missouri, and is more particularly described in Exhibit "A" which is attached hereto and made a part hereof as though more fully set forth herein.

Section 2.2 Annexation. Additional residential property and common area may be annexed to the properties with the consent of two-thirds (2/3rds) of each class of members.

Section 2.3 Units and Unit Tracts. There are 96 Units constructed on the Existing Property, with each Unit tract having one (1) Unit located thereon.

**ARTICLE III**  
**MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION**

Section 3.1 Qualification. Every person or entity who is a record Owner of a fee or undivided fee interest in one or more Units or Unit tracts on the Properties subject to the Covenants, Conditions and Restrictions established by this Declaration shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separate from ownership of any Unit/Unit tract which is subject to the Covenants, Conditions and Restrictions established by this Declaration. Record ownership of such Unit or Unit tract shall be the sole qualification for membership. Members shall be entitled to one vote for each Unit or Unit tract in which they hold the interest required for membership by this Article whether or not the dwelling unit has been constructed. Voting rights shall be determined on the basis of one (1) vote per Unit or Unit tract. When more than one (1) person holds such interest in any Unit or Unit tract, all such persons shall be Members and the vote for such Unit or Unit tract shall be exercised as they, among themselves, determine; but in no event shall more than one (1) vote be cast with respect to any one Unit or Unit tract. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their rights to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Unit or Unit tract, it will thereafter be conclusively presumed for all purposes that he/she or they were acting with the authority and consent of all other Owners of the same Unit or Unit tract. In the event more than one vote is cast for a particular Unit or Unit tract, none of said votes shall be counted and said votes shall be deemed void.

Section 3.2 Voting Classes. The Association shall have only one class of Membership and Members.

**ARTICLE IV**  
**PROPERTY RIGHTS IN THE COMMON PROPERTIES**

Section 4.1 Members' Easements of Enjoyment. Subject to the provisions of Section 4.3 of this Article IV, every Member shall have a non-exclusive and non-severable right and easement of enjoyment in and to the Common Properties in common with all Members, and

such easement shall be appurtenant to and shall pass with the title to every Unit or Unit tract, and may not be severed therefrom. Such rights and easement shall be for the use of the Common Properties in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights and easements of other Owners.

Section 4.2 Title to the Common Properties. The Declarant may retain the fee simple title to the Common Properties until such time as it has completed such improvements thereon as it may elect to make and until such time as, in the opinion of the Declarant, the Association is able to maintain the same but, notwithstanding any provision herein, the Declarant hereby covenants, for itself, its successors and assigns, that it shall convey fee simple title to the Common Properties to the Association not later than December 31, 1995.

Section 4.3 Extent of Members' Easements. The rights and easements of Enjoyment created hereby shall be subject to the following:

(a) The rights of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties;

(b) The right of the Association in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Properties and facilities in a manner designed to promote the enjoyment and welfare of the Members, and in aid thereof to mortgage the Common Properties;

(c) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against mortgage default and/or foreclosures; provided always, however, that the same are in conformity with the other provisions of the Declaration;

(d) The right of the Association to suspend the voting rights and right to use any recreational facilities by an owner for any period during which any assessment against his/her unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations;

(e) Use of adjoining patio/deck. Each Member shall have the exclusive right for use of the patio/deck adjoining the Member's Unit, subject to the Association's right to enter upon the patio/deck to maintain, repair and perform such other work upon the patio/deck as may be required from time to time as part of the Association's responsibility for the common properties under this Declaration of Covenants, Conditions and Restrictions.

(f) The right of the Association, acting by and through its Board of Directors, to grant licenses, rights-of-ways and/or easements for access or for the construction, reconstruction, maintenance and/or repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person; provided, however, that no such licenses, rights-of-ways and/or easements shall be unreasonably inconsistent with the rights of the Members to the use and enjoyment of the Common Properties, no such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of each class of members has been recorded;



Section 4.4 Rights Not Subject to Suspension. Notwithstanding anything in this Declaration to the contrary the Association shall have no right to suspend, limit or encumber, either temporarily or permanently, any of the rights created and described in Section 4.1 above for any reason whatsoever, or the right of any Owner to use and enjoy the drives, streets, parking, areas, walks, entrances and exits on the Common Properties.

Section 4.5 Delegation of Right of Use. Any Member of the Association may delegate his/her rights to the use and enjoyment of the Common Properties to the members of his/her family who reside with him/her and/or to his/her guests, all subject to such reasonable Rules and Regulations which the Association may adopt and uniformly apply and enforce.

## ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 5.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner of a Unit (by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance) hereby covenants and agrees and shall be deemed to covenant and agree to pay the Association or its nominee: (1) Annual assessments or charges, and (2) Special assessments; such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Unit and undivided interest in the real property of each Owner against which each such assessment is made. Each such assessment together with such interest thereon and cost of collection thereof, including reasonable attorneys' fees as hereinafter provided, shall also be the continuing personal obligation of the person who as the Owner of such Unit at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass from a selling owner to successors in title but shall become a joint and several debt of the buyer and seller, each with a right of contribution from the other based upon the prorated share of the respective ownerships during:

- (a) The assessment year applicable for any regular assessment; and/or
- (b) The period over which a special assessment shall be paid.

Section 5.2 Purpose of the Annual Assessments. The Annual Assessments when levied by the Association may be used for the following expenses, reserves and purposes:

- (a) Promotion of the health, safety and welfare of those persons residing within the Properties:
- (b) Routine repair, maintenance, care and operation of the Common Properties and all other common facilities situated upon the Common Properties, including, but not limited to, the repair and replacement of any paved areas on the Common Properties; maintenance as to water tightness (exclusive of repair of casualty damage) of the roof of each Unit, routine and periodic repairs, maintenance and care of the exterior of the Units;
- (c) Management (and any required legal and accounting expenses of the Association) of the affairs of the Association and for the operation and/or care and maintenance

of the Common Properties, and all other property and improvements as herein set forth to be the responsibility of the Association;

(d) Ad valorem and other taxes, and insurance premiums, on the Common Properties owned by the Association;

(e) Exterior and yard maintenance as set forth in Articles VIII and IX.

(f) The payment of such other charges and expenses as may be elsewhere required or authorized by this Declaration of Covenants, Conditions and Restrictions, or that the Board of Directors of the Association may, from time to time, determine necessary or desirable to meet the purposes of the Association.

**Section 5.3 Basis of Annual Assessments.** Annual Assessments of charges shall remain constant from January 1 through December 31 of each year and shall be subject to the following limitations thereon. There shall be no Annual Assessments until fifty-one (51%) percent of a quorum of all the Members who are present and voting in person or by proxy, at a meeting called for this purpose by not less than ten (10) nor more than forty (40) days' notice in writing to each Member stating the time, purpose and place of said meeting, vote to establish Annual Assessments and set the amount thereof.

(a) From and after January 1st of the calendar year immediately following the establishment of the first Annual Assessment, the maximum Annual Assessment may be increased each year not more than ten (10%) percent above the maximum assessment for the previous year, plus the amount by which ad valorem real estate taxes, utility charges and casualty and other insurance premiums payable by the Association have increased over amounts payable for the same or similar items for the previous year, without a vote of the membership.

(b) From and after January 1st of the calendar year immediately following the establishment of the first Annual Assessment, the maximum Annual Assessment may be increased above the amount provided in paragraph (a) of this Section 5.3 by a vote of fifty-one (51 %) percent of a quorum of all the Members who are present and voting in person or by proxy, at a meeting called for this purpose by not less than ten (10) nor more than forty (40) days' notice in writing to each Member stating the time, purpose and place of said meeting.

(c) After consideration and determination of current routine repairs, maintenance, care and operational costs and other needs of the Association, the Board of Directors shall levy the Annual Assessments for each Unit at an amount not in excess of the maximum allowable by this Section 5.3.

**Section 5.4 Special Assessment.** In addition to the Annual Assessments or charges for the purposes described in Section 5.2 of this Article V subject to approval by the affirmative vote of sixty-six percent (66%) of a quorum of all the Members who are present and voting in person or by proxy, the Association may levy in any assessment year a Special Assessment, applicable to the terms negotiated with a financial institution for a maximum of ten (10) years, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, and estimated repairs or replacement of any capital improvements, or for such other purposes as the Board of Directors of the Association may consider appropriate. No such Special Assessment,

however, shall be authorized without a meeting of the Members called for this purpose, by no less than ten (10) nor more than forty (40) days' advance notice in writing to each Member stating the time, purpose and place of said meeting. Any such Special Assessment shall be due and payable to the time and in the manner as approved by two-thirds (2/3rds) percent of all the Members who are present and voting in person or by proxy at said meeting.

Section 5.5 Excess. Any year in which there is an excess of assessments received over moneys actually used for the purposes described herein, such excess may, at the discretion of the Board of Directors: be applied against and reduce the subsequent year's annual assessment; be retained in reserve by the Association; or be refunded to the Members.

Section 5.6 Uniform Rate of Assessment. Both Annual and Special Assessments must be fixed at a uniform rate for all Units; and all such assessments shall be collected on a quarterly basis, i.e., one-fourth (1/4th) of the total assessment on each Unit each quarter; provided, that the Board of Directors may levy and collect assessments on a monthly, semi-annual or annual basis after approval of the same by resolution. Both Annual and Special Assessments shall be due and payable to the Association or its nominee on the 1st day of each quarter in equal quarterly installments unless otherwise provided as aforesaid.

Section 5.7 Date of Commencement of Annual Assessments; Due Dates. The Annual Assessment for each Member shall commence on the date set by the Members at the meeting establishing the Annual Assessment and shall constitute a lien on the date the Annual Assessment commences. Except as herein above provided, the quarterly installments of each such Annual Assessment for any Unit for any quarter after the first quarter shall become due and payable to the Association or its nominee and a lien on the first day of each successive quarter. Any Member may prepay one or more installments on any Annual Assessment or Special Assessment levied by the Association, without premium or penalty. Annual Assessments may also be paid by, for or on behalf of Unit Owners by their respective mortgagees or holders of deeds of trust of record thereon under such terms and agreements as the Association may from time to time deem appropriate by action of its Board of Directors.

Section 5.8 Duties of the Association's Board of Directors with Respect to Assessments.

(a) The Board of Directors of the Association shall fix the date of commencement and the amount of and the time when due of each installment of the assessment against each Unit for each assessment period and prepare a roster of the Units and assessment applicable thereto.

(b) The Association shall notify the Owners in writing of the assessments.

(c) The Association shall enforce the payment of assessments in accordance with the provisions of Section 5.10 of this Article V.

(d) No Member of the Board or any Committee of the Association or any officer of the Association, or Declarant, or the Manager, if any, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice, suffered or claimed on account of any act, omission, error or negligence of the Association, the

Board, the Manager, if any, or any other representative or employee of the Association, the Declarant, or the Architectural or Environmental Control Committee or any other Committee or any officer of the Association, or the Declarant, provided that such person has, upon the basis of such information as then may be possessed by him/her, acted in good faith without willful or intentional misconduct.

Section 5.9 Equitable Adjustments - Supplementary Declaration of Covenants, Conditions and Restrictions. In the event that any Supplementary Declaration of Covenants, Conditions and Restrictions made pursuant to the provisions and requirements of Section 2.2 of Article II hereof provides that a greater or lesser level of services shall be provided by the Association with respect to the real property and the improvements thereon described in such Supplementary Declaration of Covenants, Conditions and Restrictions, then such Supplementary Declaration of Covenants, Conditions and Restrictions may provide for a different basis for the establishment of Annual and Special Assessments with respect to such real property and the improvements thereon and the Association, acting by and through its Committee, is hereby authorized and directed to make equitable adjustments in the procedures herein set forth for the establishment of Annual and Special Assessments to reflect the different level of services.

Section 5.10 Effect of Non-Payment of Assessments; the Personal Obligation of the Owner, the Lien; Remedies of Association, Maintenance and Enforcement of the Lien by the Declarant Board; Notice to Mortgagee.

(a) If any assessment or any part thereof is not paid on the date when due, as herein provided, then the unpaid amount of such assessment shall become delinquent and together with such interest, late fees, all costs of collection before and after suit including reasonable attorneys' fees, shall become a continuing lien on the Unit or Units of the delinquent Owner which shall bind such Unit or Units in the hands of the then Owner, his/her heirs, executors, devisees, personal representatives, successors and assigns. No Member may waive have waived, or otherwise, escape liability for the assessments provided herein by non-use of the Common Properties or abandonment of his/her Unit.

(b) If any assessment or part thereof is not paid within ten (10) days after the due date, the unpaid amount of such assessment shall bear interest from the due date at the rate of ten (10%) percent per annum, and shall further subject the delinquent Member to pay a penalty or "late charge" of not less than \$50/month, but at the Board's discretion such late charges may be increased by not more than 5% per year. A special assessment, may include a higher or lower interest rate, late charges or both so long as the same are included in the resolution presented to the Membership for vote.

(c) The Association may bring an action at law or equity against any Member or former Member delinquent in paying assessments, and in such an action the Association may seek judgment for the entire assessment and shall not be limited to only that portion then due and owing. The action may seek to enforce payment by any lawful means including foreclosure of any lien held by the Association against the Unit or Units then belonging to a delinquent Member in the same manner now or hereafter provided for the foreclosure of mortgages, deeds of trust or other liens on real property in the State of Missouri, containing a power of sale, and subject to the same requirements, both substantive and procedural, or as may be otherwise from time to

time be provided by law, and in either of which events there shall be added to the amount of such assessment the costs of preparing and filing the complaints in such action and, in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court, together with the costs of the action. Suit for a money judgment for unpaid assessments shall be maintainable by the Association without foreclosure or waiving the lien securing same.

(d) The Association shall, by its own action or upon request of the holders of the first or second mortgagees or deeds of trust on any Unit or Units, notify the mortgagees of any Unit or Units for which any assessment levied pursuant to this Declaration become delinquent for a period of thirty (30) days or more, and in any other case where the Owner of such Unit or Units is in default with respect to the performance of any other obligation hereunder for a period of thirty (30) days or more, but any failure to give, or to request, such notice shall not affect the validity of the lien for any assessment levied pursuant to this Declaration, nor shall any such failure affect any of the priorities established in this Article. The Association shall take no action or foreclose the lien herein provided as security for the payment of assessments, except after notice in writing to the mortgagee of record of the Units involved if such holder or holders have given the Association its or their address to which such notices are to be mailed.

(e) Upon default in the payment of any one or more installments of any assessment levied pursuant to this Declaration, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors Association and be declared due and payable in full.

Section 5.11 Priority of Lien. The liens established by this Declaration shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

(a) General and Special Assessments for real estate taxes, on the Unit;

(b) The lien of the assessments or charges, regular and special provided for herein, shall be subordinate and inferior to the lien of any first or second mortgage or deed of trust now or hereafter placed upon any Unit subject to assessments or charges; provided, however, that such subordination shall apply only to the assessment or charge which becomes due and payable prior to the sale, decree of foreclosure of any such mortgage or pursuant to the terms and conditions of any such deed of trust or deed in lieu of foreclosure. Said sale or deed in lieu of foreclosure shall not relieve such Unit from liability for the amount of any assessments or charges thereafter becoming due, nor from the lien of any said subsequent assessment or charge. Any mortgagee who comes into possession of any Unit pursuant to the remedies provided in the first and/or second mortgage or deed of trust or who acquires title of any Unit pursuant to foreclosure or deed (or assignments) in lieu of foreclosure, shall pay all accrued assessments, back dues, unpaid insurance premiums and all applied penalties before closing on said property, thus rendering Stonebridge whole.

(c) No amendment to this Declaration shall affect the rights of the holder of any mortgage (or the indebtedness secured thereby) recorded prior to the recordation of such

amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

(d) The Board of Directors may, in its sole and absolute discretion, extend the provisions of this Section to the holders of mortgages (or the indebtedness secured thereby) not otherwise entitled thereto as herein provided.

Section 5.12 Definition. As used in this Declaration, the term "mortgage" shall include a first or second mortgage and a first or second deed of trust and the terms "holder" and "mortgagee" shall include the party secured by any first or second mortgage, first or second deed of trust or any beneficiary thereof.

Section 5.13 Maintenance Agreement. The proper officers of the Association may enter into a maintenance agreement to provide for the maintenance which the Association is obligated to provide under this Declaration.

## **ARTICLE VI INSURANCE**

Section 6.1 Insurance to be Obtained and Maintained by the Association. The Association shall have the right and obligation to obtain and continually maintain property damage insurance, comprehensive public liability insurance and such other insurance as the Association shall determine from time to time to be necessary for the Association. Pursuant to Section 5.2 above, the Association may charge Members for Members' prorated share of such coverage. Such insurance charges may be included in the annual assessment or a separate item and charge collectable in addition to and in the same manner as an annual assessment.

Section 6.2 Insurance to be Obtained and Maintained by All Members. Members are responsible for maintaining insurance coverage for their Units, Unit Tracts, improvements and betterments thereon, personal property, and premises liability. The Association has no duty, obligation or right to obtain such coverage.

## **ARTICLE VII ARCHITECTURAL CONTROL**

Section 7.1 Architectural and Environmental Control. The Association shall maintain strict control of all architecture, environment and any aesthetic aspects of the Stonebridge development and those parts of the properties subject to this Declaration visible from any public property, common area or public highway, street, road thoroughfare or Common Area.

(a) Except for purposes of proper maintenance and repair, no building, fence, wall or other improvements or structures shall be commenced, directed, placed, moved, altered, or maintained upon the Properties, nor shall any exterior addition or other change (including change of color) or other alteration thereupon be made until the complete plans and specifications showing the location, nature, shape, height, material, color, type of construction, and/or proposed form of change (including, without limitations, any other information specified by the Board of Directors) shall have been submitted to and approved in writing by the Board of Directors as to safety, harmony of external, design, color and location in relation to surrounding

structures and topography with the Stonebridge design concept. The Board may from time to time, adopt and promulgate such Rules and Regulations regarding the form and content of such plans and specifications.

(b) Until the complete Plans and Specifications, showing the location, nature, shape, heights, material, color, type or construction and/or other proposed form of change (including, without limitation, any other information specified by the Board of Directors) shall have been submitted to and approved in writing by the Board of Directors as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the Stonebridge design concept, it shall be prohibited to:

(i) install, erect, attach, apply, paste, hinge, screw, nail, build, alter, plant, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, fences, hedges, landscaping, features, wall, aerials, antennas, satellite dishes, radio or television broadcasting or receiving devices, slabs, sidewalks, curbs, gutters, patios, balconies, porches, driveways, walls or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever to the exterior of any improvements constructed upon any Unit or upon any of the Common Properties, or

(ii) to remove or alter any windows or exterior doors of any Unit, or

(iii) to make any change or alterations within any Unit which will alter the structural integrity of the building or otherwise affect the property, interest or welfare of any other Unit Owner, materially increase the cost of operating or insuring any of the Common Properties or impair any easement.

**Section 7.2 Architectural and Environmental Control Committee.** The Board of Directors shall fulfill its duties under this Article VII in the same manner as any other obligation set forth herein, except that at the Board's discretion, the Board of Directors may appoint a committee of Members to fulfill the Board's duties as outlined in this Article VII. In the event the Board shall appoint such an Architectural and Environmental Control Committee to act on the Board's behalf, that committee shall be composed of no less than three (3) Members in good standing. The affirmative vote of a majority of the Members of the Architectural and Environmental Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article. Any such action of the Committee may be overruled or modified by the Board of Directors so long as the Board gives Notice within thirty (30) days that it shall so act, and that the Board makes its final decision within another sixty (60) days following such Notice.

**Section 7.3 Decisions of the Board relating to Architecture or Environment.** After approval or denial by the Board of any plans and specifications submitted pursuant to the provisions of this Article VII, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of the Association and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Board fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within thirty (30) days after such

plans and specifications (and all other materials and information required by the Board) have been submitted to it in writing, then formal written approval will not be required and this Article will be deemed to have been fully complied with and the proposed plan approved. In the event construction is not commenced within six (6) months following the formal approval or deemed approval of said plans and specifications, then such approval shall be conclusively deemed to have lapsed, and compliance with the provisions of this Article shall again be required.

Section 7.4 Certificate of Conformance. If requested by the Owner, the Board shall issue a certificate of compliance upon the completion of any construction or alterations or other improvements in accordance with the plans and specifications so approved.

#### **ARTICLE VIII EXTERIOR MAINTENANCE**

In addition to the routine maintenance, repair and care of the Common Properties and other common facilities, the Association shall provide routine repair, maintenance and care (exclusive of repair of casualty damage and glass surfaces) of the exterior surfaces of each Unit. The Association shall also paint the exterior of the Units (base to top) and/or undertake the repair and replacement of any paved areas on the Common Properties. The frequency and times, and the materials to be used in the performance of all maintenance to be performed by it shall be in the sole discretion of the Board of Directors of the Association and not subject to the control of any Owner. In the event that the need for maintenance or repair to any Unit is caused through the willful or negligent act of an Owner, his/her family, guests or invitees, the costs of such maintenance and repairs shall be added to and become an additional assessment, over and above any Annual Assessment for which such Owner's Unit is subject and unless paid by or on behalf of said Owner within thirty (30) days after written demand therefore, shall be enforceable and secured by a lien as in the case of any other Assessment.

Front door, garage doors, windows, screens, storm doors, and sliding glass door changes/alterations need approval of Association.

#### **ARTICLE IX YARD MAINTENANCE**

The Association shall provide routine maintenance in the care of all yards, lawns and other areas of the Properties, including the mowing and watering thereof. The frequency and times, and the quantity of water and labor to be used, shall be in the sole discretion of the Board of Directors of the Association and not subject to the control of any Owner. Each Owner shall, however, be responsible for the maintenance of plantings and the like belonging to him/her, and not part of the original landscaping of the Units. In the event that the need for additional or extra maintenance, mowing, water or the like is caused by or through the willful or negligent act of an Owner, his/her family, guests or invitees, the costs of such additional maintenance, utilities or materials shall be added to and become an additional assessment, in addition to any Annual Assessment to which such Owner's Unit is subject and unless paid by or on behalf of said Owner within thirty (30) days after written demand therefore, shall be enforceable and secured by a lien as in the case of said Annual Assessment.



## ARTICLE X USE RESTRICTIONS

Section 10.1 Prohibited Uses Nuisances. Except with the prior written approval of the Board of Directors, or as may be necessary in connection with reasonable and necessary repairs or maintenance to any Units or the Common Properties and all other common facilities:

(a) All buildings or structures on the Properties shall be of new construction. Each Unit conveyed shall be designated by a separate legal description and shall constitute a fee simple estate subject to the terms, conditions and provisions hereof.

(b) No noxious or offensive trade or activity shall be carried on upon or within any Unit nor shall anything be done therein or thereon which may be or become an annoyance or nuisance and in the event such annoyance or nuisance shall occur, the same shall be removed forthwith. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell or other device, except such devices as may be used exclusively for security and fire purposes, shall be located, installed, or maintained upon the exterior of any improvement located upon the Properties or the Common Properties

(c) The maintenance, keeping, boarding and/or raising of animals, livestock, or poultry of any kind, regardless of number shall be and is hereby prohibited on any Unit or within any such Unit, except that this shall not prohibit the keeping of dogs, cats and/or caged birds as domestic pets provided that they are not kept, bred or maintained for commercial purposes and, provided, further, that such domestic pets are not a source of annoyance or a nuisance to the neighborhood or other Owners. The Board of Directors or, upon resolution of the Board of Directors shall have the authority to determine whether a particular pet is a nuisance or a source of annoyance to other Members or Members' guests and such determination shall be conclusive. Pets shall not be permitted upon the Common Properties unless accompanied by an Owner and unless they are carried or leashed. Pets shall be attended at all times and shall be registered, licensed and inoculated as may from time to time be required by law or city ordinance. No dog run, dog house, kennel or other animal, domestic animal, or household pet pen, enclosure, housing or sheltering facility shall be constructed or maintained upon the Properties or Common Properties. The Board of Directors shall have the right to adopt such additional Rules and Regulations regarding pets as it may from time to time consider necessary or appropriate.

(d) No burning of any trash and no accumulation or storage of litter, lumber, scrap materials, bulk materials, wastes or trash of any other kind shall be permitted on or in any Unit or the Common Properties.

(e) Except as approved by the Association, no junk vehicle, commercial vehicle, trailer, truck, camper, camp truck, house trailer, boat or other machinery or equipment of any kind or character (except for such equipment and/or machinery as may be reasonable, customary and usual in connection with the use and maintenance of any Unit and except for such equipment and/or machinery as the Association may require in connection with the maintenance and operation of the Common Properties and other common facilities) shall be kept upon the Properties nor (except for bona fide emergencies) shall the repair or extraordinary maintenance

of automobiles or other vehicles be carried out thereon. The Association may provide and maintain a suitable area designated for the parking of such vehicles or the like. No inoperable vehicle of any kind nor any vehicle without current safety inspection or license tags may be kept on any Unit, yard, driveway or streets in front of any Unit at any time.

(f) Trash and garbage containers shall not be permitted to remain in public view except on days of trash collection. No incinerator shall be kept and maintained upon any Unit. Garbage, trash and other refuse shall be placed in covered containers.

(g) No Unit shall be divided or subdivided without the prior written approval of the Association. The provisions hereof shall not be construed to prohibit the granting of any easement and/or right-of-way to any public utility or other public body or authority.

(h) Except for hoses and the like which are reasonably necessary in connection with normal lawn or plant maintenance, no water pipe, sewer pipe, gas pipe, drainage pipe, telephone line, electrical line or cable, television cable or similar transmission line, or the like shall be installed or maintained on any Unit above the surface of the ground or beyond the exterior of such Unit.

(i) No natural landscaping, or landscaping provided as part of the original development or thereafter by the Association, shall be removed from any unit or the Common Properties without written approval of the Association acting through the Board of Directors.

(j) No structure of a temporary character, and no trailer, tent, shack, barn, pen, kennel, run, staple, outdoor clothes dryer, playhouse, shed, or other buildings or structure shall be erected, used or maintained on, around or about any Unit at any time.

(k) Except for entrance signs, directional signs for traffic control or safety and such promotional sign or signs as may be maintained by the Association, no signs, billboards, objects, or advertising devices of any character shall be erected, posted, displayed, or permitted to remain upon, in or about any Unit, including without limitation window signs. No awnings, canopy or shutter shall be affixed to or placed upon any exterior wall or roof of a Unit.

(l) No structure, planting or other materials shall be placed or permitted to remain on or about any unit which may damage or interfere with any easement for the installment of maintenance of utilities, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels.

(m) No Owner shall engage or direct any employee of the Association on any private business of the Owner during the hours such employee is employed by the Association, nor shall any Owner direct, supervise or in any manner attempt to assert control over any employee of the Association.

(n) All fixtures and equipment installed within a Unit shall be maintained and kept in repair by the Owner thereof. Any Owner shall not do any act nor any work that will impair the structural soundness or integrity of any Unit or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect one or more of the other Units or any Member.

(o) No vehicle shall be parked on the driveways so as to obstruct the normal ingress and egress to any Unit, except for the reasonable needs of emergency, construction, or service vehicle for as brief a period of time as reasonably possible.

(p) Units may be leased or rented but any such leasing or tenancy agreement shall be in writing and shall be subject in all respects to the provisions of the Declaration, the Articles of Incorporation, Bylaws of the Association and all rules promulgated by the Association, all of which shall be incorporated by reference and made a part of said leases. Leases shall provide that any failure by tenants and their guests to observe and comply with lease terms shall constitute breach and default. In the event that default shall be for failure to comply with the Association's Covenants, Bylaws or any duly promulgated rules, then at the Board's discretion, a breaching or defaulting tenant may be declared to be detaining the premises unlawfully, and shall therefore be subject to suit by the Association in the name of Owner for unlawful detainer, eviction, possession or other such actions as may be available from time to time.

(q) No antennas, aerials, satellite dishes, or other apparatus for the transmitting and receiving of radio or television signals shall be erected or maintained upon the exterior of any Unit or building.

(r) The Board of Directors may issue such other bylaws, rules and regulations regarding prohibitions and use of Common Areas and property, both real and personal, owned or managed by the Association.

Section 10.2 Residential Use. All Units shall be used for private residential purposes exclusively.

Section 10.3 Enforcement - Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained herein shall occur or be maintained upon any Unit or Unit tract without the Association's approval as required herein, such violation shall be promptly removed or abated. In the event same is not removed, or the violation is not otherwise terminated or abated, within fifteen (15) days or such shorter period as may be required in the notice to remove or abate issued by the Board, delivered to the Owner or tenant of the Unit upon which such violation exists, or to the Member responsible for such violation if the same shall be committed or attempted on premises other than the Unit owned by such member, then at the Board's discretion, the Association shall have the right, through its agents and employees to remove or otherwise abate such violation and the costs therefore shall be charged as an assessment against the Member or Members responsible for the violation. Collection and enforcement of such an assessment shall be per the same rules and procedures as any other assessment described herein.

Section 10.4 Association's Right of Entry and Inspection. The Association shall have the further right, through its Board, agents, employees or committees, to enter upon and inspect any Unit at any reasonable time for the purpose of ascertaining whether violations of the provisions of this Declaration, exist on or in such Unit; and neither the Association, its Directors, Officers, Members, Agents nor employees shall have committed trespass or other wrongful act by reason of such entry or inspection. Each and every provision hereof shall be deemed an

equitable servitude running with the land and may be specifically enforced. Nothing herein shall be deemed to limit any remedies available to the Association, and the Association may avail itself of any other remedy at law or in the equity as may be available from time to time.

## ARTICLE XI GENERAL PROVISIONS

Section 11.1 Duration. Unless amended in accordance with the provisions of this Article and the other requirements of this Declaration, and except where permanent easements or other permanent rights or interests are herein created, the Covenants, Conditions and Restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Stonebridge Homeowners' Association, or the Owners of any Unit subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date that this Declaration is recorded, after which time the said Covenants, Conditions and Restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then Owners of the Units has been recorded, agreeing to abolish said Covenants, Conditions and Restrictions, or to change said Covenants, Conditions and Restrictions in whole or in part; provided, however, that no such agreements to change shall be effective unless made and recorded one (1) year in advance of the effective date of such change; provided, further, that no such agreements to change shall be applicable so as to require the change of any Member's structures as then existing, but any and all voluntary modifications or reconstruction, voluntary or otherwise, of now existing structures shall be in conformance with this Declaration or such amendments as may exist at the time plans are proposed for the change or reconstruction.

Section 11.2 Amendment. Amendments to the Covenants may be proposed by the Board of Directors or any group of Members owning not less than ten percent (10%) of the Units. Such membership groups shall submit their proposed amendment, in writing, signed by each Member who comprises any part of the aggregate ten percent (10%). Any proposed amendments shall be included in the next Notice for the next following membership meeting, whether the regular annual meeting or a special meeting. At the next such meeting, each proposed change shall be agreed to by not less than sixty percent (60%) of the eligible Member votes and NOT a mere sixty percent (60%) of a quorum; however, if at least sixty percent (60%) of an attending Member quorum shall vote in the affirmative, the proposed amendment may remain open for an additional thirty (30) days during which time Members may register a written vote in favor of the proposed change. In addition, Members who had attended the meeting may in writing change their vote one time during the additional thirty (30) days. At the end of thirty (30) days, the Association Secretary shall tabulate the votes, and if not less than sixty percent (60%) of the eligible Member votes are in favor, the amendment shall be passed. The Secretary shall then cause to be recorded an instrument signed by not less than two (2) Board Directors declaring the actual vote which represented not less than sixty percent (60%) of the eligible Member votes.

Section 11.3 Construction. The provisions hereof shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of Stonebridge.

Section 11.4 Enforcement. Enforcement of these Covenants, Conditions and Restrictions shall be by any proceeding at law or in equity against anyone violating or attempting to violate any Covenants, Conditions or Restrictions, either to restrain or enjoin violations or to recover damages, or both, and against any Unit to enforce the lien created hereby; and the failure or forbearance by the Association or any Member to enforce any Covenant, Condition or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter nor in any way comprise an estoppel to any later enforcement. The provisions hereof may be enforced, without limitation, by the Association or by any Member in good standing. There shall be and there is hereby created and declared to be conclusive presumption that any violation or breach or attempted violation or breach of any of the within Covenants, Conditions or Restrictions cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 11.5 Limitations of Liability. The Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the Annual Assessment funds or for the injury to person(s) or damage to property caused by the elements or resulting from water which may leak or flow from any portion of the Common Properties and other common facilities, or from any wire, pipe, drain, conduit or the like. The Association shall not be liable to any Member for loss or damage, by theft or otherwise, of any personal property which may be stored upon the Common Properties or other common facilities. No diminution or abatement of assessments, as herein elsewhere provided for, shall be claimed or allowed for inconvenience, discomfort or any other reason arising from the making of repairs or improvements to the Common Properties and other common facilities or from any action taken by the Association to comply with any of the provisions of this Declaration or with any law or ordinance or with the order of directive of any governmental authority having jurisdiction over any portion of Stonebridge.

Section 11.6 Rights of Mortgagees. The holders of the first and second mortgages or deeds of trust of record on any Unit or Unit tract may, jointly or singly, pay taxes, assessments, fees or any other charges which are in default and which may have become a charge against any of the Common Properties and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such property, and the holders of the first and second mortgages or deeds of trust of record on any Unit or Unit tract making such payments shall be owed immediate reimbursement therefore from the Association. Anything herein to the contrary notwithstanding, no provision of this Declaration or of any similar instrument pertaining to any Unit or Unit tract within Stonebridge shall give any Member or any other party priority rights over any Unit/Unit tract first or second mortgage holder or trustee by a deed of trust of record on any Unit on any distribution to a Member(s) for casualty loss insurance proceeds or condemnation awards for losses to or a taking of Common Properties or Townhome Unit or Unit tracts. Upon reasonable notice, the holders of all such first and second mortgages or deeds of trust of record jointly and severally shall have the right to inspect the books and records of the Association at any time during normal business hours.

Section 11.7 Voting. Unless otherwise expressly described herein, whenever in this Declaration an action is required to be taken by a specified percentage of the then Members of the Association, then such action shall be required to be taken by the specified percentage of the

then outstanding cumulative Association membership in good standing present and voting, in person or by proxy.

Section 11.8 Successors of Declarant. Any and all rights, reservations, interest, privileges and/or powers of the Declarant hereunder are hereby assumed by the Association.

Section 11.9 Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers any Unit or Unit tract, any deed purporting to effect such transfer shall contain a provision incorporating by reference the Covenants, Conditions and Restrictions set forth in this Declaration; but notwithstanding the failure to include such a provision in any such deed shall not affect the validity, priority or enforceability of the Covenants, Conditions and Restrictions set forth in this Declaration or against such sold or otherwise transferred Unit or Unit tract.

Section 11.10 Notification of Sale. Concurrently with the consummation of the sale of any Unit, Unit tract or undivided interest in the Common Properties or Properties under circumstances whereby the transferee becomes an Owner thereof or within ten (10) business days thereafter, the transferee shall notify the Association in writing of such sale. Such notification shall set forth, (i) the name of the transferee and his transferor, (ii) the street address of the Unit or Unit tract purchased by the transferee, (iii) the transferee's mailing address, and (iv) the date of sale. Prior to receipt of such notification, any and all communications required or permitted, to be given by the Association, or its Board of Directors shall be deemed to be duly made and given to the transferee if duly and timely made and given to said transferee's transferor.

Section 11.11 Notification as to Mortgagees. Each Owner shall notify the Association of the name and address of the mortgagee of such Owner's Unit, Unit tract and undivided interest in the Common Properties and Properties. Each Owner shall likewise notify the Association as to the release or discharge of such mortgages. In addition the mortgagee of a Unit or Unit tract may notify the Association of such mortgagee's identity and address and a description of the Unit or Unit tract which such mortgagee's mortgage encumbers. The Association shall provide such mortgagees as to which it receives notice pursuant to the provisions hereof with written notification as follows:

- (a) Written notification of at least ninety (90) days prior to the abandonment or termination of the Declaration or the Association;
- (b) Written notification of at least thirty (30) days prior to the effective date of any material amendment to any of the substantive provisions of the Declaration; and
- (c) Timely written notice of any condemnation or eminent domain proceeding affecting any Unit, Unit tract and undivided interest in the Common Properties and Properties or any part thereof.

Section 11.12 Definition. As used in this Article, the term "*Mortgagee*" shall mean any first and/or second mortgage holder or holder of a first deed of trust lien on a Unit subject to this Declaration and shall not be limited to the institutional mortgage holders, and the term "*Mortgage*" shall include a deed of trust. As used generally in this Declaration, the term

"Institutional Holder" or "Institutional Mortgagee" shall include banks, trust companies, insurance companies, credit unions, mortgage insurance companies, savings and loan associations, pension funds, real estate investment trusts, mortgage companies, the Declarant, and any corporation, including a corporation of, or affiliated with the United States Government, or any agency thereof.

Section 11.13 Articles of Incorporation and Bylaws. The Association may enact Articles of Incorporation and Bylaws relating to provisions applicable to notice and voting requirements for all actions to be taken by the Association except amendments to this Declaration. In any event, if any provisions set forth in this Declaration applicable to notice and voting requirements are in conflict with any provisions of Missouri Law applicable to notices and voting requirements on the date of this Declaration, or at any time after said date, the applicable provisions of Missouri Law shall control.

Section 11.14 Limitation of Liability and Indemnification.

(a) Corporate Debts. The Directors of the Association and the members of the Association shall not individually or personally be liable for the debts, liabilities or obligations of the Association.

(b) Damage or Loss. No member of the Board of Directors or any officer of the Association or any member of any committee of the Association shall be personally liable to any member of the Association or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board or any other representative or employee of the Association, or any committee or any officer of the Association, provided that such person has, upon the basis of such information as then may be possessed by him, acted in good faith without willful or intentional misconduct.

(c) Indemnification. The Association may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the interest of the Association, by reason of the fact that he/she is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interest of the Association and with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

(d) The Association may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the

interest of the Association to procure a judgment in its favor by reason of the fact that he/she is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in the manner he reasonably believed to be in or not opposed to the best interests of the Association; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the Association unless and only to the extent that the Court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the Court shall deem proper.

(e) To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsection (i) and (ii) of this section, or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him/her in connection with the action, suit or proceeding.

(f) Any indemnification under subsection (i) and (ii) of this section, unless ordered by a Court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he/she has met the applicable standard of conduct set forth in this section. The determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding, or if such quorum is not obtainable, or even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion or by the members.

(g) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this section.

(h) The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaws, agreement, vote of members of disinterested Directors, or otherwise, both as to action in his/her official capacity and as to action in another capacity while Holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(i) This Association may purchase and maintain insurance on behalf of any person who is or was a director, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him/her



and incurred by him/her in any such capacity, arising out of his/her status as such, whether or not the Association would have the power to indemnify him/her against such liability under the provisions of this section.

Section 11.15 No Dedication to Public Use. Nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any of the Common Properties and other common facilities by a public or municipal agency, authority or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the maintenance or operation, of any said Common Properties and other common facilities.

Section 11.16 Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 11.17 Notices. All notices required to be given hereunder shall be deemed to have been constructively delivered when deposited with the United States Postal Service, first class mail, postage prepaid, addressed to the Owner at the street address assigned to the Owner's Unit or Unit tract, provided, however, actual notice may be delivered by any other means. Notice may be delivered to the Association by service upon the registered agent or any Board Director.

Section 11.18 Severability. In the event that any provision of this Declaration is declared unlawful or unenforceable, such provision shall be considered severable and it shall not invalidate the remainder of this Declaration which shall remain in full force and effect.

Section 11.19 Captions. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration.

Section 11.20 Reservation of Rights. The Association reserves the right and power to record by way of a Resolution of the Board of Directors and without a vote of the membership, a special amendment ("*Special Amendment*") to this Declaration at any time and from time to time (i) to comply with the requirements with the Federal National Mortgage Association, The Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veterans Administration, or any other governmental agency or any other public, quasi-public, or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities and/or (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first or second mortgages covering Units or Unit tracts. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Association acting by and through its Board of Directors to make or consent to a Special Amendment on behalf of each Owner. Each deed, mortgage or deed of trust, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the Association's reservation of the power to make, execute and record Special Amendments. No Special Amendment made by the Association shall affect or impair the lien of any first or second mortgage upon a Unit or any

warranties made by an Owner in order to induce any of the above agencies or entitled to make, purchase, insure or guarantee the first or second mortgage on such Owner's Unit or Unit tract.

IN WITNESS WHEREOF, the Board of Directors of the Stonebridge Homeowners' Association, successor in interest of the Smithville Investment & Development Co., a Missouri Corporation, have executed this amended Declaration of the Covenants, Conditions and Restrictions in accord with the approval of the membership by way of affirmative votes out of 95 eligible voters in good standing, the vote having been completed on this \_ day of \_\_\_, 2018.

**STONEBRIDGE HOMEOWNERS ASSOCIATION**

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

STATE OF MISSOURI     )  
                                  ) SS.  
COUNTY OF CLAY     )

On this, \_\_\_ day of \_\_\_, 2018 before me a notary public, personally appeared:

- 1) \_\_\_\_\_, Director,
- 2) \_\_\_\_\_, Director,
- 3) \_\_\_\_\_, Director,
- 4) \_\_\_\_\_, Director,

all known to me (or satisfactorily proven) to be the person whose name is subscribed to the above and foregoing instrument, and acknowledged by each that execution was for the purposes set forth therein.

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

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:

*Amended Declaration of  
Covenants, Conditions and Restrictions*

23

*Sept 14, 2018*

**EXHIBIT "A"**

All of Lots 3 through 11, inclusive, and Lot 13, STONEBRIDGE, a subdivision of land in Smithville, Clay County, Missouri, under Plat recorded on May 11, 1993, as Document No. L 71554 in Cabinet D, Sleeve 18, in the Recorder's Office of Clay County, at Liberty, Missouri.

## **2022 Neighborhood Beautification Grant Program Grant and Application Terms**

### Funding:

Each grant awarded will range from \$50 - \$25,000. All funds awarded are required to have matching contribution from the neighborhood. Neighborhood match can come in the form of cash or in-kind donations such as volunteer hours or equipment. The required match must be equal to 50% of the total project cost (e.g., total project cost is \$10,000; \$5,000 contributed from the HOA, \$5,000 requested from the NBG Program). Volunteer hours are documented at the rate of \$20/hour and must be confirmed at the completion of the project.

### Eligibility Requirements:

Applicant must be a Neighborhood or Homeowners' Association. Each applicant must be organized with an elected HOA board with officers, by-laws, and membership.

Each HOA is eligible for up to \$25,000 over a three-year period. If the first project applied for requires the full \$25,000 and is granted, the HOA will then be ineligible for the following two years.

### Eligible Projects:

Projects must be improvements that benefit the entire neighborhood, located within the city limits of Smithville and achievable within 12 months of award. Project applications submitted must be approved by a vote of the neighborhood or homeowners' association board.

Examples of eligible projects may include:

- Landscaping/trees
- Signage
- Community gardens
- Neighborhood clean-ups
- Curb Appeal Enhancements for Existing property (parking areas, trash receptacles, enclosures, fencing, etc.)

Examples of ineligible projects include:

- Ongoing operating budgets
- Routine city maintenance (street paving, mowing rights-of-way, etc.)
- Projects that benefit an individual more than the entire neighborhood.

Selection Process:

A selection committee consisting of City staff will judge applications, based on availability of funds and the following criteria.

1. Preparedness (50%)
  - a. Meets the minimum required match and proposed match is well documented and available to be expensed.
  - b. Budget is realistic and clearly organized
  - c. Well-planned project Design, ready for implementation.
  - d. A completed application with all associated documents
2. Project Impact (25%)
  - a. Provides long term benefit to the neighborhood
  - b. Addresses a recognized problem or need within the neighborhood
3. Participation (25%)
  - a. Approval of the project by the HOA or NA Board
  - b. Broad-based neighborhood participation in the project

Disbursement of Funds:

Projects may begin only after the application has been selected to receive the grant funds. Funds are not awarded in advance of the project. Funds are released for reimbursement through the submission of receipts of completed work at the completion of your project.

Application Deadlines:

Application submission timeline starts January 3 with the deadline of March 31 on an annual basis. Grants are limited to one application per year per organization. Applications can be submitted in person at Smithville City Hall (107 W Main St.) or through email to [NeighborhoodGrant@smithvillemo.org](mailto:NeighborhoodGrant@smithvillemo.org).

City Contacts

General Application Questions:

- Anna Mitchell, Assistant City Administrator: [amitchell@smithvillemo.org](mailto:amitchell@smithvillemo.org)

Public Permits:

- Brandi Schuerger, Permit Technician: [bschuerger@smithvillemo.org](mailto:bschuerger@smithvillemo.org)

General Public Works Questions:

- Chuck Soules, Public Works Director: [csoules@smithvillemo.org](mailto:csoules@smithvillemo.org)

All staff can be reached by calling City Hall at (816) 532-3897

HOA	Project	Amount Requested	Averaged Score out of 40
Harborview HOA	Connector Trail	\$ 8,242.50	32
Cedar Lake Estates	Walking Trail	\$ 20,000.00	28.75
Stonebridge HOA	Beautification Improvements	\$ 3,372.50	31
Harbor Lakes	Greenspace overgrowth removal	\$ 2,530.00	33.5
Rollins' Landing	Pool Fence Replacement	\$ 5,792.50	35.75
Rollins' Landing	Entryway Monument	\$ 16,250.00	34.25
Hills of Shannon	Fountain Replacement	\$ 2,445.70	35
Hills of Shannon	Entrance Monument	\$ 8,970.00	34.25
Hills of Shannon	Playground ADA Updates	\$ 2,331.70	36.75
Hills of Shannon	Planter Update	\$ 2,103.12	34.25
	Total Requested	\$ 72,038.02	
	Awarded Total Amount	\$ 24,714.90	



## Board of Alderman Request for Action

**MEETING DATE:** 5/3/2022

**DEPARTMENT:** Development

**AGENDA ITEM:** Resolution 1061, Final Plat Diamond Creek Subdivision

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**RECOMMENDED ACTION:**

A motion to approve Resolution 1061 – Final Plat Diamond Creek Subdivision.

**SUMMARY:**

The final plat would create 39 of the approved 58 lots on 20.36 acres east of the Smithville Downs subdivision at Manzanola Lane and Sixth Street.

**BACKGROUND:**

This land was submitted as a preliminary plat in 2019, with plat approval in August of that year. The preliminary plat authorized 58 new lots to be created east of the Manzanola Lane area. As a result of the anticipated additional traffic on Sixth Street, one of the approval conditions was to overlay Sixth Street with 2" of asphalt and to replace the culvert at Spelman as a condition to final plat approval. The subdivision process also resulted in assessment of park fees in the amount of \$24,375 to be in lieu of dedications of land.

The applicants began construction in the summer of 2021 and are now nearly complete with all construction. Since there are no changes to the lots or easements as a result of the construction, the final plat for the first phase meets the standards for approval as contained in the code.

**PREVIOUS ACTION:**

The preliminary plat of this subdivision was approved on August 20, 2019 by Resolution 725 by the Board of Aldermen.

**POLICY ISSUE:**

The Comprehensive Plan calls for residential housing in the area.

**FINANCIAL CONSIDERATIONS:**

None

**ATTACHMENTS:**

☐ Ordinance

☒ Resolution

☒ Staff Report

☐ Contract

☒ Plans

☐ Minutes

## **RESOLUTION 1061**

### **A RESOLUTION APPROVING A FINAL PLAT FOR DIAMOND CREEK SUBDIVISION**

**WHEREAS**, the subject property lying east of Smithville Downs subdivision (east of Manzanola Lane) was given preliminary plat approval by the Board of Aldermen on August 20, 2019 with Resolution 725, and;

**WHEREAS**, the applicant submitted a final plat that does not deviate from the approved preliminary plat; and;

**WHEREAS**, the developer is nearly complete with all construction required by the preliminary plat approval and anticipates final completion in the coming week(s) and is prepared to proceed with house construction upon recording the final plat in accordance with this approval, and;

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF ALDERMEN OF  
THE CITY OF SMITHVILLE, MISSOURI, AS FOLLOWS:**

**THAT THE FINAL PLAT OF DIAMOND CREEK IS HEREBY APPROVED  
WITH THE FOLLOWING CONDITIONS:**

**THE PLAT SHALL NOT BE RELEASED FOR RECORDING UNTIL PARK  
FEES ARE PAID AND ALL ON SITE AND OFF-SITE PUBLIC  
IMPROVEMENTS HAVE BEEN BONDED FOR PERFORMANCE OR  
MAINTENANCE BONDS IN ACCORDANCE WITH THE CODE.**

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 3<sup>rd</sup> day of May, 2022.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk





April 27, 2022

Final Plat for Clay County Parcel Id # 05-614-00-01-010.00

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Application for a Plat Approval – Diamond Creek Final Plat– 39 lots

Code Sections:

425.285.A.4

Single Phase Final Plat Approval

Property Information:

Address: East of Sixth & Manzanola Ln.

Owner: BBM Development, LLC

Current Zoning: R-1B

#### GENERAL DESCRIPTION:

The property is located east of the Smithville Downs Subdivision (east side of Manzanola Ln.) on land that was preliminarily platted by the Board of Aldermen on August 20, 2019, by Resolution 725. The first phase of the approved Preliminary plat has been under construction since early summer of 2021. The approval of the preliminary plat in Resolution 725 was based upon completion of infrastructure improvements; proper bonding of those improvements; certain offsite improvements to include asphalt overlay of Sixth Street from the new street construction, west, to the edge of Spelman Dr.; and payment of the Parkland Fee in Lieu of dedication (\$625.00 X 39 Lots = \$24,375.00). There were other off-site improvements that were scheduled to be completed by this project. The other off-site work was replacing the culvert under Sixth St. at Spelman, but that culvert failed and was replaced by city staff before the current project requested construction permits.

The City's engineers and City staff have reviewed Final Plat document and have certified that the proposed Final Plat for Diamond Creek does not substantially deviate from the approved Preliminary Plat in accordance with Section 425.285.A.5.b of the Code of Ordinances.

GUIDELINES FOR REVIEW – SINGLE PHASE SUBDIVISION FINAL PLATS *See*  
*425.285.A.5.*

The final plat shall conform as closely as possible to the approved preliminary plat with no substantial deviations from said plat.

**The proposed Final Plat for Diamond Creek subdivision does not deviate from the approved Preliminary Plat as approved by Resolution 725 of the Board of Aldermen.**

STAFF RECOMMENDATION:

Staff recommends APPROVAL of the proposed Final Plat based upon adherence to the condition that the Plat not be released for recording until such time as the Park Fees in the amount of \$24,375.00 are paid and bonds for the Performance and/or Maintenance of all improvements are provided.

Respectfully Submitted,

/s/ Jack Hendrix

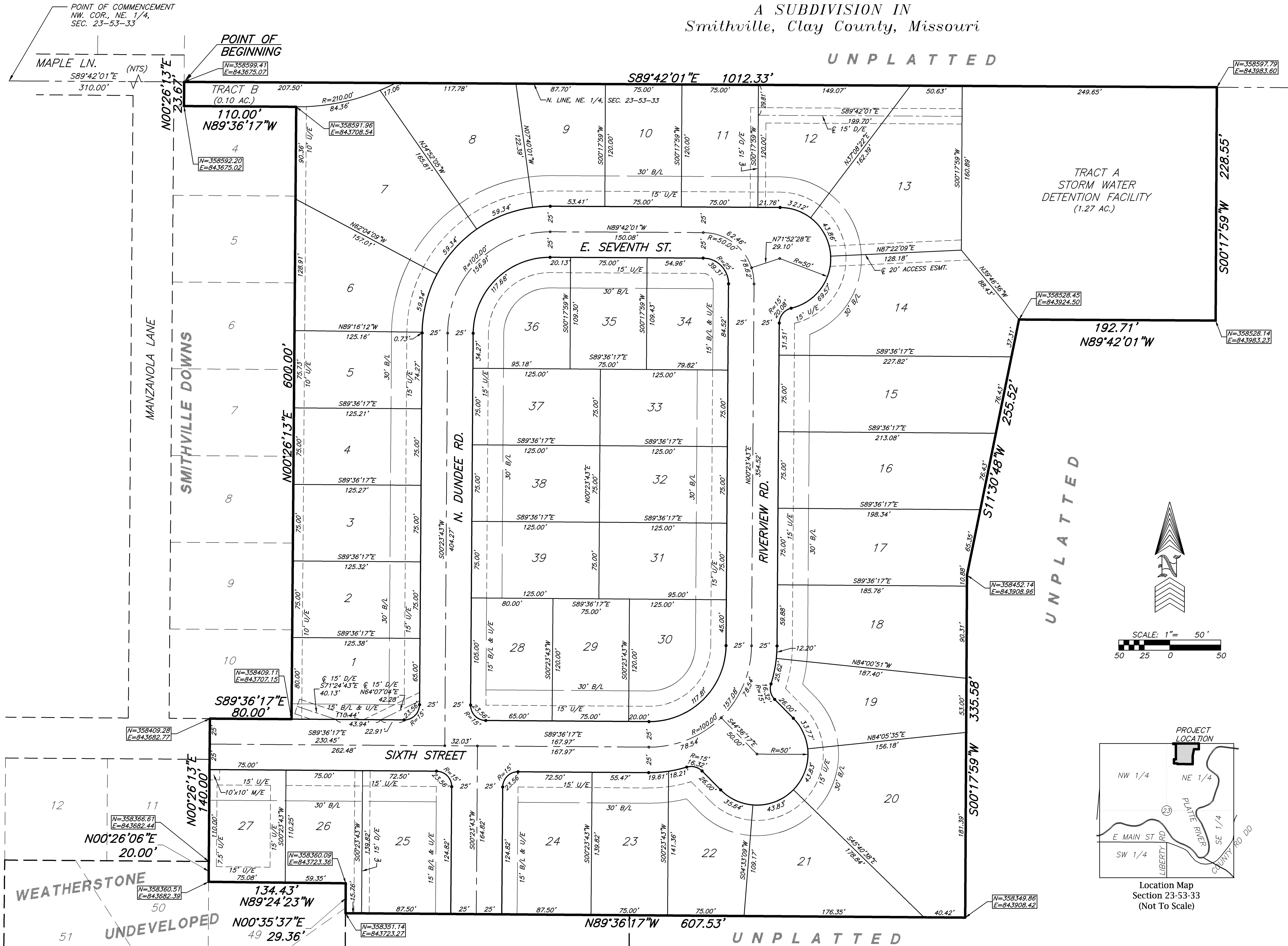
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Director of Development

# DIAMOND CREEK

FINAL PLAT  
A SUBDIVISION IN  
Smithville, Clay County, Missouri

UNPLATTED



I hereby state that the plat of DIAMOND CREEK subdivision is based on an actual survey made by me or under my direct supervision and that said survey meets or exceeds the current Missouri Minimum Standards for Property Boundary Surveys as established by the Missouri Department of Natural Resources, Division of Geological Survey and Resources Assessment, and Missouri Standards for Property Boundary Surveys, established by the Missouri Board for Architects, Professional Engineers, Professional Land Surveyors and Landscape Architects. I further state that I have complied with all statutes, ordinances and regulations governing the practice of surveying and the platting of subdivisions to the best of my professional knowledge and belief.

DATE: \_\_\_\_\_  
SAM A. AYLETT, PLS-2074

## TRAVERSE TABLE G.P.S.

Location	Bearing	Distance (Grid Meters)	Northing	Easting
CL-76 N=359895.879 E=844385.032				
CL-76 Referencing CL-76A CL-76 To Point of Beginning	S 01°23'56" W S 28°42'20" W	1478.22	360211.65	844129.64

STATE PLANE COORDINATES BY G.P.S.

NOTE:  
The bearings and coordinates shown on this plat are based upon the Missouri State Plane Coordinate System, NAD 1983 (adjustment 2001), using a grid factor of .9999016. All coordinates are in meters.

LEGEND:  
B/L = Building Line  
U/E = Utility Easement  
D/E = Drainage Easement  
S/E = Sanitary Sewer Easement  
W/E = Water Easement  
I/E = Ingress / Egress easement  
M/E = Monument Sign easement  
N/R = Not Radial  
R = Radius  
L = Length  
NTS = Not to Scale  
ITB = Initial Tangent Bearing  
△ Denotes Existing 1/2" Iron Bar Except Where Otherwise Noted  
▲ Denotes Permanent Monument Set Prior to Recording

NOTES:  
1. Bearing System is based on the Missouri State Plane Coordinate System.  
2. Parent tract is recorded at the Clay County Recorder of Deeds office in Book 8182, Page 74.  
3. This plat meets the Accuracy Requirements for an Urban Class of Property.  
4. Permanent Exterior Monuments are to be set prior to recording and Semi-Permanent interior corners are to be set within 12 months of recording of the Final Plat.  
5. This tract of land does not lie within a Regulatory Floodplain, per FIRM Map No. 29047C0014E, dated August 3, 2015.

## DESCRIPTION:

All that part of the Northeast Quarter of Section 23, Township 53, Range 33, Smithville, Clay County, Missouri, described as follows: Commencing at the Northwest corner of the Northeast Quarter of said Section 23; thence South 89 degrees 42 minutes 01 seconds East, along the North line of the Northeast Quarter of said Section 23, a distance of 310.00 feet to the Point of Beginning of the tract of land herein to be described; thence continuing South 89 degrees 42 minutes 01 seconds East, along said line, a distance of 1012.33 feet; thence South 00 degrees 17 minutes 59 seconds West, a distance of 228.55 feet; thence North 89 degrees 42 minutes 01 seconds West, a distance of 192.71 feet; thence South 11 degrees 30 minutes 48 seconds West, a distance of 255.52 feet; thence South 00 degrees 17 minutes 59 seconds West, a distance of 335.58 feet; thence North 89 degrees 36 minutes 17 seconds West, a distance of 607.53 feet to the Easterly line of WEATHERSTONE, a subdivision of land in Smithville, Clay County, Missouri; thence North 00 degrees 35 minutes 37 seconds East, along said Easterly line, a distance of 29.36 feet to the Northeast Corner of said WEATHERSTONE; thence North 89 degrees 24 minutes 23 seconds West, along the Northerly line of said WEATHERSTONE, a distance of 134.43 feet; thence continuing along said Northerly line of said WEATHERSTONE, North 00 degrees 26 minutes 06 seconds East, a distance of 20.00 feet to the Southeast corner of SMITHVILLE DOWNS, a subdivision of land in Smithville, Clay County, Missouri; thence North 00 degrees 26 minutes 13 seconds East, along the Easterly line of said SMITHVILLE DOWNS, a distance of 140.00 feet to the Southerly line of Lot 10 of said SMITHVILLE DOWNS; thence South 89 degrees 36 minutes 17 seconds East, along said line, a distance of 80.00 feet to the Southeast corner of said Lot 10; thence North 00 degrees 26 minutes 13 seconds East, along the Easterly line of said SMITHVILLE DOWNS, a distance of 600.00 feet to the Northeast corner of Lot 4 of said SMITHVILLE DOWNS; thence North 89 degrees 36 minutes 17 seconds West, along the North line of said Lot 4, a distance of 110.00 feet; thence North 00 degrees 26 minutes 13 seconds East, a distance of 23.67 feet to the Point of Beginning. Said Tract containing 14.09 acres, more or less.

DEDICATION: The undersigned proprietor of the tract of land described hereon has caused the same to be subdivided in the manner as shown on the accompanying plat which subdivision shall hereafter be known as "DIAMOND CREEK".

EASEMENTS: An easement or license is hereby granted to the City of Smithville, Missouri to locate, construct and maintain or to authorize the location, construction, maintenance and use of conduits, sewers and water mains, gas, poles or wires, anchors and surface drainage, upon, over and under the areas outlined on this plat and designated by the words "Utility Easement" or "U/E, "Sanitary Easement" or "S/E", and/or "Drainage Easement" or D/E.

MONUMENT SIGN EASEMENT: An easement or license is hereby granted to the Diamond Creek Homeowners' Association to locate, construct and maintain or to authorize the location, construction, maintenance of a monument sign, upon, over and under the areas outlined on this plat and designated by the words "Monument Sign Easement" or "M/E".

STREETS: Streets shown on this plat and not heretofore dedicated to public use as thoroughfares, are hereby so dedicated.

BUILDING LINES: Building lines or setback lines are hereby established as shown on the accompanying plat and no building or portion thereof shall be built between this line and the street line.

PRIVATE OPEN SPACE: Tract A is dedicated for Detention, to be owned and maintained by the Diamond Creek Homeowners' Association. Tract B is dedicated to the City of Smithville for future public right of way.

IN TESTIMONY WHEREOF: BBM DEVELOPMENT, L.L.C., a Missouri Limited Liability Company, has by the authority of its Members caused this instrument to be executed by its Member this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

BBM DEVELOPMENT, L.L.C.

Brett McKown, Member

STATE OF MISSOURI  
COUNTY OF \_\_\_\_\_ JSS

Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a notary public in and for said County and State, came Brett McKown, Member of BBM DEVELOPMENT, L.L.C., a Missouri Limited Liability Company, to me personally known to be the same person who executed the foregoing instrument of writing and duly acknowledged the execution of same.

IN TESTIMONY WHEREOF: I have hereunto set my hand and affixed my notarial seal the day and year above written.

My commission expires: \_\_\_\_\_ NOTARY PUBLIC

The preliminary plat of DIAMOND CREEK subdivision was submitted to and approved by the Smithville Planning and Zoning Commission on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL) \_\_\_\_\_ CHAIRMAN

(SEAL) \_\_\_\_\_ SECRETARY

This final plat approved by the Board of Aldermen of Smithville, Missouri, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL) \_\_\_\_\_ MAYOR

ATTEST: \_\_\_\_\_ CITY CLERK

Entered on transfer record this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

COUNTY RECORDER

FINAL PLAT  
DIAMOND CREEK  
Smithville, Clay County, Missouri

AYLETT SURVEY & ENGINEERING CO.  
LAND SURVEYING ~ CIVIL ENGINEERING ~ LAND PLANNING  
201 NW. 72ND ST. ~ GLADSTONE, MO 64118  
PH. (816) 436-0732 ~ FAX (816) 436-0767

Drawn By: JKR File Name: 53056FPA SEC: 23-53-33

Date: April 15, 2022

JOB NO.: 53056

SHEET 1 OF 1

Prepared For:  
BBM DEVELOPMENT, L.L.C.  
7609 NW Valley Road  
Parkville, MO 64152