

AGENDA
TAX ABATEMENT AND TAX INCREMENT FINANCING ADVISORY COMMISSION

November 28, 2016, 5:00 p.m.
4th Floor Conference Room, Busch Municipal Building

1. Welcome and Introductions
2. Election of Officers
3. Approval of Minutes for the March 4, 2013 TIF Commission Meeting
4. Public Hearing for Springfield Plaza TIF Redevelopment Projects
 - a. Presentation from Developer – *Tom Rankin*
 - b. Staff Comments
 - c. Public Comments
 - d. TIF Commission Questions and Discussion
5. Resolution 2016-1: Recommendation for Springfield Plaza TIF Redevelopment Projects
6. Discussion of the Springfield Tax Increment Financing 2015 Annual Report
7. Adjourn

Contact person: Sarah Kerner
Interim Economic Development Director
417-864-1035

In accordance with ADA guidelines, if you need special accommodations when attending any City meeting, please notify the City Clerk's Office at 864-1443 at least three days prior to the scheduled meeting.

City of Springfield
Tax Abatement and Tax Increment Financing Commission

Mayoral Appointments

Ken McClure, City Council

Regina Cooper, Springfield – Greene County Library Board

Brian Fogle

Ron Hawley

Tim Rosenbury

Jeff Schrag

Greene County Appointments

Bob Cirtin

Harold Bengsch

Republic School District Appointments

Ed Cantrell

Chance Wistrom

“Other Taxing Jurisdictions” Appointment

Rob Rector

Tax Abatement and Tax Increment Financing Advisory Commission
March 4, 2013
4th Floor Conference Room, Busch Municipal Building

TIF COMMISSION PRESENT: Harold Bengsch; Ed Cantrell; Jerry Compton; Regina Cooper; Brian Fogle; Ron Hawley; Rob Rector; Jeff Schrag; Jim Viebrock; Chance Wistrom.

TIF COMMISSION ABSENT: Tim Rosenbury

OTHERS PRESENT: John Brancaglione; David Bushek; Jeff Childs; Rob Dixon; Tom Kisse; Martha Mundt; Rick McConnell; Tom Rankin; Randell Wallace.

STAFF: Brenda Cirtin; Fred Marty; Mary Lilly Smith; Judy White.

Swearing in of Members

In absence of a Chair, City Clerk Brenda Cirtin called the meeting to order at approximately 6:30 p.m. Ms. Cirtin swore in the members. Self introductions were made and a quorum was present.

Election of Officers:

- Harold Bengsch made a motion to elect *Brian Fogle* as Chairman and Jim Viebrock seconded the motion. Brenda Cirtin made a motion for nominations to cease and it was seconded. Ms. Cirtin made a motion for Mr. Fogle to be made Chair by acclamation. Regina Cooper seconded the motion. Motion carried. Ms. Cirtin relinquished the meeting to Mr. Fogle to continue with the elections;
- Jeff Schrag made a motion to elect *Rob Rector* as Vice Chair and the motion was seconded by Regina Cooper. Motion carried.
- Rob Rector made a motion to elect *Chance Wistrom* as Secretary. Jim Viebrock seconded the motion. Motion carried.

Overview of Tax Increment Financing

Mary Lilly Smith, Economic Development Director, provided an overview of Tax Increment Financing.

Springfield Plaza TIF Redevelopment Plan Public Hearing

TIF Commission Chairman Brian Fogle opened the Public Hearing.

Tom Rankin and Jeff Childs, developers of the project, made a presentation on the *Springfield Plaza TIF Redevelopment Plan*.

Mr. Fogle presented a question regarding retailers; it was mentioned second stores were a possibility but are there some chances that other retailers that aren't here might have a shot at getting into that location. Mr. Rankin responded that first things first and to get the project started we have to have some co-tenancy but at this time we do not have enough interest to get the project started. Hopefully we'll have new-to-market retailers come and see Springfield Plaza as a great proven growing location in the west part of town. Yes, I think we will have new

retailers (first location) stores locate here but more likely we're going to start with second store locations for a lot of retailers.

Question was asked for an explanation of the criteria of the five (5) year period where the City reviews the TIF and has the right to cancel. Ms. Smith explained that this would be contained in the *Redevelopment Agreement* between the City and the Developer. One of our concerns is that we will not be adopting an ordinance to activate and start capturing revenue until there is actually something built there and according to the state statute you have ten (10) years to activate a project area. If you wait until year 10 to activate then it goes eighteen years out and that is twenty-eight years and that seems like a very long time to see something happen. The City wanted an opportunity in the fifth year if they haven't made substantial progress on their project for Council to be able to review it and talk with the Developer to decide whether they want to cancel it then or give more time. If they have letters of intent and are getting ready to begin construction then they can proceed but if things are falling apart and nothing is happening we don't want that obligation to sit out there.

John Brancaglione, PGAV Urban Planning Consultants, presented the findings of the *Blight Qualification Study*. He indicated that the State TIF Act defines blighted area and the subject property exhibits the following qualifying criteria: defective or inadequate street layout; unsanitary or unsafe conditions; deterioration of site improvements and improper subdivision or obsolete platting which has led to economic underutilization and made the property an economic liability to the community.

Rick McConnell, Gilmore & Bell, presented the *Cost Benefit Analysis* of the *Plan*. The Developer was requested to present what the rate of return was expected with and without the TIF. This information shows that the project is not economically viable without the assistance of TIF. Rick McConnell distributed a memo dated March 4, 2013 regarding the Springfield Plaza TIF Development Project Financial Feasibility Analysis. Mr. Rankin presented the information contained in the memo and requested the Commission review Exhibit 7 in the binder as the source of the analysis.

Rick McConnell confirmed the project would not develop without tax increment financing and the Financial Feasibility Analysis indicates that the numbers are consistent with numbers seen on other projects around the state.

Mr. Fogle opened the discussion for Public Comments.

Tom Kisse, South Creek Development, noted that the area has fought blight for 28 years and there are vast improvements that have been made in the area but it is blighted. I am very excited that Jeff and Tom have come to the area and will bring future retail development. There is a need and the area is under used. The neighbors welcome the development and appreciate all the work involved.

TIF Commission Chairman, Brian Fogle requested any final questions and/or comments.

Regina Cooper asked if any relocations would occur. No relocations are necessary and this is an undeveloped property. No further questions.

Rick McConnell asked for the consideration of *Resolution 2013-01; Recommending Approval of the Springfield Plaza TIF Plan, Approval of the Redevelopment Area, Designation of Blight within the Redevelopment Area, Approval of the Redevelopment Projects and Approval of the Developer of Record to the City Council.*

TIF Commission Chairman, Brian Fogle opened the discussion for comments from the Commissioners.

- Jeff Schrag is comfortable moving forward with recommending this after tonight's discussion.
- Regina Cooper stated as a taxing jurisdiction and someone that lives in this area, that blighted is a good description of the area and no one else is stepping up to do anything about the area and she would welcome this type of development on that side of town. Pay back in 18 years and getting 25% of the increased property taxes for the taxing jurisdictions right away makes it much more palatable.
- Chance Wistrom stated that coming from the School District that this is a win win for us and for the School District and eastern Republic.
- Rob Rector said that this was a well thought-out plan and the fact you thought about those years and giving back to the community sooner. It's a great plan.

With no further discussion Jeff Schrag moved to close the Public Hearing.

Regina Cooper moved to approve the Resolution as presented. Rob Rector seconded the motion. Motion carried unanimously.

- **Adjournment**

Moved and seconded to adjourn. Motion carried. The meeting was adjourned at 8:00 pm

EXHIBIT LIST

SPRINGFIELD PLAZA TAX INCREMENT FINANCING REDEVELOPMENT PLAN

PUBLIC HEARING FOR REDEVELOPMENT PROJECTS BEFORE THE TAX ABATEMENT AND TAX INCREMENT FINANCING COMMISSION Hearing opened November 28, 2016

1. Roster of the Tax Abatement and Tax Increment Financing Advisory Commission for consideration of the Springfield Plaza Tax Increment Financing Redevelopment Projects
2. Springfield Plaza Tax Increment Financing Plan (“**Redevelopment Plan**”), dated February 1, 2013
3. Resolution No. 2013-1 approved by the TIF Commission on March 4, 2013
4. Ordinance No. 26231 adopted on May 6, 2013 which approved the Redevelopment Plan
5. Ordinance No. 26232 adopted on May 6, 2013 which approved the Springfield Plaza Tax Increment Financing Agreement
6. Excerpt of Minutes from the May 6, 2013 City Council meeting
7. Springfield Plaza Tax Increment Financing Agreement dated May 6, 2013
8. Ordinance No. 26641 adopted on October 12, 2015 which approved the Springfield Plaza Community Improvement District
9. Notice of TIF Commission public hearing sent to taxing districts on October 13, 2016, and return receipts
10. Affidavit of Publication for First Published Notice, published in *The News Leader* on October 31, 2016
11. Notice of TIF Commission public hearing sent to tax payers on November 14, 2016, and return receipt
12. Affidavit of Publication for Second Published Notice, published in *The News Leader* on November 21, 2016
13. Sunshine Law Notice of TIF Commission Meeting posted on November 21, 2016

816-221-1000
FAX: 816-221-1018
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OTHER OFFICES:
ST. LOUIS, MISSOURI
WICHITA, KANSAS
LINCOLN, NEBRASKA

November 21, 2016

TO: Springfield Tax Abatement and Tax Increment Financing Commission

FROM: David Bushek

RE: Public Hearing for approval of the Redevelopment Projects for the Springfield Plaza Tax Increment Financing Plan

Summary of Requested Action

The purpose of the TIF Commission public hearing is to make a recommendation to the City Council regarding the activation of two redevelopment projects (see attached map) for the Springfield Plaza Tax Increment Financing Plan (the “**TIF Plan**”). This will allow bills to be introduced to the City Council within 14 to 90 days following the completion of the TIF Commission public hearing which would approve the two TIF Redevelopment Projects for the TIF Plan. The City has already approved the TIF Plan, approved the Springfield Plaza Community Improvement District and executed a Redevelopment Agreement with the developer of record, and the sole purpose of the TIF Commission public hearing is to initiate a new time period during which the Redevelopment Project ordinances may again be introduced to the City Council for final action. As discussed below, nothing about the scope of the project is changing, and this step is only needed for procedural reasons.

Procedural History

The City Council adopted Ordinance No. 26231 on May 6, 2013 which approved the TIF Plan. The City and Springfield Plaza Real Estate, LLC (the “**Developer**”) executed the Tax Increment Financing Redevelopment Agreement for the Springfield Plaza Redevelopment Area dated as of May 6, 2013 (the “**TIF Agreement**”).

On May 6, 2013, the Council also held first reading of Bill Nos. 2013-084 and 2016-085, which would approve Redevelopment Project 1 and 2, respectively, within the Redevelopment Area for the TIF Plan and activate the collection of tax increment financing revenues within each area. The Council voted to table Bill Nos. 2013-084 and 2013-085 on May 6, 2013, at the request of Developer, to delay the start of the time period during which tax increment financing revenues would be collected in the project areas. This is a customary practice so the TIF collection time period does not start until the end of construction.

Each redevelopment project area is limited to a 23-year period by state statute, and Developer requested a delay in the adoption of the Redevelopment Project ordinances in order to maximize the collection of TIF revenues during each applicable time period. The Developer is ready to move forward with development in the Redevelopment Project 1 area and has requested approval of the project ordinance in order to initiate the collection of TIF revenues in that area. The Redevelopment Agreement restricts the collection of TIF revenues within each redevelopment area to 18 years.

By operation of City procedural rules, Bill Nos. 2013-084 and 2013-085 have expired because the bill sponsors are no longer on the City Council. The TIF Commission needs to hold a new public hearing on the redevelopment projects to initiate a new time period (14-90 days following the conclusion of the TIF Commission hearing) during which bills to approve the Redevelopment Projects may again be introduced to the City Council for action.

TIF Plan Background (No change from what was previously approved)

The Redevelopment Area is generally located southwest of West Sunshine Street and West Bypass (Highway 160) containing approximately 96 acres of land (the “**Redevelopment Area**”). The TIF Plan provides that the Redevelopment Area contains two Redevelopment Project Areas in which TIF collection will be activated (maps in Exhibit 4 of the TIF Plan). Redevelopment Project 1 is the northern approximately 35.5 acres of property within the Redevelopment Area that is expected to be developed first with approximately 182,500 square feet of commercial retail development. Redevelopment Project 2 is the southern approximately 61.8 acres of property within the Redevelopment Area that is expected to develop second with approximately 250,000 square feet of office uses.

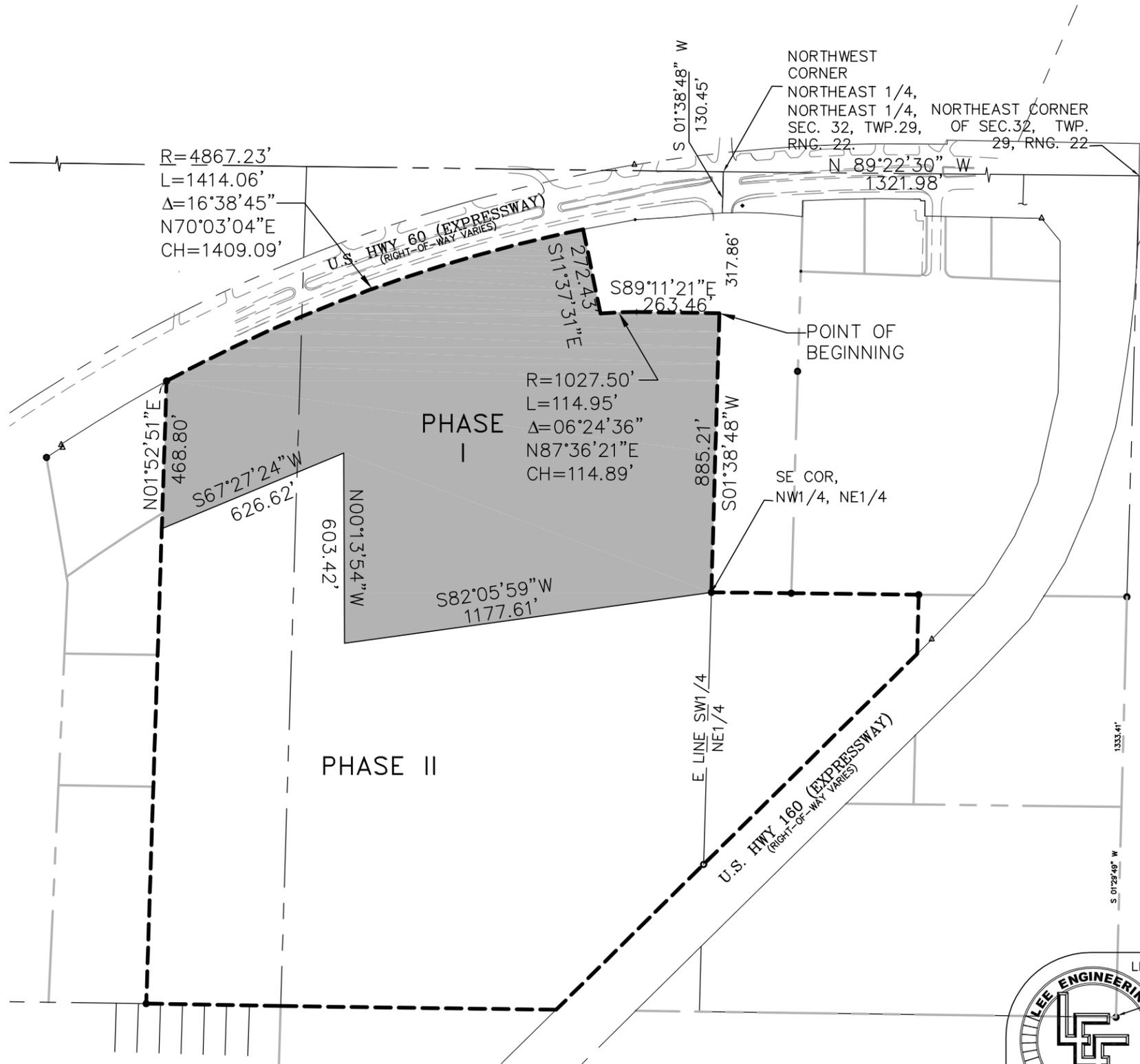
The total project costs for the entire TIF Plan are projected to be about \$78.5 million (budget in Exhibit 7 of the TIF Plan). The Reimbursable Project Costs are projected to be about \$9.58 million (about 12% of total project costs), which consist of the costs of the primary road improvements that serve the development, utility costs, the cost of a detention basin, and professional fees and capitalized interest on Developer’s private construction loan. Developer will incur one or more private loans or use private equity to pay for all project costs including the Reimbursable Project Costs, and TIF revenues will be used to reimburse developer as those revenues are collected by the City under the TIF Plan. The TIF revenues that are collected under the TIF Plan will be used to reimburse Developer on a “pay as you go” basis as TIF revenues are generated by the new development. The City will not issue bonds to finance the Reimbursable Project Costs. TIF revenues will be collected for 18 years within each Redevelopment Project, after which each Redevelopment Project will be terminated.

The revenues to be collected under the TIF Plan consist of (1) 75% of the incremental increase in annual real property tax revenues generated by the project, over and above the annual base amount of taxes generated by the property before the project was approved, which are called the Payments In Lieu of Taxes (PILOTs) and (2) 50% percent of the incremental increase in sales taxes, over and above the amount of sales taxes generated by the project in the year before each Redevelopment Project is approved by ordinance (Cost Benefit Analysis in Exhibit 8 of the TIF

Plan). Each year, 25% of the incremental increase in real property taxes will be declared as “Surplus PILOTs” and disbursed to the real property taxing districts along with the base real property taxes.

The TIF Agreement provides that the maximum principal amount of reimbursement to be provided to Developer is \$9,963,000, which is the estimated cost of the public improvements that will be constructed for the project which consists primarily of road improvements. The Agreement provides that Developer will also receive interest on the Reimbursable Project Costs that are certified by the City, until those principal costs have been fully reimbursed, at the actual interest rate associated with the private loans incurred by Developer to finance the improvements that are the Reimbursable Project Costs. The Agreement also provides for reimbursement to developer for certain Financing Costs incurred by Developer, the Administrative Costs incurred by the City and paid by Developer, and costs which may be incurred by Developer in defense of the plan or indemnification to the City for actions brought in connection with the TIF Plan.

Reimbursement will be provided only as TIF revenues are generated by the project and collected by the City in the Special Allocation Fund that is created for the TIF Plan. No bonds will be issued by the City pursuant to the TIF Agreement unless the City elects in its sole discretion to issue bonds at a future date, and the City is not obligated to make payments from the City’s General Fund or any other source of funds other than the TIF revenues which are collected in the Special Allocation Fund for the TIF Plan. The Agreement provides for an ongoing source of funds to reimburse the City for all costs incurred by the City to implement the TIF Plan and the TIF Agreement.

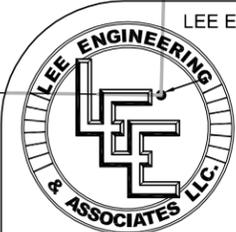


Phase I:

A tract of land being a part of property described in Book 2007 at Page 032908-07 of the Greene County Deed Records and lying in the Northwest Quarter of the Northeast Quarter of Section 32, Township 29 North, Range 22 West of the Fifth Principal Meridian, City of Springfield, Greene County, Missouri, and being more particularly described as follows:

Commencing at the Northeast corner of the Northeast Quarter of said section 32; thence North 89°22'30" West, along and with the North line of said Quarter section, a distance of 1321.98 feet to the Northeast corner of the Northwest Quarter of the Northeast Quarter of said Section 32; thence South 01°38'48" West, along and with the East line of said Northwest Quarter of the Northeast Quarter, a distance of 130.45 feet to a point on the South right-of-way line of relocated U.S. Highway 60; thence continue South 01°38'48" West, along and with said East line, a distance of 317.86 feet to the POINT OF BEGINNING; thence, continue South 01°38'48" West, along and with said East line, a distance of 885.21 feet to the Southeast corner of the Northwest Quarter of the Northeast Quarter of said Section 32; thence, South 82°05'59" West, leaving said East line, a distance of 1177.61 feet; thence, North 00°13'54" West, a distance of 603.42 feet; thence, South 67°27'24" West, a distance of 626.62 feet; thence, North 01°52'51" East, a distance of 468.80 feet to the Southerly right-of-way line of relocated U.S. Highway 60; thence, along and with said Southerly right-of-way on a curve to the right having a radius of 4867.23 feet, an included angle of 16°38'45" and a chord bearing of North 70°03'04" East, an arc distance of 1414.06 feet; thence, South 11°37'31" East, leaving said Southerly right-of-way line, a distance of 272.43 feet to the North right-of-way line of future Washita Street; thence, along and with said future right-of-way line on a curve to the right having a radius of 1027.50 feet, an included angle of 06°24'36" and a chord bearing of North 87°36'21" East, an arc distance of 114.95 feet; thence, South 89°11'21" East, continuing along and with said future right-of-way line and the extension thereof, a distance of 263.46 feet to the East line of the Northwest Quarter of the Northeast Quarter of said Section 32 and the POINT OF BEGINNING, containing 35.55 acres, subject to easements, restrictions and rights-of-way, if any.

Bearings are based on Grid North of the Missouri State Plane Coordinate System of 1983, Central Zone.



LEE Engineering & Associates, L.L.C.

2101 W. Chesterfield Blvd
Suite C202
Springfield, MO 65807
417-886-9100 (phone)
417-886-9336 (fax)
dlee@leeengineering.biz

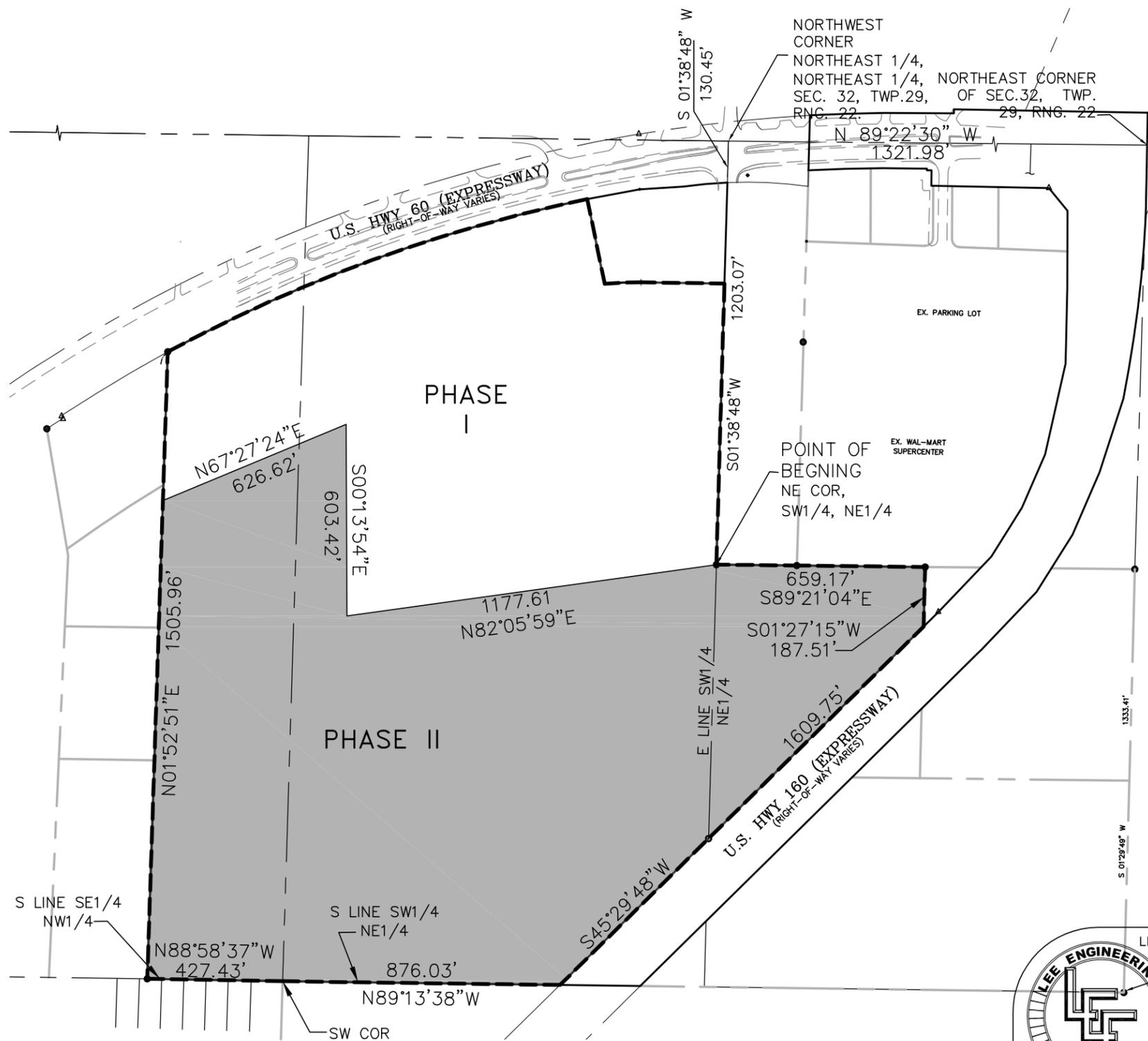
Missouri State Certificate of Authority
Engineering #2005015504
Land Surveying #2009028050

"Engineering with integrity"

DWG: TIF Areas.dwg
DATE: 04/08/2011

PROJECT NO.: 632

SPRINGFIELD PLAZA TIF EXHIBIT			
Springfield Plaza Springfield, Greene County, Missouri			
SURVEY BY TS	DESIGN N/A	SCALES HOR. 1"=400'	SHEET 1
FIELD BK	DRAWN DRB	VERT. N/A	OF 1 SHEETS
LEVEL BK	CHECKED DRB		FILE NO. 632

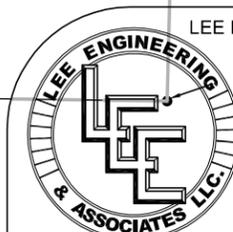


Phase II:

A tract of land being a part of property described in Book 2007 at Page 032908-07 of the Greene County Deed Records and lying in the Northwest Quarter of the Northeast Quarter of Section 32, Township 29 North, Range 22 West of the Fifth Principal Meridian, City of Springfield, Greene County, Missouri, and being more particularly described as follows:

Commencing at the Northeast corner of the Northeast Quarter of said section 32; thence North 89°22'30" West, along and with the North line of said Quarter section, a distance of 1321.98 feet to the Northeast corner of the Northwest Quarter of the Northeast Quarter of said Section 32; thence South 01°38'48" West, along and with the East line of said Northwest Quarter of the Northeast Quarter, a distance of 130.45 feet to a point on the South right-of-way line of relocated U.S. Highway 60; thence continue South 01°38'48" West, along and with said East line, a distance of 1203.07 feet to the Northeast corner of the Southwest Quarter of the Northeast Quarter of Section 32 and the POINT OF BEGINNING; thence, South 89°21'04" East, leaving said East line, a distance of 659.17 feet; thence, South 01°27'15" West, a distance of 187.51 feet to the Northwesterly right-of-way line of U.S. Highway 160 (West Bypass); thence, South 45°29'48" West, along and with said right-of-way line, a distance of 1609.75 feet to the South line of the Southwest Quarter of the Northeast Quarter of said Section 32; thence, North 89°13'38" West, along and with the South line of said Quarter-Quarter section, a distance of 876.03 feet to the Southwest corner of said Quarter-Quarter Section; thence, North 88°58'37" West, along and with the South line of the Southeast Quarter of the Northwest Quarter of said Section 32, a distance of 427.43 feet; thence, North 01°52'51" East, leaving said South line, a distance of 1505.96 feet; thence, North 67°27'24" East, a distance of 626.62 feet; thence, South 00°13'54" East, a distance of 603.42 feet; thence, North 82°05'59" East, a distance of 1177.61 feet to the POINT OF BEGINNING, containing 60.76 acres, subject to easements, restrictions and rights-of-way, if any.

Bearings are based on Grid North of the Missouri State Plane Coordinate System of 1983, Central Zone.



LEE Engineering & Associates, L.L.C.
 2101 W. Chesterfield Blvd
 Suite C202
 Springfield, MO 65807
 417-886-9100 (phone)
 417-886-9336 (fax)
 dlee@leeengineering.biz

Missouri State Certificate of Authority
 Engineering #2005015504
 Land Surveying #2009028050

"Engineering with integrity"

DWG: TIF Areas.dwg
 DATE: 04/08/2011

PROJECT NO.: 632

SPRINGFIELD PLAZA
TIF EXHIBIT

Springfield Plaza
Springfield, Greene County, Missouri

SURVEY BY TS	DESIGN N/A	SCALES HOR. 1"=400'	SHEET 1
FIELD BK	DRAWN DRB	VERT. N/A	OF 1 SHEETS
LEVEL BK	CHECKED DRB		FILE NO. 632

May 6, 2013

Springfield, Missouri

The City Council met in regular session May 6, 2013 in the Council Chambers at City Hall. The meeting was called to order by Mayor Bob Stephens. A prayer was given by Doug Burlison.

Roll Call Present: Craig Hosmer, Doug Burlison, Jeff Seifried, Mike Carroll, Craig Fishel, Jerry Compton, Jan Fisk, Cindy Rushefsky, and Bob Stephens. Absent: None.

Minutes The minutes of April 22, 2013, were approved as presented.

Consent The Consent Agendas were approved as amended.

Agenda

Councilman Burlison requested Council Bill 2013-100 be removed from Consent Agenda First Reading Bills. Brenda Cirtin, City Clerk, informed Council that Council Bill 2013-100 would become Item #11.5.

CEREMONIAL MATTERS:

Mayor Stephens recognized a Boy Scout Troop in attendance working on their citizenship badge.

CITY MANAGER REPORT AND RESPONSES TO QUESTIONS RAISED AT THE APRIL 22, 2013 MEETINGS:

Greg Burris, City Manager, responded all questions had been answered. He noted on April 27, 2013 a celebration was held in honor of the 175th anniversary of the City of Springfield. He added the celebration was held on Park Central Square and

EMERGENCY BILLS.

PUBLIC IMPROVEMENTS.

GRANTS.

AMENDED BILLS.

The following bills appeared on the agenda under Second Reading Bills:

Springfield Plaza

TIF

Sponsor: Burlison. Amended Council Bill 2013-082. A special ordinance approving the Springfield Plaza Tax Increment Financing Plan, establishing a redevelopment area, designating the redevelopment area as a blighted area, making other required findings for the redevelopment plan and directing staff to implement the redevelopment plan.

Mayor Pro Tem Seifried moved to amend the proposed by adding the Record of Proceeding from the Planning and Zoning Commission meeting. Councilman Burlison seconded the motion and it was approved by the following vote: Ayes: Hosmer, Burlison, Seifried, Carroll, Fishel, Compton, Fisk, Rushefsky, and Stephens. Nays: None. Absent: None. Abstain: None.

Amended Council Bill 2013-082. Special Ordinance 26231 was approved by the following vote: Ayes: Hosmer, Burlison, Seifried, Carroll, Fishel, Compton, Fisk, Rushefsky, and Stephens. Nays: None. Absent: None. Abstain: None.

Springfield Plaza

TIF

Sponsor: Seifried. Council Bill 2013-083. A special ordinance approving the Tax Increment Financing Redevelopment Agreement between Springfield Plaza Real Estate, Inc., and the City of Springfield for the Springfield Plaza Tax Increment Financing Redevelopment Plan.

Council Bill 2013-083. Special Ordinance 26232 was approved by the following vote: Ayes: Hosmer, Burlison, Seifried, Carroll, Fishel, Compton, Fisk, Rushefsky, and Stephens. Nays: None. Absent: None. Abstain: None.

**Springfield Plaza
TIF**

Sponsor: Carroll. Council Bill 2013-084. A special ordinance approving Redevelopment Project 1 for the Springfield Plaza Tax Increment Financing Plan and initiating tax increment financing therein.

Councilman Carroll moved to table the proposed and continue the public hearing. Councilman Compton seconded the motion and it was approved by the following vote: Ayes: Hosmer, Burlison, Seifried, Carroll, Fishel, Compton, Fisk, Rushefsky, and Stephens. Nays: None. Absent: None. Abstain: None.

**Springfield Plaza
TIF**

Sponsor: Hosmer. Council Bill 2013-085. A special ordinance approving Redevelopment Project 2 for the Springfield Plaza Tax Increment Financing Plan and initiating tax increment financing therein.

Councilman Compton moved to table the proposed and continue the public hearing. Councilman Hosmer seconded the motion and it was approved by the following vote: Ayes: Hosmer, Burlison, Seifried, Carroll, Fishel, Compton, Fisk, Rushefsky, and Stephens. Nays: None. Absent: None. Abstain: None.

The following bills appeared on the agenda under Public Hearings:

The following bills appeared on the agenda under First Reading Bills:

Mayor Stephens noted if there were no objections from Council, Council Bill 2013-096 and Council Bill 2013-097 would be read and discussed at this time.

2013-0545

TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT

Between the

CITY OF SPRINGFIELD, MISSOURI

and

SPRINGFIELD PLAZA REAL ESTATE, INC.

dated as of May 6, 2013

THE SPRINGFIELD PLAZA REDEVELOPMENT AREA

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<u>Exhibit B</u>	Legal Description of Redevelopment Area
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<u>Exhibit K</u>	Modified Preliminary Plat (Phase 1)

TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT

THIS TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT (the “**Agreement**”) is made and entered into as of the 6th day of May, 2013, by and between the CITY OF SPRINGFIELD, MISSOURI, a constitutional charter city and political subdivision of the State of Missouri (the “**City**”), and SPRINGFIELD PLAZA REAL ESTATE, INC., a Missouri corporation (the “**Owner**”) (the City and the Owner being sometimes collectively referred to herein as the “**Parties**”, and individually as a “**Party**”, as the context so requires). (All capitalized terms used but not otherwise defined herein shall have the meanings ascribed in Section 1.2 of this Agreement.)

RECITALS

The Springfield City Council created the Tax Abatement and Tax Increment Financing Commission of the City of Springfield, Missouri by approval of mayoral appointments of members of the TIF Commission and empowered the TIF Commission to exercise those powers and fulfill such duties as are required or authorized for the TIF Commission under the TIF Act. The various Taxing Districts within the Redevelopment Area have appointed members to the TIF Commission in accordance with Section 99.820 of the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the “**TIF Act**”).

1. On January 25, 2013, the City published a notice of request for proposals (the “**RFP**”) in the *Springfield News Leader*, which solicited redevelopment proposals from interested persons for the redevelopment of 118.08 acres of property that includes certain land southwest of the intersection of Sunshine (U.S. Highway 60) and West Bypass (U.S. Highway 160), together with the intersection and certain road right of way to the west and south of the intersection, all within the City limits (the “**Redevelopment Area**”).

2. The Owner has worked with City staff to submit a proposed tax increment financing plan (the “**Redevelopment Plan**”) for the Redevelopment Area. The Owner will construct certain public improvements in the Redevelopment Area which will be developed with private improvements as two redevelopment projects (each a “**Project**”) to be built in two redevelopment project areas (each a “**Redevelopment Project Area**”).

3. On March 4, 2013, the TIF Commission, after giving all notices required by the TIF Act, opened a public hearing at which all interested parties had the opportunity to be heard and at which the TIF Commission heard and considered all protests and objections concerning the Redevelopment Plan, the Redevelopment Area and the approval of the Project. The hearing was concluded on the same day, and the TIF Commission unanimously adopted a resolution recommending that the City Council approve the Redevelopment Plan, the Projects and the Redevelopment Area.

4. After due consideration of the TIF Commission’s recommendations and making each of the findings required by Section 99.810 of the TIF Act, the City Council adopted Ordinance No. 26231 on May 6, 2013 (the “**Redevelopment Plan Ordinance**”), designating the Redevelopment Area as a blighted area, approving the Redevelopment Plan, designating the Redevelopment Area as a “redevelopment area” as provided in the TIF Act, appointing the Owner as the developer for the Redevelopment Plan, and establishing the Springfield Plaza Special Allocation Fund.

5. On May 6, 2013, the ordinances to initiate tax increment financing within each Redevelopment Project Area (Bill Nos. 2013-084 and 2013-085) were introduced to the City Council by first reading.

6. On May 6, 2013, the City Council adopted Ordinance No. 26232, approving this Agreement and authorizing the City to execute and enter into this Agreement.

7. The City Council concluded that the redevelopment of the Redevelopment Area as provided for in the Redevelopment Plan will, consistent with the City's *Economic Development Incentives Policy Manual*, further the growth of the City, facilitate the redevelopment of the entire Redevelopment Area, improve the environment of the City, increase the assessed valuation of the real estate situated within the City, increase the sales tax revenues realized by the City, foster increased economic activity within the City, increase employment opportunities within the City, enable the City to direct the development of the Redevelopment Area, and otherwise be in the best interests of the City by furthering the health, safety, and welfare of its residents and taxpayers.

8. Pursuant to the provisions of the TIF Act and the Redevelopment Plan Ordinance, the City is authorized to enter into this Agreement, to pay Reimbursable Project Costs incurred in furtherance of the Redevelopment Plan and the Project, and to pledge TIF Revenues to the payment of Reimbursable Project Costs.

AGREEMENT

Now, therefore, in consideration of the premises and mutual promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I. RECITALS, EXHIBITS AND DEFINITIONS

Section 1.1. Recitals and Exhibits. The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section. The provisions of the Redevelopment Plan, the Redevelopment Plan Ordinance and the provisions of the TIF Act as amended as of and including the date of this Agreement, are hereby incorporated herein by reference and made a part of this Agreement, subject in every case to the specific terms hereof. In the event of any conflict between the provisions of this Agreement and the Funding Agreement (as defined in Section 1.2 of this Agreement) or any other documents related to the Redevelopment Plan previously prepared or executed, the provisions of this Agreement shall control.

Section 1.2. Definitions. Words and terms not defined elsewhere in this Agreement shall, except as the context otherwise requires, have the following meanings:

“Administrative Costs” means all costs and expenses incurred by the City for planning, legal, financial, administrative and other costs associated with the review, consideration, approval and implementation of the Redevelopment Plan, this Agreement and the Project, including all consultants engaged by the City.

“Adult Store” shall have the meaning assigned in the City's Zoning Ordinance, Sections 2-1100, as it may be amended by the City.

“Agreement” means this Tax Increment Financing Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the Parties hereto.

“Applicable Law and Requirements” means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ,

determination, award, permit, license, authorization, requirement or decision of or agreement with or by Governmental Authorities.

“Application for Reimbursable Project Costs” means an application in substantially the form attached as **Exhibit H** hereto furnished by the Owner to the City evidencing Reimbursable Project Costs incurred by the Owner.

“Best Efforts” means actual, reasonable, good faith attempts to accomplish or achieve the required obligation which shall be evidenced by the party taking such action, and proof of such documentation may be requested in writing by the other party to verify that such actual, reasonable, good faith attempts occurred. The failure to provide such documentation upon written request within a reasonable period of time after receipt of such written request, not to exceed twenty (20) business days, shall be deemed noncompliance with such obligation and a breach of this Agreement.

“Building Permit” means a permit for the construction of a structure as set forth in the City Code of Ordinances, but shall not include a permit required for demolition under the City Code of Ordinances.

“Certificate of Substantial Completion” means a certificate in substantially the form attached as **Exhibit G** hereto furnished by the Owner pursuant to Section 5.4 upon the substantial completion of a Redevelopment Project.

“CID” means a community improvement district that is formed in accordance with the CID Act and this Agreement, which area shall include all of the Redevelopment Area plus any additional areas outside the Redevelopment Area which may be lawfully included in accordance with the CID Act.

“CID Act” means the Missouri Community Improvement District Act, Sections 67.1401, *et seq.*, RSMo, as amended.

“CID Revenues” means the sales tax revenues generated by the CID as a result of the CID Sales Tax.

“CID Sales Tax” means the sales tax imposed by the CID in the amount of one percent.

“City” means the City of Springfield, Missouri.

“City Attorney” means the then current attorney appointed by the City as the City Attorney.

“City Council” means the City Council of the City of Springfield, Missouri.

“City Indemnified Parties” shall have the meaning assigned in Section 6.1.

“City Manager” means the City Manager of the City, or his/her designee.

“City Planning and Zoning Commission” means the Planning and Zoning Commission of the City.

“CPI” means the Consumer Price Index for All Urban Consumers for the United States, or its successor publications, as defined and officially reported by the United States Department of Labor, Bureau of Labor Statistics, or its successor agency.

“Collection Authority” means the TIF Commission, the City, the County Collector, or any other governmental official or body charged with the collection of Payments in Lieu of Taxes or Economic Activity Taxes.

“Commencement Date” means, for each Redevelopment Project, the day that the ordinance is adopted which approves such Redevelopment Project and initiates the collection of TIF Revenues within such Redevelopment Project Area.

“Commencement of Construction” means (1) the Owner has completed pre-construction engineering and design of the Phase 1 Public Improvements, has received necessary licenses and permits and has engaged a contractor to construct the Phase 1 Public Improvements, (2) has executed a contract for construction of the Phase 1 Public Improvements, (3) has given notice to proceed under such contract, and (4) physical construction of the Phase 1 Public Improvements has begun.

“Completion Date” means, for each Redevelopment Project, the day that is exactly eighteen (18) years from the Commencement Date for such Redevelopment Project.

“Construction Inspector” means a City employee designated by the City to perform inspections.

“Construction Plans” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections, submitted by the Owner and approved by the City in accordance with this Agreement.

“County” means Greene County, Missouri.

“County Assessor” means the County Assessor of Greene County, Missouri.

“County Collector” means the County Collector of Greene County, Missouri.

“Economic Activity Taxes” shall have the meaning ascribed to such term in Section 99.805 of the TIF Act.

“Economic Activity Taxes Account” means the separate segregated account within the Special Allocation Fund into which fifty percent (50%) of Economic Activity Taxes are to be deposited.

“Effective Date” means the date written in the first paragraph on page 1 of this Agreement.

“Excusable Delay” means any delay beyond the reasonable control of the Party affected, caused by damage or destruction by fire or other casualty, strike, shortage of materials, civil disorder, war, wrongful failure or refusal of any governmental entity to issue any permits and/or legal authorization necessary for a Party to comply with a duty or obligation under this Agreement, unavailability of labor, adverse weather conditions and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of all or any portion of the Owner Private Improvements in accordance with this Agreement, which in fact prevents the Party so affected from discharging its respective obligations hereunder.

“Financing Costs” means:

(1) all costs reasonably incurred by the City in furtherance of Private Loans, including the costs for City’s attorneys (including City Attorney and special TIF counsel) and the City’s administrative fees and expenses associated with Private Loans,

(2) Loan Origination Costs.

“Funding Agreement” means the Preliminary Funding Agreement executed by the City and Springfield Plaza, LLC, or its successors or assigns (including the Owner, to which the Funding Agreement was assigned), dated March 11, 2011, for the payment of City costs and expenses associated with considering and approving the Redevelopment Plan and drafting and negotiating this Agreement and all related work.

“Governmental Approvals” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, Building Permits, architectural review or other subdivision, zoning or similar approvals required for the implementation of the Project and consistent with the Redevelopment Plan, the Site Plan and this Agreement.

“Governmental Authorities” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any type of any governmental unit (federal, state or local) whether now or hereafter in existence.

“Insurance Consultant” means an insurance advisor, broker, or consultant selected by the Owner subject to the reasonable approval of the City.

“Lender” means the holder or holders of any mortgage or deed of trust encumbering Owner’s interest in all or a portion of the Redevelopment Area or of any pledge of or security interest in any of the stock or other proprietary interests in Owner.

“Loan Documents” means the promissory note, loan agreement, deed of trust and any other related documentation reasonably requested by the City that demonstrate the existence of a Private Loan and the applicable Reimbursement Interest Rate for Reimbursable Project Costs financed with the Private Loan.

“Loan Origination Costs” means those reasonable costs, fees and expenses incurred by Owner to obtain private financing for the Project, provided that any reimbursement from TIF Revenues for such costs, fees and expenses shall not to exceed 2% of the principal amount of the loan.

“Material Default” means a default in a material obligation following written notice of such default which shall include a detailed explanation of why the party sending such notice considers such default to be material.

“MHTC” means the Missouri Highways and Transportation Commission.

“MoDOT” means the Missouri Department of Transportation.

“Ordinance” means an ordinance adopted by the City Council.

“Owner” means Springfield Plaza Real Estate, Inc., or its successors or assigns in interest as approved by the City.

“Owner Advance” means funds, other than the proceeds of Private Loans, used by the Owner or an affiliate of the Owner to pay Reimbursable Project Costs.

“Owner’s Indemnified Parties” shall have the meaning assigned in Section 6.2.

“Owner Private Improvements” means the improvements, excluding the Public Improvements, constructed by the Owner for the Project in accordance with the Redevelopment Plan, including the commercial, office, retail and service shops, stores and restaurants for each Redevelopment Project, along with parking spaces, buildings, landscaping, internal vehicle and pedestrian roads and paths, signage and other private improvements that will serve the Project in accordance with Governmental Approvals. The anticipated type and amount of improvements expected to be constructed in connection with each Redevelopment Project are set forth in **Exhibit E**.

“Payments in Lieu of Taxes” shall have the meaning assigned to such term in Section 99.805 of the TIF Act.

“Permitted Subsequent Approvals” means the Building Permits and other Governmental Approvals customarily obtained prior to construction which have not been obtained or which the City or other Governmental Authority has not yet determined to grant on the date that this Agreement is executed.

“Phase 1 Public Improvements” means (1) McCurry Avenue, Washita Street and Zimmer Road, substantially as shown and highlighted on the Modified Preliminary Plat (Phase 1) for Springfield Plaza, dated October 25, 2012, which is attached as **Exhibit K**, and (2) the extension of off-site utilities to the exterior property line of Redevelopment Project Area 1.

“PILOT Account” means the separate segregated account within the Special Allocation Fund into which Payments in Lieu of Taxes are to be deposited.

“Planning Consultant” means a person or company selected by and engaged by the City to provide professional advice regarding financial matters as described in this Agreement.

“Prime Rate” means the prime rate reported in the “Money Rates” column or any successor column of *The Wall Street Journal*, currently defined therein as the base rate on corporate loans posted by at least 75% of the nation’s 30 largest banks, or any successor thereto. If *The Wall Street Journal* ceases publication of the Prime Rate, then “Prime Rate” shall mean the “prime rate” or “base rate” announced by U.S. Bank, National Association, Kansas City, Missouri.

“Private Loans” means loans or indebtedness incurred by the Owner or any other private entity or individual to pay for Reimbursable Project Costs incurred or estimated to be incurred, to carry out the Project, to finance the creation of such Private Loans, to establish reserves, to fund or secure such Private Loans, to finance interest costs associated with such Private Loans, or to refund or refinance any such outstanding Private Loans.

“Project” means the Public Improvements and the Owner Private Improvements described in the Redevelopment Plan and this Agreement, to be constructed by or at the direction of Owner in the Redevelopment Area pursuant to this Agreement.

“Project Budget” means the budget set forth in **Exhibit C**.

“Project Ordinance” means each Ordinance that approves a Redevelopment Project and activates the collection of TIF Revenues within such Redevelopment Project Area.

“Project Schedule” means the schedule for design, construction and operation of the Project as set forth in **Exhibit D**.

“Property” means all of the real property and improvements located within the boundaries of the Redevelopment Area as legally described in **Exhibit B**, except for that portion of the Redevelopment Area that was dedicated to public rights-of-way on the effective date of this Agreement.

“Public Improvements” means that portion of the Work which consists of improvements in public rights-of-way or public easements which are dedicated to, owned and maintained by a public entity, including the City, County, MoDOT or the MHTC.

“Public Works Director” means the person employed by the City as the Director of the Public Works Department, or his or her designee.

“Redevelopment Area” means the area legally described in **Exhibit B** and designated as the Redevelopment Area by the Redevelopment Plan Ordinance.

“Redevelopment Plan” means the plan entitled *“The Springfield Plaza Tax Increment Financing (TIF) Redevelopment Plan,”* as approved by the Redevelopment Plan Ordinance, as such plan may be amended from time to time by the City in accordance with the TIF Act.

“Redevelopment Plan Ordinance” means Ordinance No. 26231, adopted by the City Council on May 6, 2013, which made certain findings, approved the Redevelopment Plan and took other actions related to the Redevelopment Plan.

“Redevelopment Project” means each of the separate development projects within the Redevelopment Area in furtherance of the objectives of the Redevelopment Plan, as approved pursuant to an Ordinance.

“Redevelopment Project 1” means the construction of at least 186,500 square feet of retail commercial development within the area designated as Redevelopment Project 1 of the Redevelopment Plan.

“Redevelopment Project Area” means the area selected for a Redevelopment Project. The legal description of each Redevelopment Project Area is set forth in **Exhibit B**. Specific Redevelopment Project Areas may be designated in this Agreement as “I” or “II.”

“Redevelopment Project Costs” means the sum total of all reasonable or necessary costs incurred or estimated to be incurred in connection with each Redevelopment Project, and any such costs incidental to the Redevelopment Plan or a Redevelopment Project, as applicable. Such costs include, but are not limited to, the following:

- (1) Costs of studies, surveys, plans and specifications;
- (2) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial planning or special services;
- (3) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
- (4) Costs of rehabilitation, reconstruction, repair or remodeling of existing buildings and fixtures;
- (5) Costs of construction of public works or Public Improvements;

- (6) Costs of Owner Private Improvements;
- (7) Financing Costs;
- (8) Relocation costs to the extent that the City determines that relocation costs shall be paid or are required to be paid by federal or state law;
- (9) Payments in Lieu of Taxes; and
- (10) Administrative Costs.

“Reimbursable Project Costs” means those costs which are incurred by the City or the Owner, before or after the date of this Agreement, including Financing Costs, Administrative Costs and the costs set forth in the Project Budget which is attached as **Exhibit C**, as a result of preparing, reviewing and adopting the Redevelopment Plan, designation of the Redevelopment Area, planning, financing, acquiring and constructing the Project and any other Work authorized by the Redevelopment Plan, the oversight of the construction of the Project, the implementation of the Redevelopment Plan, and the management of the Special Allocation Fund, and which are at all times consistent with the TIF Act or any judicial interpretation of the TIF Act and which may be authorized for reimbursement in accordance with this Agreement.

“Reimbursable Project Costs Cap” means \$9,579,016, plus all actual Financing Costs, all Administrative Costs and all amounts incurred pursuant to Section 3.1.B (interest on Reimbursable Project Costs), Section 6.1.E (indemnification by Owner) and Section 8.6 (actions contesting the Redevelopment Plan).

“Reimbursement Interest Rate” means (1) with respect to a Private Loan, the lesser of (x) the actual rate of interest on such Private Loan or (y) ten percent (10%) per annum, and (2) with respect to an Owner Advance, the lesser of (x) the Prime Rate plus one percent (1%), or (y) ten percent (10%) per annum.

“RSMo” means the Revised Statutes of Missouri, as amended.

“Site Plan” means the final site plan(s) for the Redevelopment Area submitted by the Owner to the City and approved by the City pursuant to applicable City ordinances, regulations and City code provisions, and as amended from time to time by the City.

“Special Allocation Fund” means the fund, including any accounts and subaccounts created therein, into which TIF Revenues are deposited, as required by the TIF Act and this Agreement.

“Surplus PILOTs” means 25% of the Payments in Lieu of Taxes which are returned to the Taxing Districts that actually levy real property taxes within the Redevelopment Area in accordance with Section 4.4 of this Agreement.

“Surplus PILOTs Account” means the separated segregated account of the Special Allocation Fund into which the Surplus PILOTs are deemed deposited by the County prior to distribution to the Taxing Districts.

“Taxing District” means any political subdivision of the State of Missouri located wholly or partially within the Redevelopment Area having the power to levy real property taxes.

“Tenant” shall mean all lessees, purchasers and transferees of any portion of the Property.

“**TIF Act**” means the Real Property Tax Increment Allocation Redevelopment Act, Section 99.800 *et seq.*, of the Revised Statutes of Missouri, as amended.

“**TIF Commission**” means the Tax Abatement and Tax Increment Financing Commission of the City of Springfield, Missouri, as constituted for review of the Redevelopment Plan.

“**TIF Revenues**” means Payments In Lieu of Taxes and fifty percent (50%) of Economic Activity Taxes.

“**Total Initial Equalized Assessed Value**” means that amount certified by the County Assessor which equals the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of Property within each Redevelopment Project Area immediately after tax increment financing for such Redevelopment Project Area has been approved by a Project Ordinance.

“**Work**” means all work necessary to prepare the Property and applicable rights-of-way and public easement areas and to construct the Project, including: (1) construction of the Public Improvements and the Owner Private Improvements; (2) demolition and removal of any existing structures and improvements located on the Property and clearing and grading of the Property; and (3) all other work described in the Redevelopment Plan or reasonably necessary to effectuate the intent of this Agreement.

ARTICLE II. REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations of the City. The City makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. The City has full constitutional and lawful right, power and authority, under current applicable law, to execute, deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the City, enforceable in accordance with its terms.

B. No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

C. Litigation. To the best of the City’s knowledge, there is no litigation or proceeding pending against the City with respect to the Redevelopment Plan or this Agreement. In addition, to the best of the City’s knowledge, there is no other litigation or proceeding that is pending against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of the terms and provisions of this Agreement.

D. Governmental or Corporate Consents. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement.

E. No Default. No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the City under this Agreement.

Section 2.2. Representations of the Owner. The Owner makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. The Owner has all necessary power and authority to execute, deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Owner herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Owner, enforceable in accordance with its terms.

B. No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

C. Litigation. To the best of the Owner's actual knowledge, there is no litigation, proceeding or investigation pending or threatened against the Owner seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Owner to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Owner, of the terms and provisions of this Agreement.

D. No Material Change. (1) The Owner has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Agreement and (2) there has been no material adverse change in the business, financial position, prospects or results of operations of the Owner, which could affect the Owner's ability to perform its obligations pursuant to this Agreement from that shown in the financial information provided by the Owner to the City prior to the execution of this Agreement.

E. Governmental or Corporate Consents. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution, delivery and performance by the Owner of this Agreement other than Permitted Subsequent Approvals.

F. No Default. No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Owner under this Agreement, or any other material agreement or material instrument to which the Owner is a party or by which the Owner is or may be bound.

G. Approvals. Except for Permitted Subsequent Approvals, the Owner has received and is in good standing with respect to all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and to continue to conduct its business as heretofore conducted by it and to own or lease and operate its properties as now owned or leased by it. Except for Permitted Subsequent Approvals, the Owner has obtained all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Owner

Private Improvements. The Owner reasonably believes that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will be obtained in due course.

H. Construction Permits. Except for Permitted Subsequent Approvals, all governmental permits and licenses required by applicable law to construct, occupy and operate the Owner Private Improvements have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Owner reasonably believes, after due inquiry of the appropriate governmental officials, that such permits and licenses will be issued in a timely manner in order to permit the Owner Private Improvements to be constructed.

I. Compliance with Laws. The Owner is in compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement.

J. Other Disclosures. The information furnished to the City by the Owner in connection with the matters covered in this Agreement are true and correct and do not contain any untrue statement of any material fact and do not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

K. Project. The Owner represents and warrants that the Redevelopment Area is sufficient to construct the Project as contemplated in the Redevelopment Plan and this Agreement.

Section 2.3. Owner Deliverables after the Effective Date of this Agreement. Within 30 days after the Effective Date of this Agreement, Owner shall furnish the City with the following, to the extent not already provided to the City:

A. a copy of the Owner's Articles of Incorporation certified by the Secretary of State of the State of Missouri; and

B. a certificate of good standing of the Owner in the State of Missouri.

No payments from TIF Revenues shall be made to Owner until the requirements of this Section have been satisfied.

Section 2.4. Owner to Advance Costs. The Owner agrees to advance and pay, or to cause others to advance and pay, for all Redevelopment Project Costs as necessary to acquire the Property, construct the Project and to complete the Work, all subject to the Owner's right to terminate this Agreement as set forth in Section 7.6.

Section 2.5. Funding of Administrative Costs.

A. Termination of Funding Agreement. Pursuant to a Funding Agreement between the City and the Owner, Owner has previously advanced certain funds for Administrative Costs. Within thirty (30) days after execution of this Agreement, the City shall submit final invoices which will be paid by Owner, along with the payment of any other outstanding invoices, pursuant to the terms of the Funding Agreement. After final payment of all outstanding invoices is made by Owner under the Funding Agreement, the Funding Agreement shall be terminated, and any funds remaining on deposit with the City pursuant to the Funding Agreement shall be used by the City in accordance with paragraph B of this Section and shall be treated as a Reimbursable Project Cost to Owner.

B. Initial Deposit. In addition to the Administrative Costs paid under the Funding Agreement, the City shall also be reimbursed for all Administrative Costs incurred in connection with the Redevelopment Plan, the Project and this Agreement. Upon execution of this Agreement, the City shall deposit such funds remaining on deposit with the City pursuant to the Funding Agreement in a separate, segregated account of the City (the “**Advanced Funds Account**”), and, if such amount is less than \$5,000, then Owner shall make a payment to the City (all amounts in the Advanced Funds Account are the “**Advanced Funds**”) so that the initial amount on deposit in the Advanced Funds Account, together with any funds remaining from the Funding Agreement, is \$5,000.

C. Operation of the Advanced Funds Account. The City may invest the Advanced Funds in the same manner as other funds of the City are invested, and interest earnings shall remain in the Advanced Funds Account. All Advanced Funds shall be used to pay Administrative Costs. The City shall submit to the Owner an itemized statement of actual payments made from the Advanced Funds Account for such expenses on a regular periodic basis, but no more often than monthly and no less often than quarterly. The Owner shall advance to the City the amounts set forth on such statements within thirty days after receipt thereof, which shall be deposited in the Advanced Funds Account so that the balance of the Advanced Funds Account remains at \$5,000, and this arrangement shall continue until there are sufficient funds in the Special Allocation Fund to implement paragraph D of this Section.

D. Future Administrative Costs on a Pay As You Go Basis. When sufficient funds are available in the Special Allocation Fund, the City (i) will withdraw from the Special Allocation Fund an annual amount of \$5,000 (which annual amount shall, starting in January 2013 and in each succeeding January thereafter, be increased by the increase, if any, in the CPI for the preceding calendar year) for routine annual Administrative Costs incurred by City staff, and (ii) may withdraw from the Special Allocation Fund to pay additional Administrative Costs an additional amount not to exceed \$20,000 in any calendar year. After the terms of this paragraph are being implemented, if Administrative Costs in any year exceed the amount available in the Special Allocation Fund during such year, the unpaid portion of such Administrative Costs shall carry over to the next or any subsequent years until paid in full. In the event that Owner proposes an amendment to the Redevelopment Plan, or proposes significant revisions to this Agreement, which require the City to incur costs and expenses that are in addition to Administrative Costs, the City may require Owner to execute a separate funding agreement to cover the City’s costs and expenses associated with processing and considering such proposal by Owner.

Section 2.6. Owner’s Ownership of the Redevelopment Area. At the time that this Agreement is executed, Owner represents that it owns fee simple title to all of the Property. The Parties agree that condemnation is not needed to acquire any portion of the Property.

Section 2.7. Owner as Developer of Record and Designation of Development Rights. The City hereby selects the Owner to construct the Project and perform or otherwise cause the performance of the Work in accordance with the Redevelopment Plan and this Agreement. For the purpose of implementing the Redevelopment Plan and this Agreement, the City hereby grants to the Owner exclusive redevelopment rights over the Redevelopment Area under the TIF Act, subject to and in accordance with the terms and conditions of this Agreement.

ARTICLE III. REIMBURSEMENT OF OWNER COSTS

Section 3.1. Owner Reimbursement.

A. Obligation to Reimburse Owner. Subject to the terms and conditions of this Agreement, the City shall reimburse the Owner from TIF Revenues for all verified Reimbursable Project Costs in an amount not to exceed the Reimbursable Project Costs Cap, which shall be paid in the order or priority set

forth in Section 4.8, until all funds have been disbursed from the Special Allocation Funds following the last applicable Completion Date. Each Redevelopment Project shall be in effect for a period not to exceed eighteen (18) years, and the collection of TIF Revenues within each respective Redevelopment Project Area shall cease on the Completion Date associated with each respective Redevelopment Project. For any Redevelopment Project, only TIF Revenues on deposit in the Special Allocation Fund on the Completion Date for such Redevelopment Project shall be made available for reimbursement to Owner following the Completion Date for the Redevelopment Project. Any Reimbursable Project Costs, and any interest due on such costs, that have not been reimbursed with funds on deposit in the Special Allocation Fund through the last applicable Completion Date shall remain unreimbursed and the City shall have no obligation to provide reimbursement after the last Completion Date from any other source of funds collected or maintained by the City. Subject to the conditions and restrictions of this Agreement, the City agrees to reimburse the Owner for the verified Reimbursable Project Costs for those categories of expenses as set forth in the Project Budget in **Exhibit C**. The amounts provided as reimbursement for any line-item of costs may exceed the amounts for each line-item set forth in **Exhibit C**, provided that no amounts set forth in the Project Budget for the hard costs of Public Improvements may be shifted to line-items for soft costs and contingencies and the total reimbursement for all costs shall not exceed the Reimbursable Project Costs Cap. Reimbursement from TIF Revenues shall occur as TIF Revenues become available in the Special Allocation Fund, and disbursements from the Special Allocation Fund shall be made on a quarterly basis. The City shall have no obligation to reimburse Owner until funds are available in the Special Allocation Fund. In order to receive reimbursement, the Owner shall submit an Application for Reimbursable Project Costs in substantial compliance with **Exhibit H** for the Reimbursable Project Costs associated with construction of the Project. The City will not provide reimbursement to Owner for any cost that is not a “redevelopment project cost” under Section 99.805(15) of the TIF Act.

B. Interest on Reimbursable Project Costs.

1. Reimbursable Project Costs which have been certified by the City through an approved Application for Reimbursable Project Costs in accordance with this Agreement shall accrue simple interest at the Reimbursement Interest Rate starting on the day that the City approves such application in accordance with Section 3.2 until the principal amount of such certified Reimbursable Project Costs are paid, or until this Agreement is terminated following the last applicable Completion Date or is otherwise terminated as provided herein. Interest due on certified Reimbursable Project Costs shall be calculated on a monthly basis, and the Reimbursement Interest Rate then in effect on the first day of each calendar month shall be applied to the outstanding principal amount of certified Reimbursable Project Costs for that month. TIF Revenue distributed to pay Reimbursable Project Costs shall be applied first to accrued and unpaid interest, then to principal. Unpaid interest shall accrue but shall not be compounded.

2. In support of the payment of the Reimbursement Interest Rate on Reimbursable Project Costs, the Owner shall:

(a) state on each Application for Reimbursable Project Costs those Reimbursable Project Costs on such Application that were financed by a Private Loan and those that were financed by an Owner Advance;

(b) in the case of Reimbursable Project Costs financed by a Private Loan, provide to the City a copy of applicable Loan Documents evidencing such Private Loan.

A Reimbursable Project Cost shall be deemed to be funded by an Owner Advance unless Owner submits Loan Documents for a Private Loan which serves as the source of funds for such

Reimbursable Project Cost with the first Application for Reimbursable Project Costs that are being financed by the proceeds of such Private Loan.

3. When the City certifies Reimbursable Project Costs for payment, the City shall also certify the Reimbursement Interest Rate(s) applicable to such certified costs based on the information provided by Developer as required by this Section. Thereafter, (a) the Reimbursable Interest Rate applicable to an Owner Advance shall not change unless such rate must be adjusted to account for a change in the Prime Rate, and (b) the Reimbursable Interest Rate applicable to a Private Loan shall not change unless Owner provides a copy of documentation reasonably acceptable to the City evidencing any amendment or modification to the terms of such Private Loan if such amendment or modification alters the Reimbursement Interest Rate with respect to such Private Loan, in each case within thirty (30) days after entering into such amendment or modification to a Private Loan.

4. In the event that Reimbursable Project Costs are funded by a Private Loan that has a variable interest rate, Owner must provide notice (which shall include documentation of such rate as described in Section 3.1(B).2(b)) to the City of the initial interest rate that is applicable to the Private Loan on the date that the City receives the Application for Reimbursable Project Costs, and the City shall thereafter use such interest rate as the Reimbursement Interest Rate for those Reimbursable Project Costs funded by such Private Loan until Owner provides notice of a change to the interest rate applicable to the Private Loan. Owner may provide notice of a change to the variable interest rate applicable to such Private Loan not more frequently than once per calendar month. The City shall apply the new interest rate to the outstanding Reimbursable Project Costs which are funded by such variable-rate Private Loan starting on the date that the City receives such notice of the new rate from Owner. The rules set forth in this paragraph shall apply to the calculation of the Reimbursement Interest Rate for such variable-rate Private Loan regardless of the terms of such Private Loan and regardless of the frequency at which such variable-rate Private Loan may be adjusted between the lender and borrower under the agreement applicable to such Private Loan. Notwithstanding the foregoing, the City may elect to calculate interest on Reimbursable Project Costs in the same manner as interest is calculated on the variable rate Private Loan that financed such costs, as evidenced by the applicable Loan Documents.

5. In the event that any Private Loan is partially or entirely refinanced, Owner must provide notice to the City of the new Reimbursement Interest Rate that is applicable to such refinanced Private Loan together with the applicable Loan Documents. Until such notice and documentation is received, the City shall continue to use the prior Reimbursement Interest Rate for those Reimbursable Project Costs funded by the original Private Loan.

6. For calculation purposes, in applying payments to Reimbursable Project Costs funded by different sources, payment of TIF Revenues shall be applied pro rata based on the aggregate amount of unreimbursed principal for each source. For example, if there is one Private Loan that has aggregate unreimbursed principal of \$8,000,000 and one Owner Advance that has aggregate unreimbursed principal of \$2,000,000, then any available TIF Revenues paid to Owner in that month will, for calculation purposes, be allocated 80% to the Private Loan and 20% to the Owner Advance. Regardless of the calculation process, actual payment of any available TIF Revenues will be made as provided in Section 3.2.

C. City Recordkeeping. The City may select and engage the services of a qualified third party to administer the collection and payment of TIF Revenues in accordance with this Agreement, which may include tracking and administering the Reimbursement Interest Rate as provided in this

Section. All costs and expenses incurred by the City for such services shall be paid and reimbursed to the City as Administrative Costs.

Section 3.2. Reimbursement Process.

A. All requests for reimbursement of Reimbursable Project Costs shall be made on an Application for Reimbursable Project Costs in substantial compliance with **Exhibit H**. No person other than Owner may submit an Application for Reimbursable Project Costs, and any invoices, bills or claims by contractors, engineers, professionals or other service providers who have performed work or provided goods or services to Owner in furtherance of the Redevelopment Plan which are Reimbursable Project Costs must receive payment from Owner before such amounts may be submitted to the City for reimbursement in accordance with this Section, unless Owner expressly authorizes in writing payment directly to a contractor or service provider as a Reimbursable Project Cost and the contractor or service provider submits lien waivers for the Work performed, if applicable to such Work, at the time of such reimbursement request. The Owner or assignee shall, at the City's request, provide itemized invoices, receipts or other information, if any, requested by the City to confirm that any such cost is so incurred and does so qualify.

B. The Parties agree that the categories of expenses and amounts associated with each category as set forth in the Project Budget, to the extent actually incurred by Owner for the Project and certified by the City, up to the total Reimbursable Project Costs Cap, constitute Reimbursable Project Costs which are eligible for reimbursement in accordance with the TIF Act and this Agreement. The City acknowledges that such costs are estimates prepared by Owner based on the knowledge of the Project at the time the Redevelopment Plan Ordinance was adopted and the actual costs of items for implementing the Project may vary depending on market factors and conditions, although the City's obligation to reimburse Owner shall not exceed the Reimbursable Project Costs Cap, Administrative Costs incurred pursuant to Section 2.5 and costs set forth in Section 8.6 of this Agreement.

C. The Owner may submit an Application for Reimbursable Project Costs to the City not more often than once each calendar month. The City shall either accept or reject each Application for Reimbursable Project Costs within thirty (30) days after the submission thereof. If the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is not a "redevelopment project cost" under Section 99.805(15) of the TIF Act, the City shall so notify the Owner in writing within said 30-day period, identifying the ineligible cost and the basis for determining the cost to be ineligible, whereupon the Owner shall have the right to identify and substitute other Redevelopment Project Costs as Reimbursable Project Costs with a supplemental application for payment, subject to the limitations of this Agreement. The City may also request such additional information from Owner as may be required to process the requested reimbursement, and the time limits set forth in this paragraph shall be extended by the duration of time necessary for Owner to respond to such request by the City. If the City does not reject the Application, identify ineligible costs or request additional information from Owner within the 30-day response period, such Application will be deemed approved by the City.

D. Regardless of whether Reimbursable Project Costs are financed by more than one Private Loan, or by one or more Private Loans and one or more Owner Advances, that are outstanding at the same time, the City shall send reimbursement payments (including all amounts applicable to principal and interest payments for certified Reimbursable Project Costs) to only one person or one bank account as directed by Owner pursuant to this Agreement, and Owner shall be responsible for disbursing such amounts among any parties that hold a security interest or other rights or claims to such TIF Revenues. The City shall not send reimbursement payments to more than one person or one bank account, regardless of the number of Private Loans and Owner Advances that are made in connection with any and all

Reimbursable Project Costs, and regardless of the number of refinancings that may occur for Private Loans that fund Reimbursable Project Costs.

E. In the event that there is any dispute between Owner and one or more third parties, or among two or more third parties, regarding the right to receive payments from TIF Revenues, the City may withhold the payment of all TIF Revenues until such dispute is resolved and City is provided with the written statement signed by the Owner and such third parties involved in such dispute advising that the dispute has been resolved (a “Disbursement Right Resolution Notice”). In the event that the City does not receive a Disbursement Right Resolution Notice within sixty (60) days after the date that the City was required to make a disbursement of TIF Revenues in accordance with this Agreement but declined to do so in the exercise of its rights under the first sentence of this section E, then within thirty (30) days after the end of such sixty (60) day period, the City shall transfer such funds into the trust of the County Circuit Court and request an order from the Circuit Court that seeks to have the dispute resolved by the Court among the parties who claim an interest in such funds. All costs incurred by the City to seek and receive such Circuit Court order shall be funded and paid as Administrative Costs under this Agreement and shall be reimbursed to the City in addition to the amounts allowed under the Administrative Costs cap that is set forth in Section 2.5 hereof.

Section 3.3. Limitation on Source of Funds for Reimbursement. Notwithstanding any other term or provision of this Agreement, Reimbursable Project Costs are payable only from the Special Allocation Fund and from no other source. In no event will the City appropriate funds from the City’s general fund or from any fund other than the Special Allocation Fund to pay for Reimbursable Project Costs.

Section 3.4. Retainage Account. The City shall be entitled to withhold payment of 10% of all TIF Revenues that are available for payment to Owner from the Special Allocation Fund until a Certificate of Substantial Completion has been approved by the City for Redevelopment Project 1. Interest shall accrue on the Reimbursable Project Costs to be reimbursed with funds in the retainage account as set forth in Section 3.1, until such funds are released from the retainage account.

ARTICLE IV. TAX INCREMENT FINANCING

Section 4.1. Redevelopment Area and Project.

A. The Redevelopment Area is legally described in **Exhibit B**. The Redevelopment Area will be developed in two (2) Redevelopment Project Areas, which are also legally described in **Exhibit B**. The City will initiate tax increment financing by Ordinance for each Redevelopment Project prior to the date that the first retail store opens for business in such Redevelopment Project Area, and on a date that maximizes the collection of PILOTs and EATs for such Redevelopment Project, subject to all provisions of this Agreement. The City may initiate tax increment financing within each Redevelopment Project Area on a date that is after one or more non-retail businesses open for business within the applicable Redevelopment Project Area in order to maximize the collection of Economic Activity Taxes from retail businesses that are expected to open within such Redevelopment Project Area.

B. Subject to the terms and conditions of the Redevelopment Plan and this Agreement, the Owner shall use commercially reasonable efforts to construct or cause to be constructed the Owner Private Improvements as set forth in **Exhibit E** and the Public Improvements.

C. Owner agrees to construct or cause to be constructed the Public Improvements at such time as the Redevelopment Projects become commercially feasible. Owner acknowledges and agrees that

the Public Improvements will be constructed at a time required by the City pursuant to Governmental Approvals, in order to make the Public Improvements available to serve the public infrastructure demands created by the Private Development. The City acknowledges and agrees that the Public Improvements benefit and are necessary for the development of the Redevelopment Area as a whole, and TIF Revenues that are collected from any Redevelopment Project will be made available in accordance with the terms and conditions of this Agreement to provide reimbursement for the cost of the Public Improvements.

Section 4.2. Project Budget. The Project shall be constructed in accordance with the Project Budget, which contains estimated costs based on Owner's knowledge of the Project and prevailing costs and expenses on the effective date of the Redevelopment Plan Ordinance. The actual costs for implementing the Project may vary depending on market factors and related conditions, and reimbursement for each category of costs may be adjusted as set forth in Section 3.1.

Section 4.3. Removal of Blight in the Redevelopment Area. The Redevelopment Area as a whole has been declared by the City Council to be a "blighted area," as that term is defined in the TIF Act, and is detrimental to the public health, safety and welfare because of the several influences that cause the Redevelopment Area to be a blighted area, as set forth in the Redevelopment Plan and the Redevelopment Plan Ordinance. By construction of the Project, the Owner shall clear the blighting influences, or eliminate the physical blight existing in the Redevelopment Area, or make adequate provisions reasonably satisfactory to the City for the clearance of such blighting influences.

Section 4.4. Payments in Lieu of Taxes.

A. Initiation of Payment Obligations. Pursuant to the provisions of the Redevelopment Plan and the TIF Act, including, but not limited to, Section 99.845 thereof, when tax increment financing is established by an Ordinance for a Redevelopment Project Area, that portion of the Property in such Redevelopment Project Area is subject to assessment for annual Payments in Lieu of Taxes. Payments in Lieu of Taxes shall be due when property taxes are due. The obligation to make said Payments in Lieu of Taxes shall be a covenant running with the land and shall create a lien in favor of the City on each such tax parcel as constituted from time to time and shall be enforceable against the Owner and its successors and assigns in ownership of property in a Redevelopment Area.

B. Enforcement of Payments. Failure to pay Payments in Lieu of Taxes as to any portion of the Property in a Redevelopment Project Area shall entitle any Collection Authority to proceed against such Property in the Redevelopment Project Area as in other delinquent property tax cases or otherwise as permitted at law or in equity, and such failure shall entitle the Collection Authority to seek all other legal and equitable remedies it may have to insure the timely payment of all such sums, including the initiation of appropriate lawsuits for such unpaid taxes; provided, however, that the failure of any Property in the Redevelopment Project Area to yield sufficient Payments in Lieu of Taxes because the increase in the current equalized assessed value of such Property is or was not as great as expected, shall not by itself constitute a breach or default. The City shall use all reasonable and diligent efforts to notify the County Collector and all other appropriate officials and persons and seek to fully implement the Payments in Lieu of Taxes and reimbursements of Reimbursable Project Costs as provided in this Agreement and in the Redevelopment Plan.

C. Limitation on Protesting Tax Assessments. Owner agrees that annual tax assessments on the Property shall not be formally or informally protested or contested if such assessments are equal to or less than 110% of the projected assessed values as set forth in the Redevelopment Plan or the Cost Benefit Analysis submitted in support of the Redevelopment Plan (the "Projected Assessed Value") for any calendar year during the effective period of this Agreement. In the event that any tax assessment is greater than 110% of the Projected Assessed Value and the Owner elects to formally or informally protest

the tax assessment, Owner shall not protest, contest or seek in any manner to have the assessment reduced to an amount that is less than 110% of the Projected Assessed Value. Subdivision of the Property in a manner that produces parcels of a different size or configuration than as set forth in the Redevelopment Plan shall not alter, affect or eliminate the limitation set forth in this paragraph, and this obligation shall be binding on all successors on the property in accordance with Section 6.4.

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

E. Surplus PILOTs. No more than seventy-five percent (75%) of the Payments in Lieu of Taxes shall be used to pay Reimbursable Project Costs. In accordance with the Redevelopment Plan, the remaining twenty-five percent (25%) of the Payments in Lieu of Taxes collected shall be declared as Surplus PILOTs by the City, in accordance with the Redevelopment Plan. The City shall, or, if an agreement between the City and County has been executed for such purpose then the County Collector shall on behalf of the City, pay such Surplus PILOTs to the appropriate Taxing Districts affected by the Redevelopment Project as provided in the TIF Act. Such declaration of Surplus PILOTs may not be modified by any subsequent agreement, contract, indenture, or other legal document and any attempted modification shall be void and have no effect on the amount of Surplus PILOTs distributed to the appropriate Taxing Districts. Such declaration of Surplus PILOTs shall continue at a level of twenty-five percent (25%) throughout the entire term of the Redevelopment Plan and this Agreement. The amount of Surplus PILOTs with respect to any property which receives tax abatement under the West Springfield Enhanced Enterprise Zone as provided for in Section 6.5 hereof shall be equal to 25% of the amount of PILOTs paid by such entity after the application of tax abatement.

F. Certification of Base for Payments in Lieu of Taxes. Within ninety (90) days after the adoption of each Project Ordinance, the City shall use Best Efforts to provide to the Owner a certification of the County Assessor's calculation of the total initial equalized assessed valuation of the taxable real property within the applicable Redevelopment Project Area based upon the most equalized assessed valuation of each taxable lot, block, tract, or parcel of real property within the Redevelopment Project Area.

Section 4.5. Economic Activity Taxes.

A. Initiation of Payment Obligations. In addition to the Payments In Lieu of Taxes described above, and pursuant to Section 99.845 of the TIF Act, but subject to Section 5.5 hereof, fifty (50) percent of the total additional revenue from taxes which are imposed by the City or other Taxing Districts, and which are generated by economic activities within each Redevelopment Project Area within the Redevelopment Area for which a Project Ordinance is adopted, which are in excess of the amount of such taxes generated by economic activities within the applicable Redevelopment Project Area for the calendar year prior to the year in which the applicable Project Ordinance is enacted for the Redevelopment Project Area, while tax increment financing remains in effect, but excluding 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 and personal property taxes, other than payments in lieu of taxes and any penalty and interest thereon, or taxes levied for the purpose of public transportation pursuant to Section 94.660, RSMo, shall be allocated to, and paid by the collecting

officer to the designated financial officer of the City, who shall deposit such funds in a separate segregated account within the Special Allocation Fund for the purpose of paying Redevelopment Project Costs.

B. Accounting. The City shall deposit the payments of Economic Activity Taxes received from the respective Taxing Districts in the Economic Activity Taxes Account in the Special Allocation Fund, to be utilized and expended in accordance with the TIF Act, the Redevelopment Plan and this Agreement.

C. Documentation of Economic Activity Taxes.

1. The Owner, its successors and assigns shall use Best Efforts to impose a requirement on all Tenants to provide to the City documentation of Missouri Sales Tax receipts and filings for each business in the Redevelopment Area, indicating the type and amount of the Economic Activity Taxes paid by each such business located within the Redevelopment Area. The Owner hereby agrees, to the extent practicable, that each such lease shall provide that the City is an intended third party beneficiary of such provisions and the City has a separate and independent right to enforce such documentation provisions directly against any such Tenant. This obligation shall be a covenant running with the land and shall be enforceable against the Owner, to the extent Owner continues to own Property within the Redevelopment Area, and against any purchaser, lessee or other transferee or possessor as if such purchaser, lessee or other transferee or possessor were originally a party to and bound by this Agreement and shall only terminate upon the passage of an Ordinance terminating the Redevelopment Plan pursuant to the terms contained herein.

2. The City and the Owner agree to cooperate and take all reasonable actions necessary to cause the TIF Revenues to be paid into the Special Allocation Fund, including the City's enforcement and collection of all such payments through all reasonable and ordinary legal means of enforcement. Owner shall annually provide records on utility taxes to allow the City to annually appropriate utility taxes, and the City shall have no obligation to annually appropriate utility taxes unless such records are provided by Owner.

D. Certification of Base for Economic Activity Taxes. Within ninety (90) days after adoption of each Project Ordinance, the City shall use Best Efforts to provide to the Owner a certification of the amount of revenue from taxes, penalties and interest which are imposed by the City and other taxing districts and which are generated by economic activities within the Redevelopment Area for the preceding calendar year, but excluding those personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, taxes levied for the purpose of public transportation, or licenses, fees or special assessments identified as excluded in Section 99.845.3 of the TIF Act.

Section 4.6. Obligation to Report Maximum Sales Tax Revenue. To the fullest extent permitted by law, the Owner shall use all reasonable efforts to cause any Tenant to designate sales subject to sales taxes pursuant to Chapter 144, RSMo to be reported as originating from each applicable Redevelopment Project Area. The Owner shall cause such obligation to be a covenant running with the land and shall be enforceable as if such Tenant, were originally a party to and bound by this Agreement.

Section 4.7. Special Allocation Fund. The City has established and shall maintain the Special Allocation Fund which shall contain the following separate segregated accounts: (1) Payments in Lieu of Taxes shall be deposited into the PILOT Account within the Special Allocation Fund; (2) Economic Activity Taxes shall be deposited into the Economic Activity Taxes Account within the Special Allocation Fund;; (3) and such further accounts or sub-accounts as are required by this Agreement or as

the City's financial advisor may deem appropriate in connection with the administration of the Special Allocation Fund. Subject to the requirements of the TIF Act and, with respect to Economic Activity Taxes, subject to annual appropriation by the City Council as required by the TIF Act, the City will promptly upon receipt thereof deposit or be deemed to deposit all Payments in Lieu of Taxes into the PILOT Account and all Economic Activity Taxes into the Economic Activity Taxes Account.

Section 4.8. Disbursements From Special Allocation Fund. All disbursements from the Special Allocation Fund will be paid in such priority as the City shall determine from the separate segregated accounts maintained within the Special Allocation Fund for Payments in Lieu of Taxes and Economic Activity Taxes. The City hereby agrees for the term of this Agreement to apply available TIF Revenues in the following manner and order of preference:

A. An amount equal to 25% of the actual Payments in Lieu of Taxes generated within the Redevelopment Area and actually received or deemed to be received into the PILOTS Account of the Special Allocation Fund shall be declared as Surplus PILOTS and shall be distributed in the manner set forth in Section 4.4 of this Agreement;

B. Payment of Administrative Costs incurred by the City pursuant to Section 2.5 of this Agreement;

C. Reimbursement to any district providing emergency services within the Redevelopment Area, to the extent required by Section 99.848 of the TIF Act or, in lieu thereof, such amount (if any) as may be set forth in a cooperative agreement between the City and such emergency district; and

D. Payment of the principal and accrued interest on Owner's certified Reimbursable Project Costs, subject to the withholding as set forth in Section 3.4.

Section 4.9. Full Assessment.

A. Redevelopment Area. After (i) all Reimbursable Project Costs have been paid in full, or (b) all funds in the Special Allocation Funds have been disbursed following the Completion Date, whichever occurs first, all property in the Redevelopment Area shall be subject to assessments and payment of all ad valorem taxes, including, but not limited to, City, State, and County taxes, based on the full true value of the real property and the standard assessment ratio then in use for similar property by the County Assessor, and the Redevelopment Area shall be free from the conditions, restrictions and provisions of: (1) the TIF Act; (2) any rules or regulations adopted pursuant to the TIF Act; (3) the Redevelopment Plan Ordinance; (4) the Redevelopment Plan; and (5) the portions of this Agreement relating only to the TIF Act, the Redevelopment Plan Ordinance and the Redevelopment Plan. Following adoption of each ordinance that approves a Redevelopment Project and initiates the collection of TIF Revenues in such Redevelopment Project Area, the City will provide written verification to Owner of the Commencement Date and the Completion Date for such Redevelopment Project.

B. Completion of Redevelopment Plan. Upon the payment of all Reimbursable Project Costs, or after all TIF Revenues have been disbursed from the Special Allocation Fund following the last applicable Completion Date pursuant to Sections 99.845 and 99.850 of the TIF Act, the City shall adopt an Ordinance dissolving the Special Allocation Fund and terminating the designation of the Redevelopment Area as a "redevelopment area" under the TIF Act. Thereafter the rates of the Taxing Districts shall be extended and taxes levied, collected and distributed in the manner applicable in the absence of the adoption of tax increment financing, and the Redevelopment Area shall be free from the conditions, restrictions and provisions of the TIF Act, of any rules or regulations adopted pursuant thereto, of the Redevelopment Plan Ordinance, of the Redevelopment Plan and this Agreement.

ARTICLE V. DEMOLITION, CONSTRUCTION AND OPERATION OF THE PROJECT

Section 5.1. Project Schedule, Demolition, Design and Construction.

A. Schedule and Plan of Financing. The Project Schedule attached as **Exhibit D** sets forth the projected construction start dates for each Redevelopment Project. Owner shall use its Best Efforts to comply with the Project Schedule. Owner anticipates construction and completion of the Project in accordance with the Project Schedule, although the Parties acknowledge that market conditions and other factors may cause the delay of one or more Redevelopment Projects or securing the amount of Tenants as projected in the Redevelopment Plan and Cost Benefit Analysis for each Redevelopment Project. Owner shall not be in default for failure to comply with the Project Schedule or failure to begin or complete any Redevelopment Project. All costs of the Project shall be paid or financed by Owner from private loans or cash equity supplied by Owner, and Owner acknowledges that the City does not plan to issue bonds, notes or any other type of “obligations” (as defined in the TIF Act), or authorize any other third party to issue any obligations, to fund any of the Reimbursable Project Costs.

B. Construction Plan Approval. The Owner shall submit to the City the Construction Plans for the Project after approval of the Site Plan by the City. Construction Plans may be submitted in phases or stages. The Construction Plans shall incorporate the Design Standards as described in paragraph C of this Section. The Construction Plans shall be prepared and sealed by a professional engineer or architect licensed to practice in the State of Missouri and the Construction Plans and all construction practices and procedures with respect to the Project shall be in conformity with all applicable state and local laws, ordinances and regulations, including, but not limited to, any performance bonds, labor and material payment bonds and maintenance bonds required for the Project. The Owner shall submit Construction Plans for approval by the City in sufficient time so as to allow for review of the plans in accordance with applicable City ordinances and procedures. The Construction Plans shall be in sufficient completeness and detail to show that construction will be in conformance with the Redevelopment Plan and this Agreement.

C. Design. The Owner shall comply with and follow the design criteria relating to exterior improvements substantially as set forth in **Exhibit F** (the “**Design Standards**”), which regulate the exterior finishes, site appearance and signage allowed for Tenants as part of all zoning and subdivision approvals in order to create an integrated, unified design for the Project.

D. Mass Grading Costs. Owner expects to conduct mass grading of the Redevelopment Area, or significant portions thereof, which will prepare the Redevelopment Area for construction of both the Owner Private Improvements and the Public Improvements. The Parties acknowledge that the City’s intention of providing TIF funding through the Redevelopment Plan is for the purpose of funding the Public Improvements and not the Owner Private Improvements associated with the Project. As a condition to receiving certification of a portion of the mass grading costs as Reimbursable Project Costs which are attributable to the Public Improvements, in the maximum amount set forth in the Project Budget, Owner shall cause its engineer to prepare and seal plans which clearly document that portion of the mass grading costs which are primarily attributable to and necessary for the Public Improvements which shall be the portion of the mass grading that constitutes Reimbursable Project Costs. The City’s review and approval of such mass grading costs as Reimbursable Project Costs and the certification provided by Owner’s engineer shall be subject to the review and certification procedures set forth in Section 3.2.

E. Construction. To the extent commercially feasible and in accordance with the Project Schedule attached as **Exhibit D**, and absent an event of Excusable Delay, the Owner shall commence or cause the commencement the construction of the Project in a good and workmanlike manner in

accordance with the terms of this Agreement. Upon reasonable advance notice, the Owner and its project team shall meet with the City to review and discuss the design and construction of the Project in order to enable the City to monitor the status of construction and to determine that the Project is being performed and completed in accordance with this Agreement. The Parties recognize and agree that market and other conditions may affect the scope of work of the Project. Therefore, the scope of work within the Project is subject to change and/or modification, with the prior consent of the City, which shall not be unreasonably withheld.

F. Periodic Review and Reports. Until each of the Redevelopment Projects are fully constructed and all stores are open for business in the Redevelopment Area, Owner shall provide a written report to the City on a quarterly basis which contains the following information: the general status of the entire Project; the status of each Redevelopment Project; a construction schedule and configuration of the Project; financing commitments for each Redevelopment Project; a current tenant list showing all businesses open in the Redevelopment Area; a summary of all publicly announced stores not yet open; the status of current construction; a summary of pending store construction; Owner's expectation regarding the activation of each Redevelopment Project by the City, to the extent not yet activated; and any other relevant information which provides the City with notice about pending tenants and the status of the development. At the reasonable request of the City after the Project is fully constructed, the Owner agrees to provide to the City a report regarding the status of the Project, including the information described in this paragraph.

G. Continuation and Completion. Subject to Excusable Delay and except as provided in the Project Schedule, once the Owner has commenced construction of a Redevelopment Project the Owner shall not permit cessation of work on the Redevelopment Project for a period in excess of twenty (20) consecutive days or fifty (50) days in the aggregate without prior written consent from the City.

H. Construction Contracts and Insurance. The Owner, or others at the direction of Owner, may enter into one or more construction contracts to complete the Work. Prior to the commencement of construction of the Work, the Owner shall obtain or shall require that any such contractor obtains workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts required by the City and as provided in Section 6.3 and shall deliver evidence of such insurance to the City. The Owner shall require that the insurance required hereunder is maintained by any such contractor for the duration of the construction of the Work.

I. Prevailing Wages. The Owner shall comply with all laws regarding the payment of prevailing wages to contractors or subcontractors of the Owner, as applicable. Owner shall indemnify and hold harmless the City for any damage resulting to it from failure of either the Owner or any contractor or subcontractor to pay prevailing wages pursuant to applicable laws.

J. Competitive Bids and Other Construction Requirements. The Owner shall comply with all applicable State and local laws relating to the construction of the Project, including but not limited to all applicable laws relating to competitive bidding. The Redevelopment Plan submitted in response to the City's request for proposals is deemed to satisfy all competitive bidding requirements established by the City pursuant to the TIF Act.

K. Cooperation on Third Party Approvals. Owner shall obtain all approvals required by the MHTC or MoDOT and any other entities or governmental departments specified by MHTC or MoDOT, for all necessary public road improvements in MoDOT rights-of-way. The City agrees to cooperate in good faith to facilitate approval by MHTC and MoDOT and other third parties in the design, construction and approval of the Public Improvements.

L. Governmental Approvals. The City agrees to employ Best Efforts to cooperate with the Owner and to process and timely consider and respond to all applications for the Governmental Approvals as received, all in accordance with the applicable City ordinances and law of the State of Missouri.

Section 5.2. Land Uses and Land Use Restrictions. In addition to the land use restrictions that are established pursuant to the City's zoning and subdivision regulations, unless approved in writing by the City prior to the execution of a lease or prior to the sale of land in the Redevelopment Area, the types of land uses set forth in the attached **Exhibit I** shall not occur as a primary use of any structure on the Property in the Redevelopment Area.

Section 5.3. Covenants, Conditions and Restrictions. Any Covenants, Conditions and Restrictions ("CC&Rs") shall be in compliance with the land use restrictions as set forth in Section 5.2 and the Design Standards set forth in Section 5.1.C. A copy of the CC&Rs shall be provided to the City not less than thirty (30) days prior to the anticipated date of recording with the Greene County Recorder of Deeds. The CC&Rs shall provide a list of restricted land uses as established by Section 5.2 of this Agreement. The CC&Rs shall be a permanent encumbrance covering the entirety of the Redevelopment Area. The CC&Rs shall provide that the City has the right to enforce the CC&Rs until termination of this Agreement. The form and substance of the CC&Rs shall be acceptable to the City, and the CC&Rs shall not be recorded until the City has approved the final CC&Rs in writing, which shall not be unreasonably withheld. The City must respond within (20) days after receiving a copy of the CC&Rs from Owner, and if no response is provided within such time then the CC&Rs will be deemed approved by the City. After approved by the City, Owner shall file the CC&Rs for recording in the Greene County Recorder of Deeds and shall provide proof of such recording to the City. The CC&Rs may be amended, and the conditions, restrictions and requirements set forth in this paragraph with respect to the initial creation and filing of the CC&Rs shall be applicable to all amendments of the CC&Rs.

Section 5.4. Certificate of Substantial Completion. Promptly after substantial completion of each Redevelopment Project in accordance with the provisions of this Agreement, the Owner may submit a Certificate of Substantial Completion to the City for such Redevelopment Project. Substantial completion shall mean that Owner has completed the applicable Redevelopment Project and related Public Improvements associated with such area, subject to the completion of punch-list and other items which are not material to the commencement of retail sales or other business activities within such Redevelopment Project Area. The Certificates of Substantial Completion shall be in substantially the form attached as **Exhibit G**. The Construction Inspector shall, within thirty (30) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the City unless, prior to the end of such 30-day period after delivery, the City furnishes the Owner with specific written objections to the status of the Redevelopment Project, describing such objections and the measures required to correct such objections in reasonable detail. Upon acceptance of the Certificate of Substantial Completion or upon the lapse of thirty (30) days after delivery thereof without any written objections thereto, the Owner may record the Certificate of Substantial Completion with the Greene County Recorder of Deeds, and the same shall constitute evidence of the satisfaction of the Owner's agreements and covenants to construct the applicable Redevelopment Project.

Section 5.5. Compliance with Laws and Requirements. The Project shall be designed, constructed, equipped and completed in accordance with all Applicable Law and Requirements of all federal, state and local jurisdictions. Notwithstanding any provision, regulation or Ordinance to the contrary, the City Council reserves the right to review and approve the Site Plan and any modifications to the Site Plan submitted to the City Planning Commission for approval. In the event the City Council

should elect to review and approve a Site Plan modification, it shall do so by giving the Owner written notice of its intent to do so within twenty (20) days after the approval by the City Planning Commission and shall initiate said action by motion of the City Council.

Section 5.6. Utilities and Fees. The City hereby agrees that the Owner shall have the right, subject to compliance with applicable City Ordinances, regulations and City code provisions, to connect any and all on-site water lines, sanitary and storm sewer lines and electric lines constructed in the Redevelopment Area to City utility lines existing at or near the perimeter of the Redevelopment Area. The City agrees that the Owner shall be obligated to pay, in connection with the development of the Redevelopment Area, those normal water, sanitary and storm sewer, Building Permit, engineering, inspection, and other fees which are of general applicability for the intended uses of the Property.

Section 5.7. Assistance to Owner. The City agrees to provide the Owner with assistance with respect to obtaining Building Permits from the City, and any permits or approvals required from any governmental agency, whenever reasonably requested to do so; provided, however, that all requests for assistance are in compliance with the City Ordinances, the Construction Plans, the Site Plan, all applicable City rules, regulations, codes and procedures, and this Agreement. The City agrees to use its Best Efforts to assist Owner to obtain the necessary permits and approvals from other governmental jurisdictions to allow ingress and egress to the Project from rights-of-way not within the City's jurisdiction and control.

Section 5.8. Lease of Property. As restricted by this Agreement, the Owner may lease Property within the Redevelopment Area. To the extent practicable and using Best Efforts, the Owner, or any third party, shall insert in any such lease the following language, or language that is substantially similar to the following after being approved by the City Attorney, and shall have such lease signed by the lessee indicating acknowledgment and agreement to the following provision:

Economic Activity Taxes: Tenant acknowledges that the Leased Premises are a part of a Tax Increment Financing district ("TIF District") created by Springfield, Missouri (the "City") and that certain taxes generated by Tenant's economic activities, including sales taxes, will be applied toward the costs of improvements for the Development. Upon the request of Landlord or the City, Tenant shall forward to the City or Landlord copies of Tenant's State of Missouri sales tax returns filed with the Missouri Department of Revenue for its property located in the TIF District, and, upon request, shall provide such other reports and returns regarding other local taxes generated by Tenant's economic activities in the TIF District as the City shall require, all in the format prescribed by them. Sales tax confidentiality shall be protected by the City as required by law. Tenant acknowledges that the City is a third-party beneficiary of the obligations in this Section, and that the City may enforce these obligations in any manner provided by law.

The Owner shall use reasonable efforts to enforce this lease provision. At the request of the City, the Owner shall provide a certification to the City confirming that the lease includes the provisions satisfying the Owner's obligation as set forth in this Section. Failure of the Owner to require that such restrictions be placed in any such lease shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Redevelopment Area or the Project and the City's rights of enforcement and remedies under this Agreement and the TIF Act.

Section 5.9. Community Improvement District. Owner shall seek to form the CID in accordance with the CID Act. The Parties agree that the following shall apply to the formation and operation of the CID:

A. Formation of the CID shall be initiated by Owner filing or causing to be filed a petition with the City in accordance with the CID Act. The Parties acknowledge that all public improvements to be funded by the CID must be within the boundaries of the CID, and the CID boundary lines shall be drawn in a manner that includes all public rights-of-way where CID public improvements will be located. The CID board of directors shall consist of five (5) directors, and the initial board of directors of the CID shall be named in the CID petition. For so long as the CID is in existence, at least two (2) of the members of the board of directors shall be City officials or City employees as selected by the City. The petition shall provide that successor directors shall be appointed by the Mayor of the City with the advice and consent of the City Council. The City shall consider and process the CID petition in accordance with the requirements of the CID Act, and the Parties agree to jointly cooperate with and participate in the formation process. The City's and the Owner's participation shall include, but is not limited to, the following:

1. include language in contracts for sale of real estate inside the CID boundaries which requires prospective purchasers to sign such documents as needed and cooperate in the CID formation and operation, as applicable;
2. prepare such documents as necessary for formation and operation of the CID;
3. use good faith efforts to cause persons, as mutually agreed upon by the Parties and in accordance with this Agreement, to serve on the board of directors for the CID;
4. Owner shall construct or cause to be constructed those public improvements that qualify for reimbursement in accordance with the CID Act and this Agreement, including compliance with all competitive bidding, prevailing wage and other construction requirements for public improvements;
5. use good faith efforts to cause lessees and purchasers of property within the boundaries of the CID to cooperate in the timely and full payment of the CID sales tax, and any other fees or assessments that may be imposed or charged by the CID; and
6. take such other reasonable action as mutually agreed upon by the Parties to facilitate the formation and good standing of the CID.

B. Operation of the CID. Owner and City agree that they shall enter into a Cooperation Agreement with the CID which will include the following provisions and obligations:

1. The CID shall impose the CID Sales Tax at a rate not to exceed 1%;
2. The CID shall be used to pay for the public improvements as authorized by the CID Act and as described in the Cooperation Agreement. Owner may be reimbursed from CID revenues for verified Reimbursable Project Costs that qualify for the use of CID Revenues;
3. The CID Revenues will annually pay for routine administrative costs and services such as directors and officers liability insurance, accounting costs and legal costs;
4. The CID Revenues shall not be used to pay for any other types of services within the CID area until the Redevelopment Plan is terminated in accordance with this Agreement. After the Redevelopment Plan has been terminated, the CID may remain in existence, at the discretion of Owner or Owner's successors in the property within the CID area, and continue to fund eligible services; and

5. The CID bylaws shall provide that, in the event that a City official or employee sitting on the CID board of directors ceases to hold his or her position with the City, such director shall be deemed automatically resigned from the Board of Directors without further action of that director. The City shall designate a successor director for the remaining term of an open seat that is caused by such resignation.

ARTICLE VI. GENERAL COVENANTS

Section 6.1. Indemnification of the City.

A. Owner agrees to indemnify and hold the City, its employees, agents, independent contractors and consultants (collectively, the “**City Indemnified Parties**”) harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, costs and/or expenses, including court costs and attorneys fees, resulting from, arising out of, or in any way connected with:

1. the Owner’s actions and undertaking in implementation of the Redevelopment Plan and this Agreement;

2. the negligence or willful misconduct of Owner, its employees, agents, independent contractors and consultants in connection with the management, design, development, redevelopment and construction of the Project; or

3. any litigation filed against the Owner by any shareholder of the Owner, or any prospective investor, prospective partner or joint venture partner, Lender, co-proposer, architect, contractor, consultant or other vendor which is not based in whole or in part upon any negligence or willful misconduct of the City or the City’s breach of this Agreement.

B. In the event any suit, action, investigation, claim or proceeding (collectively, an “**Action**”) is initiated or made as a result of which the Owner may become obligated to one or more of the City Indemnified Parties hereunder, any one of the City Indemnified Parties shall give prompt notice to the Owner of the occurrence of such event, with due regard to deadlines that, if not met, would prejudice the Indemnified Parties’ practical abilities to defend against such Action. After receipt of such notice, the Owner may elect to defend, contest or otherwise protect the City Indemnified Parties against any such Action, at the cost and expense of the Owner, utilizing counsel of the Owner’s choice. The City Indemnified Parties shall assist, at Owner’s sole discretion, in the defense thereof. In the event of such defense against any Action by Owner for the City, Owner shall provide to the City regular periodic reports on the status of such Action. In the event that the Owner shall fail timely to defend, contest or otherwise protect any of the City Indemnified Parties against such Action, the City Indemnified Parties shall have the right to do so, and, if such defense is undertaken by the City Indemnified Parties after notice to the Owner asserting the Owner’s failure to timely defend, contest or otherwise protect against such Action, the cost of such defense shall be at the expense of the Owner, including the right to offset against amounts of Reimbursable Redevelopment Costs payable to the Owner.

C. Any one of the City Indemnified Parties shall submit to the Owner any settlement proposal that the City Indemnified Parties shall receive which may only be accepted with the approval of the Owner. The Owner shall be liable for the payment of any amounts paid in settlement of any Action to the extent that and only with respect to any part the Owner expressly assumes in writing as part of such settlement. Neither the Owner nor the City Indemnified Parties will unreasonably withhold its consent to a proposed settlement.

D. The right to indemnification set forth in this Agreement shall survive the termination of this Agreement.

E. Indemnification provided by Owner to any City Indemnified Party resulting from Owner's implementation of the Redevelopment Project or this Agreement and which are not caused by the negligence or willful misconduct of Owner or employees, agents, independent contractors and consultants shall be treated as Reimbursable Project Costs, and shall increase the Reimbursable Project Costs Cap on a dollar for dollar basis.

Section 6.2. Indemnification of the Owner.

A. To the extent permitted by law, the City agrees to indemnify and hold the Owner, its employees, agents and independent contractors and consultants (collectively, the "**Owner's Indemnified Parties**") harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, costs and/or expenses, including court costs and attorneys fees, resulting from, arising out of, or in any way connected with the City's power and authority to undertake and approve the Redevelopment Plan and this Agreement, except that this indemnification shall not apply to any Action to the extent that it relates to the procedures used by the City to introduce and adopt the Redevelopment Plan Ordinance.

B. In the event any Action is begun or made as a result of which the City may become obligated to one or more of the Owner's Indemnified Parties hereunder, any one of the Owner's Indemnified Parties shall give prompt notice to the City of the occurrence of such event, with due regard to deadlines that, if not met, would prejudice the Indemnified Parties' practical abilities to defend against such Action. After receipt of such notice, the City may elect to defend, contest or otherwise protect the Owner's Indemnified Parties against any such Action, at the cost and expense of the City, utilizing counsel subject to the reasonable approval of Owner. The Owner's Indemnified Parties shall assist, at City's sole discretion, in the defense thereof. In the event that the City shall fail timely to defend, contest or otherwise protect any of the Owner's Indemnified Parties against such Action, the Owner's Indemnified Parties shall have the right to do so, and, if such defense is undertaken by the Owner's Indemnified Parties after notice to the City asserting the City's failure to timely defend, contest or otherwise protect against such Action, the cost of such defense shall be at the expense of the City.

C. Any one of the Owner's Indemnified Parties shall submit to the City any settlement proposal that the Owner's Indemnified Parties shall receive which may only be accepted with the approval of the City. The City shall be liable for the payment of any amounts paid in settlement of any Action to the extent that and only with respect to any part the City expressly assumes in writing as part of such settlement. Neither the City nor the Owner's Indemnified Parties will unreasonably withhold its consent to a proposed settlement.

D. The right to indemnification set forth in this Agreement shall survive the termination of this Agreement.

Section 6.3. Insurance.

A. Prior to the commencement of construction of any portion of the Work, the Owner shall obtain or shall require that its contractors obtain workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects. The Owner shall require that such insurance be maintained by any of its contractors for the duration of the construction of such portion of the Work.

B. As used in this Section, “**Replacement Value**” means an amount sufficient to prevent the application of any co-insurance contribution on any loss but in no event less than **100%** of the actual replacement cost of the improvements in the Project, including additional administrative or managerial costs that may be incurred to effect the repairs or reconstruction, but excluding costs of excavation, foundation and footings. Replacement Value shall be determined at least every year after the completion date of the Project by an appraisal, a report from an Insurance Consultant, or if the policy is on a blanket form, such other means as is reasonably acceptable to the Insurance Consultant. If an appraisal or report is conducted, a copy of such appraisal or report shall be furnished to the City.

C. The Owner shall keep the Project continuously insured with property insurance for full Replacement Value, with such deductible provisions as are customary in connection with the operation of facilities of the type and size comparable to the Project.

D. The City does not represent in any way that the insurance specified herein, whether in scope, overall coverage or limits of coverage, is sufficient to protect the business or interests of the Owner.

E. All such policies, or a certificate or certificates of the insurers that such insurance is in full force and effect, shall be provided to the City and, prior to expiration of any such policy, the Owner shall furnish the City with satisfactory evidence that such policy has been renewed or replaced or is no longer required by this Agreement; provided, however, the insurance so required may be provided by blanket policies now or hereafter maintained by the Owner if the Owner provides the City with a certificate from an Insurance Consultant to the effect that such coverage is substantially the same as that provided by individual policies. All policies evidencing such insurance required to be obtained under the terms of this Agreement shall provide for thirty (30) days prior written notice to the Owner and the City of any cancellation (other than for nonpayment of premium), reduction in amount or material change in coverage.

F. All policies of insurance required by this Section shall become utilized as required by this Agreement.

Section 6.4. Assignment of Owner’s Obligations.

A. This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns.

B. The Owner shall not assign any of its rights hereunder without the assignee first agreeing in writing to fully assume all of the Owner’s obligations under this Agreement, and if such assignment involves the sale of real property within the Redevelopment Area, the assignee must also fully execute and deliver to the City a Transferee Agreement in the form of **Exhibit J**, attached hereto.

C. Notwithstanding the foregoing, the Owner may, upon written notice to the City and without obtaining the consent of the City, delegate or assign to a Lender the right to receive payments from TIF Revenues for Reimbursable Project Costs, and the City shall accept the exercise of such right by a Lender or its designee with the same force and effect as if exercised by Owner.

D. Notwithstanding the foregoing, the Owner may, upon written notice to the City and without obtaining the consent of the City, assign all of its rights hereunder to an entity created specifically for the purpose of owning, developing and operating one or more of the Redevelopment Projects and in which the Owner or one or more of its shareholders are, in good faith, expected to own or control, for the reasonably foreseeable future, not less than fifty-one percent (51%) of the total ownership interests

(“Assignee”). Provided, however, such assignment shall not be effective unless such assignment is accompanied by:

1. A binding commitment from a Lender or other financial institution to provide Assignee with the financing necessary to construct the applicable Redevelopment Project(s);
2. A fully executed agreement between the Owner and the Assignee, acceptable in form and substance to the City prior to such execution, pursuant to which Assignee assumes all of the Owner’s obligations hereunder; and
3. All of the documents required by Section 2.3 with respect to Assignee.

E. Notwithstanding any other provision in this Section to the contrary, the City hereby approves the right of the Owner to encumber or collaterally assign its interest in this Agreement, the Property or any portion thereof, and/or the stock or other interests of a proprietary nature in Owner, to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project Costs, provided that the loan documents contain language approved by the City Attorney or the City’s special legal counsel which provides that –

1. no costs will be incurred by the City to assist or deal with any matters related to implementation of the Redevelopment Plan or this Agreement upon foreclosure of the Property, or any portion thereof, by the Lender, and that the Lender will fund all such costs incurred by the City in such matters, and

2. the Owner’s status as the developer of record under the Redevelopment Plan and this Agreement shall terminate as to Owner and automatically transfer to Lender or other buyer upon foreclosure by the Lender, or transfer in lieu of foreclosure. While the Lender or a buyer upon foreclosure is in possession of the Property, the City shall not certify for reimbursement any new or additional Reimbursable Project Costs, including any pending requests for certification submitted by any party which have not yet been acted upon by the City at the time of foreclosure or transfer in lieu of foreclosure, but the Lender or buyer upon foreclosure shall retain the right to receive disbursements from the Special Allocation Fund for reimbursement of previously certified Reimbursable Project Costs while Lender or buyer upon foreclosure is in possession of the Property. The City shall have the right to review and approve the designation of any subsequent developer of record after a Lender or buyer upon foreclosure.

Any encumbrance or collateral assignment for the benefit of any Lender may include the right of the holder of any such encumbrance or collateral assignment to transfer such interest by foreclosure or transfer in lieu of foreclosure, provided that the rights of Owner as the original Owner have been terminated as set forth in this paragraph and the original Owner under this Agreement has no outstanding claims against the City. Owner shall timely pay all outstanding loans associated with financing for the Project and shall not allow any fee simple interest in the Property to transfer to a Lender or third party pursuant to a mortgage or collateral assignment as authorized by this Section.

Section 6.5. Sale of Property in the Redevelopment Area.

A. City approval of transferees. No sale, transfer or other conveyance of any fee interest in the Property in the Redevelopment Area may be made without prior written notice to the City as set forth in this Section. This restriction shall not apply to easements granted on the Property and leases of the Property.

B. Transferee Agreement. The City shall be notified by Owner in writing of the proposed sale of property in the Redevelopment Area prior to the proposed effective date of the sale, along with a copy of the instrument affecting such sale. For each proposed transferee, Owner's written notice shall be accompanied by an executed Transferee Agreement that is in substantial compliance, as determined by the City, with the form set forth in **Exhibit J**. Within 20 calendar days following receipt of the notice, accompanying documentation and the executed Transferee Agreement, the City shall countersign and accept the Transferee Agreement if such agreement conforms to the requirements of this Agreement and the form set forth in **Exhibit J**. Upon execution of a Transferee Agreement between the City and a transferee, the Owner shall be released from its obligations in this Agreement relating to the transferred property in accordance with the terms of the Transferee Agreement.

C. Transfers to tax-exempt entities or recipients of tax abatement.

1. No sale, transfer or other conveyance of any property in Redevelopment Project Area I may be made to an entity that may claim exemption, or is exempt, from real property taxes for all or part of the property in such Redevelopment Project Area I (a "**Restricted Entity**") for the earlier of (i) the time period during which tax increment financing is in effect for Redevelopment Project Area I or (ii) termination of this Agreement (the "**Restricted Period**") without the prior written approval of the City. In the event that Owner seeks to transfer any property in Redevelopment Project Area I to a Restricted Entity during the Restricted Period, such transfer may only occur upon the prior written approval of the City, which approval shall not be unreasonably withheld, and upon the prior execution of a separate agreement between the purchasing Restricted Entity and the City which provides for the annual payment of an amount equal to Payments in Lieu of Taxes which otherwise would have been paid in regard to such property by such Restricted Entity for each of the years remaining in the Restricted Period. This requirement shall be a covenant running with the land and shall be enforceable for such period as if such purchaser, transferee or possessor thereof were originally a party to and bound by this Agreement.

2. On January 25, 2010, the City Council adopted Special Ordinance No. 25710, which established the West Springfield Enhanced Enterprise Zone and authorized the level of incentives to be offered in such area in the form of tax abatement pursuant to Missouri's Enhanced Enterprise Zone laws as set forth in Sections 135.950 to 135.970, RSMo. The Redevelopment Area is located within the West Springfield Enhanced Enterprise Zone, and businesses which locate within the Redevelopment Area may also qualify for tax abatement pursuant to Special Ordinance No. 25710. Section 135.963.7, RSMo, provides that tax abatement authorized for property in an Enhanced Enterprise Zone, where such property is also subject to tax increment financing under the TIF Act, shall not relieve the assessor from annually determining the amount of the equalized assessed value of all taxable property as required by the TIF Act, and shall not have the effect of reducing the Payments In Lieu of Taxes made by such property pursuant to the TIF Act unless such reduction in the Payments In Lieu of Taxes is set forth in the TIF plan approved by the municipality. In accordance with such statutory requirements, and to implement the Redevelopment Plan, real property tax abatement pursuant to the Enhanced Enterprise Zone designation for property within the Redevelopment Area shall be governed by the following:

(a) Tax abatement that is authorized for a business pursuant to the City's designation of the West Springfield Enhanced Enterprise Zone shall have no effect on the amount of real property taxes that are paid to the taxing districts, and shall have no effect on the Payments In Lieu of Taxes made pursuant to this Redevelopment Plan unless the City Manager finds that the business has presented a compelling justification for tax

abatement. A business may present a compelling justification for tax abatement by demonstrating the following: (1) the business will not locate within the Redevelopment Area unless tax abatement is provided pursuant the Enhanced Enterprise Zone designation; and (2) within two years from the date of approval of the tax abatement (a) the business will be expending at least \$5 million on improvements to real property in the Redevelopment Area and/or purchases of taxable personal property that will have situs for ad valorem tax purposes within the Redevelopment Area, and (b) at least 50 new jobs will be created by the business in the Redevelopment Area.

(b) With the express written consent of the Owner, the City Manager may provide Enhanced Enterprise Zone tax abatement to a business in the Redevelopment Area based on an evaluation of the compelling justification presented by the business. If the City provides tax abatement, such tax abatement shall serve to reduce the Payments In Lieu of Taxes in the amount specifically approved by the City Manager for that business, provided that the level of tax abatement shall not exceed the maximum level of tax abatement authorized by ordinance for the West Springfield Enhanced Enterprise Zone.

(c) If the City approves any future designation of an Enhanced Enterprise Zone which includes all or part of the Redevelopment Area, the rules set forth above for the West Springfield Enhanced Enterprise Zone shall apply to the future Enhanced Enterprise Zone designation.

Section 6.6. Mutual Assistance. The City and the Owner agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be necessary or appropriate to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent.

Section 6.7. Time of Essence. Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

Section 6.8. Amendments. This Agreement may be amended only by the mutual consent of the Parties, by the adoption of an ordinance of the City approving said amendment, as provided by law, and by the execution of said amendment by the Parties or their successors in interest.

ARTICLE VII. DEFAULTS AND REMEDIES

Section 7.1. Owner Event of Default. Subject to Section 7.5, a “**Owner Event of Default**” means a default in the performance of any obligation or breach of any covenant or agreement of the Owner in this Agreement (other than a covenant or agreement, a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of thirty (30) days after City has delivered to Owner a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the Owner is diligently attempting to remedy such default or breach, such default or breach shall not constitute an event of default if the Owner shall immediately upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

Section 7.2. City Event of Default. Subject to Section 7.5, a “**City Event of Default**” means default in the performance of any obligation or breach of any other covenant or agreement of the City in this Agreement (other than a covenant or agreement, a default in the performance or breach of which is

specifically dealt with elsewhere in this Agreement), and continuance of such default or breach for a period of thirty (30) days after there has been given to the City by the Owner a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the City is diligently attempting to remedy such default or breach, such default or breach shall not constitute an event of default if the City shall immediately upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

Section 7.3. Remedies Upon an Owner Event of Default.

A. Upon the occurrence and continuance of an Owner Event of Default, the City shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

1. The City shall have the right to terminate and remove the Owner as the developer of record under the Redevelopment Plan Ordinance and the Redevelopment Plan and/or terminate this Agreement or terminate the Owner's rights under this Agreement.

2. The City may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the Owner as set forth in this Agreement, to enforce or preserve any other rights or interests of the City under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the City resulting from such Owner Event of Default. Provided, however, that the Parties agree that certain obligations of the Owner are dependent on the willingness of retailers to locate within the Redevelopment Area.

B. Upon termination of this Agreement as provided in this Section, the City shall have no obligation to reimburse the Owner for any amounts advanced under this Agreement or costs otherwise incurred or paid by Owner.

C. If the City has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the City, then and in every case the City and the Owner shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the City shall continue as though no such proceeding had been instituted.

D. The exercise by the City of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the City shall apply to obligations beyond those expressly waived.

E. Any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Section shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the City of any specific default by the Owner shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.

Section 7.4. Remedies Upon a City Event of Default.

A. Upon the occurrence and continuance of a City Event of Default, the Owner shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

1. The Owner shall have the right to terminate the Owner's obligations under this Agreement;

2. The Owner may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the City as set forth in this Agreement, to enforce or preserve any other rights or interests of the Owner under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the Owner resulting from such City Event of Default.

B. If the Owner has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Owner, then and in every case the Owner and the City shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the Owner shall continue as though no such proceeding had been instituted.

C. The exercise by the Owner of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the Owner shall apply to obligations beyond those expressly waived.

D. Any delay by the Owner in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this paragraph shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the Owner of any specific default by the City shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.

Section 7.5. Excusable Delay. The parties understand and agree that neither the City nor the Owner shall be deemed to be in default of this Agreement because of an Excusable Delay.

Section 7.6. Termination by Owner. Owner may, by written notice to the City, terminate Owner's obligations hereunder with respect to the Project upon the occurrence of any of the following within the following time periods:

A. At any time, Owner may, by giving written notice to the City, terminate this Agreement and the Owner's obligations hereunder if Owner determines, in its sole discretion, that the Project is no longer economically feasible.

B. At any time prior to the commencement of construction, if the Owner is unable to secure, to its sole satisfaction, any Governmental Approvals with respect to all or any portion of the Project as the Owner deems necessary.

C. At any time prior to the delivery of the Certificate of Substantial Completion, if the Owner determines, in its sole discretion, that the Owner is unable or will be unable to secure leases or other necessary agreements, in form and content satisfactory to the Owner, in its sole discretion, with satisfactory tenants or users of the Project.

D. At any time, litigation or any other proceeding is filed or initiated challenging the validity of or seeking to overturn the approval of the Redevelopment Plan, a Redevelopment Project, any Project Ordinance, the Redevelopment Plan Ordinance or this Agreement.

Notwithstanding any termination by the Owner, such termination shall not affect the City's obligation to reimburse the Owner for or to pay the principal amount of any Reimbursable Project Costs that were certified by the City prior to the date of the Owner's termination notice, to the extent that revenues are then available in the Special Allocation Fund on the date of such termination and are available for disbursement in accordance with this Agreement for such reimbursement, but such termination shall immediately terminate the City's obligation to pay any interest, as set forth in this Agreement, on Reimbursable Project Costs that have previously been certified by the City. In the event of termination by Owner in accordance with this Section, the City may immediately repeal all adopted Project Ordinances and terminate the collection of TIF Revenues in the Redevelopment Project Areas. In no event will the City be obligated to reimburse Owner from any source of funds other than revenues available in the Special Allocation Fund.

Section 7.7. Termination for Failure to Commence Project. In the event that Commencement of Construction has not occurred prior to the fifth (5th) anniversary of the date of this Agreement (a "**Failure to Commence**"), then the City shall have the right, at its option, to terminate this Agreement by reason thereof (a "**Failure to Commence Termination**"), in strict accordance with the procedures set forth in this section. If the City desires to proceed with a Failure to Commence Termination, the City shall issue a notice to the Owner expressing the City's intention to consider declaring a Failure to Commence Termination, and shall set a hearing before the City Council on a date no earlier than sixty (60) days after the date of such notice, at which Owner may appear to show cause why this Agreement should not be terminated for a Failure to Commence. At such hearing, Owner may present evidence and testimony to explain the reason for the Failure to Commence. At the conclusion of such hearing, the City Council may declare a Failure to Commence Termination if the City Council reasonably determines that the Owner has not been actually and in good faith seeking to achieve Commencement of Construction, examples of which include (1) producing executed letters of intent or leases of property to a Tenant in the Redevelopment Area, (2) producing signed contracts for the sale of property to a Tenant in the Redevelopment Area, (3) providing completed preliminary or final plans for the design of Public Improvements which are certified by an engineer, (4) proof of a signed contract with or active negotiations with a contractor for the construction of Public Improvements, (5) proving receipt of licenses or permits for construction of the Public Improvements. At Owner's request, the City Council will consider moving into a closed meeting for portions of such hearing to the extent permitted by Chapter 610, RSMo, as amended, and shall take such other actions as are reasonably appropriate and consistent with applicable law in order to protect Owner's confidential information submitted in response to the notice described in this Section.

ARTICLE VIII. GENERAL PROVISIONS

Section 8.1. Term. Unless earlier terminated as provided herein, this Agreement shall remain in full force and effect so long as tax increment allocation financing shall apply to any Redevelopment Project. At the dissolution of the Redevelopment Area this Agreement shall terminate and become null and void.

Section 8.2. Conflict of Interest. No member of the City's governing body or of any branch of the City's government that has any power of review or approval of any of the Owner's undertakings shall participate in any decisions relating thereto which affect such person's personal interests or the interests of any corporation or partnership in which such person is directly or indirectly interested. Any

person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the City the nature of such interest and seek a determination with respect to such interest by the City and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

Section 8.3. Nondiscrimination. The Owner agrees that, as an independent covenant running with the land, there shall be no discrimination upon the basis of race, creed, color, national origin, sex, age, marital status, or physical handicap in the sale, lease, rental, occupancy or use of any of the facilities under its control in the Owner Private Improvements.

Section 8.4. Inspections and Audits. Owner shall, upon reasonable advance notice, allow the City and the City's agents access to the Project from time to time for reasonable inspection of the Project, including the Public Improvements and Owner Private Improvements. The City shall have the right at its own cost and expense to audit (either through employees of the City or a firm engaged by the City) the books and records of the Owner relating to the payment of Reimbursable Project Costs.

Section 8.5. Required Disclosures. The Owner shall immediately notify the City of the occurrence of any material event which would cause any of the information furnished to the City by the Owner in connection with the matters covered in this Agreement to contain any untrue statement of any material fact or to omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

Section 8.6. Actions Contesting the Redevelopment Plan.

A. At any time after approval of the Redevelopment Plan Ordinance and during the effective period of this Agreement, if a third party brings an action against the City or the City's officials, agents, employees or representatives contesting the validity or legality of the Redevelopment Area, the Project, a Redevelopment Project, the Redevelopment Plan, the Redevelopment Plan Ordinance and the findings therein, a Project Ordinance, or the Ordinance approving this Agreement, the Owner may, at its option, assume the defense of such claim or action with legal counsel selected by Owner (the "**Litigation Counsel**") and pay the costs and attorney's fees of such counsel. The Owner's choice of Litigation Counsel will be subject to approval by the City, which approval will not be unreasonably withheld. In the event that the Owner shall fail timely to defend, contest or otherwise protect any of the City Indemnified Parties against any litigation, claim or action, the City Indemnified Parties shall have the right to do so, and, if such defense is undertaken by the City Indemnified Parties after notice to the Owner asserting the Owner's failure to timely defend, contest or otherwise protect against the litigation, claim or action, the cost of such defense shall be at the expense of the Owner.

B. Litigation Counsel will coordinate the efforts of the Parties in defense of the litigation, claim or action and provide for the defense of the City Indemnified Parties, including the initial formulation of litigation strategy in consultation with the Owner and the City. The litigation strategy shall be subject to the mutual agreement of Owner and the City. The Owner or Litigation Counsel shall provide to the City regular periodic reports on the status of the litigation, claim or action. Litigation Counsel shall not file any pleadings, briefs and other documents in the litigation, claim or action without approval by the City, which approval will not be unreasonable withheld.

C. The Owner and Litigation Counsel may not settle or compromise any litigation, claim or action for which the Owner has assumed the defense without the prior approval of the City. The Parties expressly agree that so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and the Owner in any such proceeding relating to the litigation, claim or action; provided, the Owner and Litigation

Counsel shall consult with the City throughout the course of any such action. In the event any of the City Indemnified Parties receive a settlement proposal, the proposal shall be immediately provided to Owner.

D. All costs and expenses incurred by the City Indemnified Parties in the assistance in the defense of the litigation, claim or action and in discussion and consideration of any settlement, or in actions required to be taken as a result of the litigation, claim or action such as response to discovery and attendance at depositions, including attorneys' fees, shall be paid by the Owner. All cost of any such defense, whether incurred by the City or the Owner, shall be deemed to be Reimbursable Project Costs and reimbursable from any amounts in the Special Allocation Fund, and such reimbursable litigation costs shall be in addition to the Reimbursable Project Costs set forth in the Project Budget.

Section 8.7. Authorized Parties.

A. Whenever under the provisions of this Agreement and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the City or the Owner is required, or the City or the Owner is required to agree or to take some action at the request of the other Party, such approval or such consent or such request shall be given for the City, unless otherwise provided herein, by the City Manager and for the Owner by any officer of Owner so authorized; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither Party shall have any complaint against the other as a result of any such action taken. The City Manager may seek the advice, consent or approval of the City Council before providing any supplemental agreement, request, demand, approval, notice or consent for the City pursuant to this Section.

B. Any action that is required by this Agreement to be performed by the City within a specified time period shall be extended for such additional reasonable time as may be necessary for the City to act or provide a response, as the case may be, in order to account for holidays, weekends, work stoppages, regular meeting schedules, meeting agendas, agenda management, delays or continuances of meetings and City staff availability. The City shall, within the time period specified in this Agreement, provide notice to Owner of such additional time needed to respond.

Section 8.8. No Other Agreement. The Parties agree that, as required by the TIF Act, the Plan contains estimated Redevelopment Project Costs, the anticipated sources of funds to pay for Redevelopment Project Costs, the anticipated type and term of the sources of funds to pay Reimbursable Project Costs, and the general land uses that apply to the Redevelopment Area. The Parties further agree that the Plan will be implemented as agreed in this Agreement. This Agreement specifies the rights, duties and obligations of the City and Owner with respect to constructing the Project, the payment of Redevelopment Project Costs, Reimbursable Project Costs, Financing Costs, payments from the Special Allocation Fund, and all other methods of implementing this Plan. The Parties further agree that this Agreement contains provisions that are in greater detail than as set forth in this Plan and that expand upon the estimated and anticipated sources and uses of funds to implement the Redevelopment Plan. Nothing in this Agreement shall be deemed an amendment of the Redevelopment Plan. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties. In the event of a conflict between this Agreement and the Preliminary Funding Agreement, the Redevelopment Plan Ordinance, the Construction Plans, the Site Plan, the Redevelopment Plan or any other document pertaining to the Project, this Agreement shall control.

Section 8.9. Severability. If any provision, covenant, agreement or portion of this Agreement, or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants or portions of this Agreement and, to

that end, any provisions, covenants, agreements or portions of this Agreement are declared to be severable.

Section 8.10. Missouri Law. This Agreement shall be construed in accordance with the laws of the State of Missouri.

Section 8.11. Notices. All notices and requests required pursuant to this Agreement shall be sent as follows:

To the City:

City Manager
City of Springfield
Busch Municipal Building
840 Boonville
Springfield, MO 65802

With a copy to:

City Attorney
City of Springfield
Busch Municipal Building
840 Boonville
Springfield, MO 65802

To the Owner:

Springfield Plaza Real Estate, Inc.
Thomas B. Rankin, President
2808 S. Ingram Mill, Bldg A-100
Springfield, MO 65804

With a copy to:

Randell Wallace
Lathrop & Gage LLP
1845 S. National
Springfield, MO 65804

or at such other addresses as the Parties may indicate in writing to the other either by personal delivery, courier, or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall be deemed effective on the third day after mailing; all other notices shall be effective when delivered.

Section 8.12. Counterparts. This 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 agreement.

Section 8.13. Recordation of Agreement. The Parties agree to execute and deliver a memorandum of the original of this Agreement in proper form for recording and/or indexing in the appropriate land or governmental records. A memorandum of this Agreement shall be recorded by the Owner, and proof of recording shall be provided to the City.

Section 8.14. Consent or Approval. Except as otherwise provided in this Agreement, whenever the consent, approval or acceptance of either Party is required hereunder, such consent, approval or acceptance shall not be unreasonably withheld or unduly delayed.

Section 8.15. Tax Implications. The Owner acknowledges and represents that (1) neither the City nor any of its officials, employees, consultants, attorneys or other agents has provided to the Owner any advice regarding the federal or state income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (2) the Owner is relying solely upon its own tax advisors in this regard.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.



(SEAL)

CITY OF SPRINGFIELD, MISSOURI

By: *Greg Burris*
for Greg Burris, City Manager

ATTEST:

APPROVED AS TO FORM:

Anita J. Cotter
Brenda Curtin, City Clerk
Anita J. Cotter, Assistant City Clerk

BY *[Signature]*
Assistant City Attorney

Notary for City of Springfield

STATE OF MISSOURI)
) ss.
COUNTY OF GREENE)

BE IT REMEMBERED, that on this 13th day of June, 2013, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Greg Burris, City Manager of the City of Springfield, Missouri, a city duly incorporated and existing under and by virtue of the laws of the State of Missouri, who is personally known to me to be the same person who executed, as such official, the within instrument on behalf of and with the authority of said City, and such person duly acknowledged the execution of the same to be the free act and deed of said City.

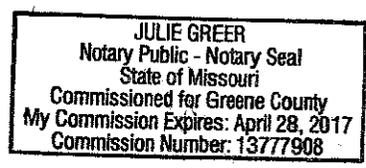
Collin Quigley,
Asst. City Manager

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

Julie Greer
NOTARY PUBLIC

My Commission Expires:
04-28-2017

[SEAL]



SPRINGFIELD PLAZA REAL ESTATE, INC.

By: [Signature]
Name: THOMAS B. RANKIN
Title: PRESIDENT

Notary for Springfield Plaza Real Estate, Inc.

STATE OF MISSOURI)
COUNTY OF Greene) ss.

BE IT REMEMBERED, that on this 11 day of June, 2013, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Thomas B. Rankin President of Springfield Plaza Real Estate, Inc., a Missouri corporation, who is personally known to me to be the same person who executed the within instrument on behalf of Springfield Plaza Real Estate, Inc., and such person duly acknowledged the execution of the same to be the free act and deed of Springfield Plaza Real Estate, Inc.

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

[Signature]
NOTARY PUBLIC

My Commission Expires:
8.5.16

[SEAL]



SARAH A. WILSON
My Commission Expires
August 5, 2016
Greene County
Commission #12379715

EXHIBIT A

SITE MAP

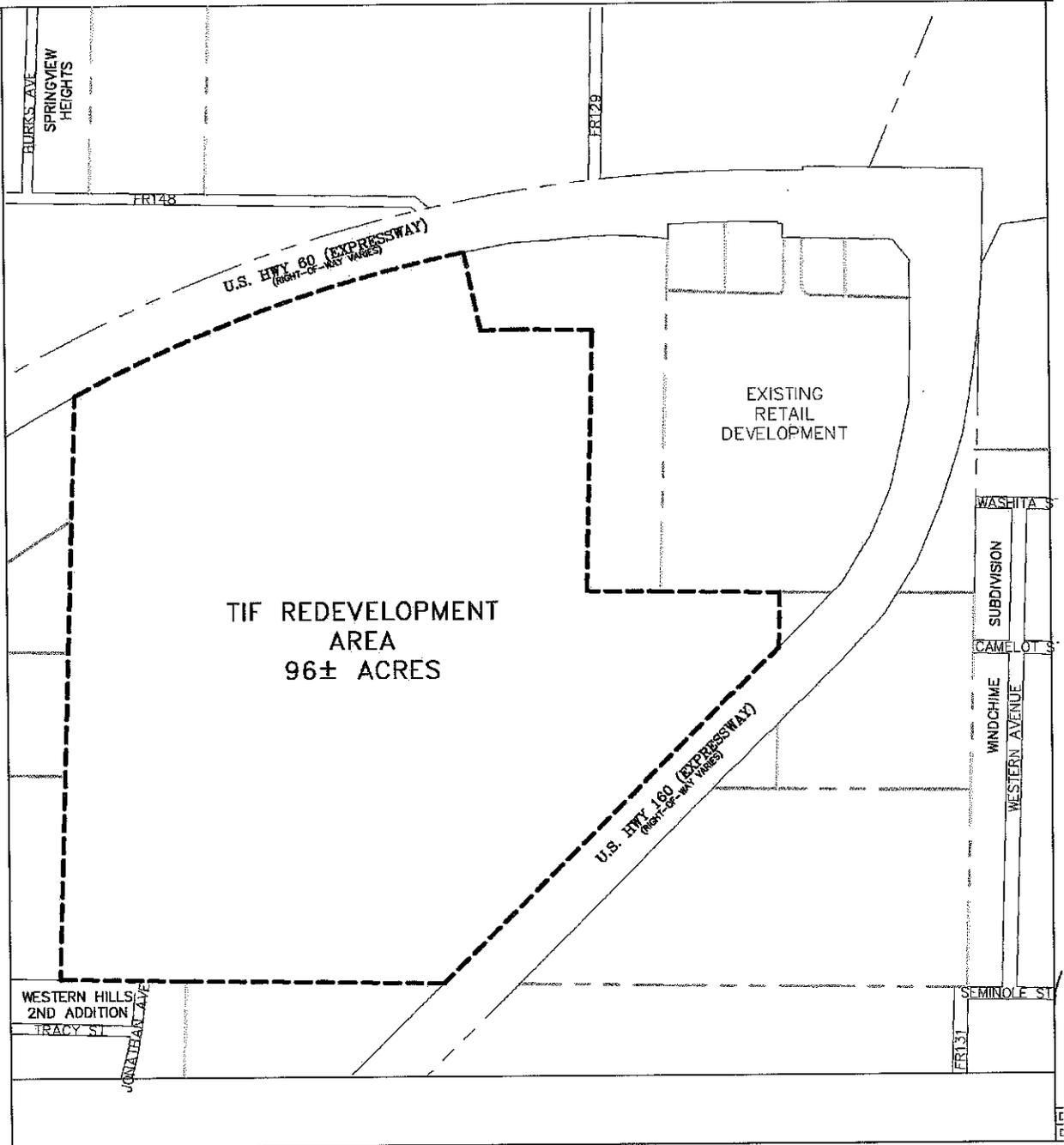


EXHIBIT B

LEGAL DESCRIPTIONS OF REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREAS

Redevelopment Area

A tract of land being a part of property described in Book 2007 at Page 032908-07 of the Greene County Deed Records and lying in the Northwest Quarter of the Northeast Quarter of Section 32, Township 29 North, Range 22 West of the Fifth Principal Meridian, City of Springfield, Greene County, Missouri, and being more particularly described as follows:

Commencing at the Northeast corner of the Northeast Quarter of said section 32; thence North $89^{\circ}22'30''$ West, along and with the North line of said Quarter section, a distance of 1321.98 feet to the Northeast corner of the Northwest Quarter of the Northeast Quarter of said Section 32; thence South $01^{\circ}38'48''$ West, along and with the East line of said Northwest Quarter of the Northeast Quarter, a distance of 130.45 feet to a point on the South right-of-way line of relocated U.S. Highway 60; thence, continue South $01^{\circ}38'48''$ West, along and with said East line, a distance of 317.86 feet to the POINT OF BEGINNING; thence continue South $01^{\circ}38'48''$ West along and with said East line of the Quarter-Quarter section, a distance of 885.21 feet to an existing $5/8''$ pin at the Northwest Corner of the Northwest Quarter of the Southeast Quarter of the Northeast Quarter; thence South $89^{\circ}21'04''$ East, a distance of 659.17 feet to an existing iron pin at the Northeast Corner of the Northwest Quarter of the Southeast Quarter of the Northeast Quarter of said Section 32; thence South $01^{\circ}27'15''$ West, along and with the East line of said Northwest Quarter of the Southeast Quarter of the Northeast Quarter, a distance of 187.51 feet to a point on the Northwesterly right-of-way line of State Highway 160; thence, South $45^{\circ}29'48''$ West, along and with said right-of-way line, a distance of 1609.75 feet to the South line of the Northeast Quarter of said Section 32; thence, North $89^{\circ}13'38''$ West, along and with the South line of said Section 32, a distance of 876.03 feet to the Southeast corner of the Northwest Quarter of said Section 32; thence, North $88^{\circ}58'37''$ West, along and with the South line of the Northwest Quarter, a distance of 427.43 feet; thence, North $01^{\circ}52'51''$ East, leaving said South line, a distance of 1974.76 feet to the South right-of-way line of U.S. Highway 60; thence, Northeasterly, along and with said South right-of-way line, on a non-tangent curve to the right having a radius of 4867.23 feet, an included angle of $16^{\circ}38'45''$, a chord bearing of North $70^{\circ}03'04''$ East and chord distance of 1409.09 feet, an arc distance of 1414.06 feet; thence, South $11^{\circ}37'31''$ East, leaving said right-of-way line, a distance of 272.43 feet; thence, Northeasterly on a non-tangent curve to the right having a radius of 1027.50, an included angle of $06^{\circ}24'36''$, a chord bearing of North $87^{\circ}36'21''$ East and chord length of 114.89 feet, an arc distance of 114.95 feet; thence, South $89^{\circ}11'21''$ East, a distance of 263.46 feet to the POINT OF BEGINNING, containing 96.31 acres, more or less and being subject to easements, restrictions and rights-of-way, if any.

Bearings are based on Grid North of the Missouri State Plane Coordinate System of 1983, Central Zone.

EXHIBIT B

LEGAL DESCRIPTIONS OF REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREAS

Redevelopment Project 1

A tract of land being a part of property described in Book 2007 at Page 032908-07 of the Greene County Deed Records and lying in the Northwest Quarter of the Northeast Quarter of Section 32, Township 29 North, Range 22 West of the Fifth Principal Meridian, City of Springfield, Greene County, Missouri, and being more particularly described as follows:

Commencing at the Northeast corner of the Northeast Quarter of said section 32; thence North $89^{\circ}22'30''$ West, along and with the North line of said Quarter section, a distance of 1321.98 feet to the Northeast corner of the Northwest Quarter of the Northeast Quarter of said Section 32; thence South $01^{\circ}38'48''$ West, along and with the East line of said Northwest Quarter of the Northeast Quarter, a distance of 130.45 feet to a point on the South right-of-way line of relocated U.S. Highway 60; thence continue South $01^{\circ}38'48''$ West, along and with said East line, a distance of 317.86 feet to the POINT OF BEGINNING; thence, continue South $01^{\circ}38'48''$ West, along and with said East line, a distance of 885.21 feet to the Southeast corner of the Northwest Quarter of the Northeast Quarter of said Section 32; thence, South $82^{\circ}05'59''$ West, leaving said East line, a distance of 1177.61 feet; thence, North $00^{\circ}13'54''$ West, a distance of 603.42 feet; thence, South $67^{\circ}27'24''$ West, a distance of 626.62 feet; thence, North $01^{\circ}52'51''$ East, a distance of 468.80 feet to the Southerly right-of-way line of relocated U.S. Highway 60; thence, along and with said Southerly right-of-way on a curve to the right having a radius of 4867.23 feet, an included angle of $16^{\circ}38'45''$ and a chord bearing of North $70^{\circ}03'04''$ East, an arc distance of 1414.06 feet; thence, South $11^{\circ}37'31''$ East, leaving said Southerly right-of-way line, a distance of 272.43 feet to the North right-of-way line of future Washita Street; thence, along and with said future right-of-way line on a curve to the right having a radius of 1027.50 feet, an included angle of $06^{\circ}24'36''$ and a chord bearing of North $87^{\circ}36'21''$ East, an arc distance of 114.95 feet; thence, South $89^{\circ}11'21''$ East, continuing along and with said future right-of-way line and the extension thereof, a distance of 263.46 feet to the East line of the Northwest Quarter of the Northeast Quarter of said Section 32 and the POINT OF BEGINNING, containing **35.55 acres**, subject to easements, restrictions and rights-of-way, if any.

Bearings are based on Grid North of the Missouri State Plane Coordinate System of 1983, Central Zone.

EXHIBIT B

LEGAL DESCRIPTIONS OF REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREAS

Redevelopment Project 2

A tract of land being a part of property described in Book 2007 at Page 032908-07 of the Greene County Deed Records and lying in the Northwest Quarter of the Northeast Quarter of Section 32, Township 29 North, Range 22 West of the Fifth Principal Meridian, City of Springfield, Greene County, Missouri, and being more particularly described as follows:

Commencing at the Northeast corner of the Northeast Quarter of said section 32; thence North 89°22'30" West, along and with the North line of said Quarter section, a distance of 1321.98 feet to the Northeast corner of the Northwest Quarter of the Northeast Quarter of said Section 32; thence South 01°38'48" West, along and with the East line of said Northwest Quarter of the Northeast Quarter, a distance of 130.45 feet to a point on the South right-of-way line of relocated U.S. Highway 60; thence continue South 01°38'48" West, along and with said East line, a distance of 1203.07 feet to the Northeast corner of the Southwest Quarter of the Northeast Quarter of Section 32 and the POINT OF BEGINNING; thence, South 89°21'04" East, leaving said East line, a distance of 659.17 feet; thence, South 01°27'15" West, a distance of 187.51 feet to the Northwesterly right-of-way line of U.S. Highway 160 (West Bypass); thence, South 45°29'48" West, along and with said right-of-way line, a distance of 1609.75 feet to the South line of the Southwest Quarter of the Northeast Quarter of said Section 32; thence, North 89°13'38" West, along and with the South line of said Quarter-Quarter section, a distance of 876.03 feet to the Southwest corner of said Quarter-Quarter Section; thence, North 88°58'37" West, along and with the South line of the Southeast Quarter of the Northwest Quarter of said Section 32, a distance of 427.43 feet; thence, North 01°52'51" East, leaving said South line, a distance of 1505.96 feet; thence, North 67°27'24" East, a distance of 626.62 feet; thence, South 00°13'54" East, a distance of 603.42 feet; thence, North 82°05'59" East, a distance of 1177.61 feet to the POINT OF BEGINNING, containing **60.76 acres**, subject to easements, restrictions and rights-of-way, if any.

Bearings are based on Grid North of the Missouri State Plane Coordinate System of 1983, Central Zone.

EXHIBIT C

PROJECT BUDGET

**Springfield Plaza TIF Plan
Project Budget**

Item	Project Costs	TIF Reimbursable	Developer Funded
Phase 1			
Private building construction	\$20,625,000	\$0	\$20,625,000
Public Improvements			
Zimmer & Sunshine	\$415,000	\$415,000	\$0
West Bypass & Sunshine	\$75,000	\$75,000	\$0
McCurry & Sunshine	\$645,000	\$645,000	\$0
Washita, Zimmer & Camelot	\$1,198,000	\$1,198,000	\$0
York right-in, right-out	\$164,000	\$164,000	\$0
Wal-Mart Access Drive	\$73,000	\$73,000	\$0
McCurry, north half	\$398,000	\$398,000	\$0
Sewer, Water, Gas & Detention Basin	\$1,368,000	\$1,368,000	\$0
Engineering Fees & Permits	\$500,000	\$500,000	\$0
Contingency	\$350,000	<u>\$350,000</u>	\$0
Public Improvements Subtotal		\$5,186,000	
Phase 2			
Private building construction	\$35,000,000	\$0	\$35,000,000
Public Improvements			
Seminole	\$725,000	\$725,000	\$0
McCurry, south half	\$398,000	\$398,000	\$0
Seminole & West Bypass	\$625,000	\$625,000	\$0
Sewer, Water, Gas & Detention Basin	\$950,000	\$950,000	\$0
Engineering Fees & Permits	\$500,000	\$500,000	\$0
Contingency	\$350,000	<u>\$350,000</u>	\$0
Public Improvements Subtotal		\$3,548,000	
Site Improvements and Other Project Costs			
Paving, curbs & gutters	\$4,000,000	\$0	\$4,000,000
Stormwater, utility extensions & site grading	\$4,000,000	\$0	\$4,000,000
Legal & Professional Fees	\$3,000,000	\$250,000	\$2,750,000
Sales & Marketing	\$2,500,000	\$0	\$2,500,000
Capitalized Interest for Private Financing	\$595,016	\$595,016	\$0
Totals	\$78,454,016	\$9,579,016	\$68,875,000

EXHIBIT D

PROJECT SCHEDULE

Redevelopment Project 1

Estimated Construction Start Year: 2015

Redevelopment Project 2

Estimated Construction Start Year: 2016

EXHIBIT E

OWNER PRIVATE IMPROVEMENTS

Redevelopment Project 1

Commercial uses including approximately 182,500 square feet of retail commercial space.

Redevelopment Project 2

Commercial uses including approximately 250,000 square feet of office uses.

EXHIBIT F

DESIGN STANDARDS

All walls or facades of Buildings that are highly visible from a public street or designated open space at full development of the Project shall be finished with face brick, simulated or natural stone, cement masonry units, insulated glass, concrete panels finished with a permanent surface, textured stucco or exterior insulation and finish systems (EIFS), however, this design standard shall not be deemed to require the entire elevation to utilize such finishes (i.e. wainscots or pilasters finished with said materials may be deemed to satisfy this requirement). Concrete (tilt up or precast panel) buildings not having an exposed aggregate finish shall be integrally colored, stained or painted. Framed buildings are encouraged to utilize textured stucco or EIFS, however wood or cementitious paneling may be deemed acceptable by City.

Vinyl siding or metal wall panels are permitted only on rear elevations that are not highly visible from public streets or open space at full development of the Project. Sign bands or entry elements utilizing prefinished metal flat architectural panels with no corrugation are permitted.

Materials utilized for horizontal surfaces of exterior finish elements, i.e. canopies, awnings and soffits, shall be at the discretion of the designer.

All mechanical and electrical equipment, trash refusal areas and roof-mounted equipment must be screened from public view and, when practical, located on the rear elevation of a building. Screening shall be consistent with the architecture of the building and shall be painted to match the building or roof color. Wall-mounted equipment shall, to the greatest extent possible, be colored and placed so as not to detract from the overall aesthetic value of the Project.

All electrical power distribution lines, telephone lines, cable television and other utility lines which are 13,200 volts or less, constructed by or at the direction of Developer and installed to serve the Redevelopment Area shall be installed underground. This requirement shall not apply to lines already in service on the Effective Date of this Agreement.

A modification of these design standards may be authorized by the City Manager, in accordance with the authority and procedures set forth in Section 8.7.

EXHIBIT G

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

**CERTIFICATE OF SUBSTANTIAL COMPLETION
OF
SPRINGFIELD PLAZA REAL ESTATE, INC.**

The undersigned, Springfield Plaza Real Estate, Inc. (the "Owner"), pursuant to that certain Tax Increment Financing Redevelopment Agreement dated as of May 6, 2012, between the City of Springfield, Missouri (the "City") and the Owner (the "Agreement"), hereby certifies to the City as follows:

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

1. As of _____, 201_, the Owner Private Improvements (as such term is defined in the Agreement) have been substantially completed in accordance with the Agreement. All parking areas required by the City Code have been fully constructed.

2. The Owner Private Improvements have been completed in a good and workmanlike manner and in accordance with the Construction Plans (as those terms are defined in the Agreement).

3. Lien waivers for applicable portions of the Project in excess of \$5,000 have been obtained.

4. This Certificate of Substantial Completion is accompanied by the project architect's certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as **Appendix A** and by this reference incorporated herein, certifying that the Owner Private Improvements have been substantially completed in accordance with the Agreement.

5. This Certificate of Substantial Completion is being issued by the Owner to the City in accordance with the Agreement to evidence the Owner's satisfaction of all obligations and covenants with respect to the Owner Private Improvements.

6. The City's acceptance (below) or the City's failure to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate to the City (which written objection, if any, must be delivered to the Owner prior to the end of such 30-day period), and the recordation of this Certificate with the Greene County Recorder of Deeds, shall evidence the satisfaction of the Owner's agreements and covenants to construct the applicable Redevelopment Project referenced above.

This Certificate shall be recorded in the office of the Greene County Recorder of Deeds. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this ____ day of _____, _____.

SPRINGFIELD PLAZA REAL ESTATE, INC.
a Missouri corporation

By: _____

Name: _____

Title: _____

ACCEPTED:

CITY OF SPRINGFIELD, MISSOURI

By: _____

Name: _____

Title: _____

(Insert Notary Form(s) and Legal Description)

EXHIBIT H
FORM OF
APPLICATION FOR REIMBURSABLE PROJECT COSTS

APPLICATION FOR REIMBURSABLE PROJECT COSTS

TO: City of Springfield, Missouri
Attention: City Manager

Re: Springfield Plaza Redevelopment Project Area

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Tax Increment Financing Redevelopment Agreement dated as of May 6, 2013 (the "Agreement") between the City of Springfield, Missouri (the "City") and Springfield Plaza Real Estate, Inc. (the "Owner"). In connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on *Schedule 1* hereto is a Reimbursable Project Cost and was incurred in connection with the construction of the Project.
2. These Reimbursable Project Costs have been paid by the Owner and are reimbursable under the Redevelopment Plan Ordinance and the Agreement.
3. Each item listed on *Schedule 1* has not previously been paid or reimbursed from money derived from the Special Allocation Fund, and no part thereof has been included in any other Application previously filed with the City.
4. There has not been filed with or served upon the Owner any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
5. All necessary permits and approvals required for the Work for which this certificate relates have been issued and are in full force and effect.
6. All Work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.
7. If any cost item to be reimbursed under this Certificate Application is deemed not to constitute a Redevelopment Project Cost within the meaning of the TIF Act and the Agreement, the Owner shall have the right to substitute other eligible Reimbursable Project Costs for payment hereunder.
8. The Owner is not in default or breach of any term or condition of the Agreement, and no event has occurred and no condition exists which constitutes a Owner Event of Default under the Agreement.
9. All of the Owner's representations set forth in the Agreement remain true and correct as of the date hereof.
10. Construction of Project is in compliance with the Project Schedule set forth in **Exhibit D** to the Agreement.

Dated this ____ day of _____, 20____.

SPRINGFIELD PLAZA REAL ESTATE, INC.

a Missouri corporation

By: _____

Name: _____

Title: _____

The costs included in this application have been approved for payment this

____ day of _____, 20__:

CITY OF SPRINGFIELD, MISSOURI

By: _____

Name: _____

Title: _____

Schedule 1

EXHIBIT I

RESTRICTED LAND USES IN THE REDEVELOPMENT AREA

Development in the Redevelopment Area is subject to the City's Zoning Ordinance and Conditional Overlay No. 1, and the following uses are prohibited in the Redevelopment Area:

1. Adult Motion Picture Theater, Adult Store, Cabaret
2. Automobile / ATV / Boat sales or repair, service or leasing (sales or leasing will be permitted as long as vehicles for sale are displayed indoors)
3. Awning and canvas sales and rental as a primary use
4. Body and Fender repair and paint shops
5. Cemeteries
6. Emergency shelters
7. Go-cart tracks (permitted if indoors)
8. Household resource recovery collection centers
9. Manufactured housing (mobile home) and trailer sales, leasing and service
10. Nurseries where trees, shrubs or flowering plants are raised for commercial purposes from seed or otherwise in order to be transplanted or propagated
11. Pawn shops (permitted if part of a multi-tenant building)
12. Self service storage facilities
13. Soup kitchens
14. Swimming pool sales and displays (permitted if all displays are indoors)
15. Taxi dispatch yards and offices
16. Title loan, check cashing or pay-day loan services (permitted if part of a multi-tenant building)
17. Transitional service shelters
18. Truck stops

EXHIBIT K

MODIFIED PRELIMINARY PLAT (PHASE 1)

TRANSFeree AGREEMENT

(Name of Transferee)

This TRANSFeree AGREEMENT (“**Transferee Agreement**”) is entered into this ____ day of _____, 20____, by and between the CITY OF SPRINGFIELD, MISSOURI (the “**City**”) and _____, a _____ corporation (“**Transferee**”).

RECITALS

A. The property to be purchased by Transferee as legally described in **Exhibit A** attached hereto (the “**Property**”) is part of the Springfield Plaza Tax Increment Financing Redevelopment Plan (the “**Redevelopment Plan**”) approved by the City pursuant to Ordinance No. 26231 adopted by the City Council on May 6, 2013 (the “**Redevelopment Plan Ordinance**”).

B. The Property is subject to that certain Tax Increment Financing Redevelopment Agreement between the City and Springfield Plaza Real Estate, Inc. (the “**Owner**”), dated May 6, 2013, and recorded in the Office of the Recorder of Deeds of Greene County, Missouri on ____, 2013, as Document No. ____ (the “**Agreement**”).

C. _____, a _____ corporation, is the successor in interest to Owner with respect to the Property.

D. **Section 6.7** of the Agreement requires as a condition precedent to the transfer of property within the boundaries of the Redevelopment Area (as defined in the Agreement) that the proposed transferee enter into and deliver to the City this Transferee Agreement, obligating the Transferee to comply with the requirements of the Redevelopment Plan and the Agreement relating to the Property.

E. The parties desire to enter into this Transferee Agreement in order to satisfy the condition precedent set forth in **Section 6.7** of the Agreement.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Agreement.

NOW, THEREFORE, for and in consideration of the promises and the covenants entered herein, City and Transferee agree as follows:

1. Transferee has entered into a purchase contract with Owner, pursuant to which Transferee will acquire the Property.

2. Transferee acknowledges that it has been provided with and/or has reviewed true and accurate copies of the Redevelopment Plan, the Redevelopment Plan Ordinance, the applicable Redevelopment Project Ordinance, the Agreement and all other documents associated with the Redevelopment Plan that may be necessary for Transferee to make an informed decision regarding purchase of the Property with respect to the matters set forth in those documents and this Transferee Agreement.

3. Transferee acknowledges and agrees that its acquisition of the Property and the transfer of the Property to Transferee is subject in all respects to the Agreement, the requirements of the

Redevelopment Plan, the Redevelopment Plan Ordinance, and the rights of the City pursuant to the Agreement, the TIF Act, and the Redevelopment Plan Ordinance.

4. Transferee acknowledges and agrees that the Property is or will be included in the Redevelopment Area created by the City pursuant to the Redevelopment Plan and that certain taxes generated by Transferee's economic activities will be applied toward Reimbursable Project Costs after the Redevelopment Project is activated by the City. Transferee shall forward to the City copies of Transferee's State of Missouri sales tax returns for the Property located in the Redevelopment Area when and as they are filed with the Missouri Department of Revenue, and, upon request, shall provide such other reports and returns regarding other local taxes generated by Transferee's economic activities in the Redevelopment Area and/or as the City shall require, all in the format prescribed by the City. Transferee will set forth the obligation contained in this subparagraph in any further lease or sale contract affecting the Property.

5. Transferee acknowledges that the Property will be subject to assessment for annual Payments in Lieu of Taxes ("PILOTs") when the Redevelopment Area is activated by the City. PILOTs are due on November 30 of each year and are considered delinquent if not paid by December 31 of each year. The obligation to make said PILOTs shall be a covenant running with the land and shall create a lien in favor of the City on the Property and shall be enforceable against Transferee and its successors and assigns in ownership of the Property.

6. Transferee acknowledges that in the event of the sale, lease, sublease, assignment, or other voluntary or involuntary disposition of any or all of the Property, PILOTs with respect to the Property shall continue and shall constitute a lien against the Property from which they are derived, and such obligations shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable as if such purchaser, tenant, transferee or other possessor thereof were originally a party to and bound by the Agreement. Transferee assumes the duty to notify any purchaser, tenant, transferee or other possessor of the property its rights, duties and obligations under the Agreement.

7. Transferee acknowledges that, for any subsequent conveyance, the City must be notified in writing of the proposed sale of the Property prior to the proposed effective date of the sale, which notification shall include a copy of the instrument affecting such sale along with a transferee agreement between the buyer and the City in the same form as this Transferee Agreement. Transferee acknowledges that its purchase and any subsequent sale of the Property will be subject to any and all rights of the City or Owner, as are set forth in the Agreement, the Redevelopment Plan, the Redevelopment Plan Ordinance and the TIF Act with respect to such purchaser or transferee of the Property, whether or not specifically enumerated herein.

8. Redevelopment Plan and the Agreement shall inure to and be binding upon the successors and assigns of Owner, as to the Property, including Transferee, as if they were in every case specifically named and shall be construed as a covenant running with the land and shall be enforceable against purchasers or other transferees as if such purchaser or transferee were originally a party to and bound by this Transferee Agreement.

9. City acknowledges that upon the full execution of this Transferee Agreement, the condition precedent set forth in **Section 6.7** of the Agreement with respect to the sale of the Property to Transferee shall be deemed satisfied.

10. With the exception of those continuing obligations imposed upon Owner with respect to the Redevelopment Area as a whole, Transferee and the City acknowledge that, upon the full execution of this Transferee Agreement, Owner is hereby released from all its obligations under the Agreement relating to the Property.

11. This Transferee Agreement shall be governed by the laws of the State of Missouri.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

[Remainder of page intentionally left blank.]

[TRANSFEEE]

By: _____

Name: _____

Title: _____

CITY OF SPRINGFIELD, MISSOURI

ATTEST:

City Clerk

By: _____
City Manager

APPROVED AS TO FORM:

City Attorney

END OF DOCUMENT

(Space above reserved for Recorder's use)

Title of Document: Springfield Plaza Tax Increment Financing Redevelopment Agreement

Date of Document: May 6, 2013

Grantor and Mailing Address: City of Springfield, Missouri
Busch Municipal Building
840 Boonville
Springfield, MO 65802
Attn: City Manager

Grantee and Mailing Address: Springfield Plaza Real Estate, Inc.
Thomas B. Rankin, President
2808 S. Ingram Mill, Bldg A-100
Springfield, MO 65804

Legal Description: See **Exhibit B** attached hereto

After Recording, Return Documents To: Mary Lilly Smith
Busch Municipal Building
840 Boonville
Springfield, MO 65802

RESOLUTION NO. 2016-1

A RESOLUTION OF THE SPRINGFIELD TAX ABATEMENT AND TAX INCREMENT FINANCING COMMISSION RECOMMENDING APPROVAL OF THE REDEVELOPMENT PROJECTS FOR THE SPRINGFIELD PLAZA TAX INCREMENT FINANCING PLAN.

WHEREAS, the Springfield Tax Abatement and Tax Increment Financing Commission (“**TIF Commission**”) has been duly formed by the City Council of the City of Springfield, Missouri (“**City Council**”) pursuant to Section 99.820.2 of the Revised Statutes of Missouri (“**RSMo**”);

WHEREAS, on March 4, 2013, the TIF Commission adopted Resolution No. 2013-1 which recommended approval of the Springfield Plaza Tax Increment Financing Plan (“**TIF Plan**”), for the redevelopment of the area generally lying southwest of West Sunshine Street and West Bypass (Highway 160) containing approximately 96 acres of land (the “**Redevelopment Area**”) that would be developed in two separate redevelopment projects (the “**Redevelopment Projects**”) to be carried out by Springfield Plaza Real Estate, LLC (the “**Developer**”);

WHEREAS, the City Council adopted Ordinance No. 26231 on May 6, 2013, which approved the Redevelopment Plan, and also adopted Ordinance No. 26232 which approved the Springfield Plaza Tax Increment Financing Redevelopment Agreement (the “**Redevelopment Agreement**”) to implement the Redevelopment Plan;

WHEREAS, on May 6, 2013, the City Council introduced Bill Nos. 2013-084 and 2013-085 which would approve the Redevelopment Project 1 and Redevelopment Project 2, respectively, and such bills have since become void by the operation of local procedural rules;

WHEREAS, the City and Developer entered into the Redevelopment Agreement dated May 6, 2013 to implement the Redevelopment Plan;

WHEREAS, on October 12, 2015, the City Council adopted Ordinance No. 26641 which approved the Springfield Plaza Community Improvement District as a companion funding source to fund reimbursable project costs that are associated with implementation of the Redevelopment Plan;

WHEREAS, on October 13, 2016, written notice of the scheduled TIF Commission public hearing regarding activation of the Redevelopment Projects was mailed to all taxing districts from which taxable property is included in the proposed Redevelopment Area (“**Taxing Districts**”), in compliance with Sections 99.825 and 99.830, RSMo;

WHEREAS, on October 31, 2016, the City published notice in *The News Leader* of the scheduled TIF Commission public hearing to consider the Redevelopment Projects, in compliance with Section 99.830, RSMo;

WHEREAS, on November 14, 2016, the City mailed written notices of the scheduled TIF Commission public hearing to all persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract, or parcel of land lying within the Redevelopment Area, in compliance with Section 99.830, RSMo;

WHEREAS, on November 21, 2016, the City again published notice in *The News Leader* of the scheduled TIF Commission public hearing to consider the Redevelopment Projects, in compliance with Section 99.830, RSMo;

WHEREAS, on November 21, 2016, notice of the TIF Commission meeting at which the public hearing will be held for consideration of the TIF Plan was posted in compliance with the Missouri Sunshine Law, Sections 610.010 to 610.225, RSMo;

WHEREAS, a copy of the notice of the public hearing has been submitted to the Director of the Department of Economic Development, in compliance with Sections 99.825 and 99.830, RSMo;

WHEREAS, on November 28, 2016, at 5:00 p.m., the TIF Commission opened the public hearing to consider the Redevelopment Projects and, after taking evidence and testimony during the hearing, closed the public hearing;

WHEREAS, the public hearing conducted by the TIF Commission to consider the Redevelopment Projects was open to the public, a quorum of the Commissioners was present and acted throughout, and the proper notice of such hearing was given in accordance with all applicable laws including Chapter 610, RSMo; and

WHEREAS, after considering the evidence and testimony received at the public hearing, the TIF Commission now desires to recommend that the City Council approve the Redevelopment Projects.

NOW, THEREFORE, be it resolved by the Tax Increment Financing Commission for the City of Springfield:

1. **Recommendation.** The TIF Commission recommends that the City Council adopt ordinances to approve the Redevelopment Projects for the Redevelopment Plan.

APPROVED BY THE TAX ABATEMENT AND TAX INCREMENT FINANCING COMMISSION FOR THE CITY OF SPRINGFIELD THIS 28TH DAY OF NOVEMBER, 2016.

By: _____

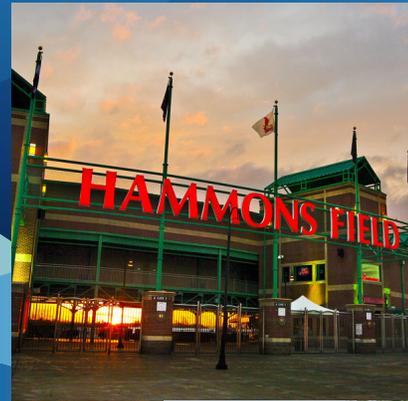
Name: _____

Chair of the Tax Increment Financing Commission

City of Springfield

TAX INCREMENT FINANCING

2015 Annual Report



City of Springfield, Missouri

2015 Annual Report on Tax Increment Financing

Introduction to Tax Increment Financing (TIF)

Tax increment financing (“TIF”) under the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo. (the “TIF Act”), is a mechanism to capture incremental tax revenues resulting from redevelopment and apply those revenues to pay redevelopment project costs.

What tax revenues does TIF affect?

The TIF Act allows for the capture of up to 100% of local incremental real property taxes (excluding the merchants and manufacturers replacement surtax and Missouri Blind Pension Fund) and up to 50% of local incremental economic activity taxes (i.e., sales, utility and earnings taxes) generated within a redevelopment area. Incremental taxes are measured by comparing the current tax revenue to the revenues generated in the year prior to adoption of TIF. If approved by the state, incremental state tax revenues may also be available. Personal property taxes and certain sales taxes (including those levied on the sales of hotel and motel rooms) are not captured by TIF.

How is TIF adopted?

Prior to adoption of TIF, a municipality must:

1. Establish a TIF Commission as prescribed in the TIF Act;
2. Prepare a redevelopment plan and cost-benefit analysis that describes the economic impact on the affected taxing jurisdictions if the project is built and that defines the reimbursable project costs that can be paid for by TIF revenues; and
3. Have the Springfield TIF Commission hold a public hearing regarding the proposed redevelopment plan and project and make a recommendation to City Council.

After completion of the hearing and receipt of the TIF Commission’s recommendation, the City Council may then make the findings required by the TIF Act, approve the redevelopment plan and project, designate the redevelopment area and adopt TIF. The City will also need to enter into a redevelopment agreement with a developer prescribing the terms and conditions upon which TIF revenues will be applied to a redevelopment project.

The TIF Act requires the city to make several findings, including that the redevelopment area qualifies as a “blighted area,” “conservation area” or “economic development area” (as those terms are described in the TIF Act) and that the project would not be feasible without TIF assistance.

What type of costs can TIF fund?

The use of TIF revenues is limited to the uses set forth in each TIF Plan, which may only include the following items which are set forth in the TIF Act:

1. Costs of studies, surveys and plans;
2. Professional service costs, such as financial advisory fees, bond counsel fees and planning expenses, subject to certain limitations as provided in the TIF Act;
3. Land acquisition and demolition costs;
4. Costs of rehabilitating and repairing existing buildings;
5. Initial costs for an economic development area;
6. Costs of constructing public works or improvements, such as street lighting, street repairs or parking;
7. Financing costs, including bond issuance costs, capitalized interest and reasonable reserves, and debt service on bonds;
8. Capital costs incurred by any taxing jurisdiction as a direct result of the project; and
9. Relocation costs.

How long can TIF operate?

TIF can be utilized for up to 23 years from the date of approval of any redevelopment project. Redevelopment projects must be approved within 10 years from approval of a redevelopment plan.

What on-going administrative responsibilities will municipalities have?

The City is required to file an annual report with the Missouri Department of Economic Development concerning the status of each redevelopment plan and project. Every five years, City Council must hold a public hearing to determine if the redevelopment project is making satisfactory progress under the proposed time schedule contained in the redevelopment plan. Finally, City Council is responsible for approving the expenditures of TIF revenues.

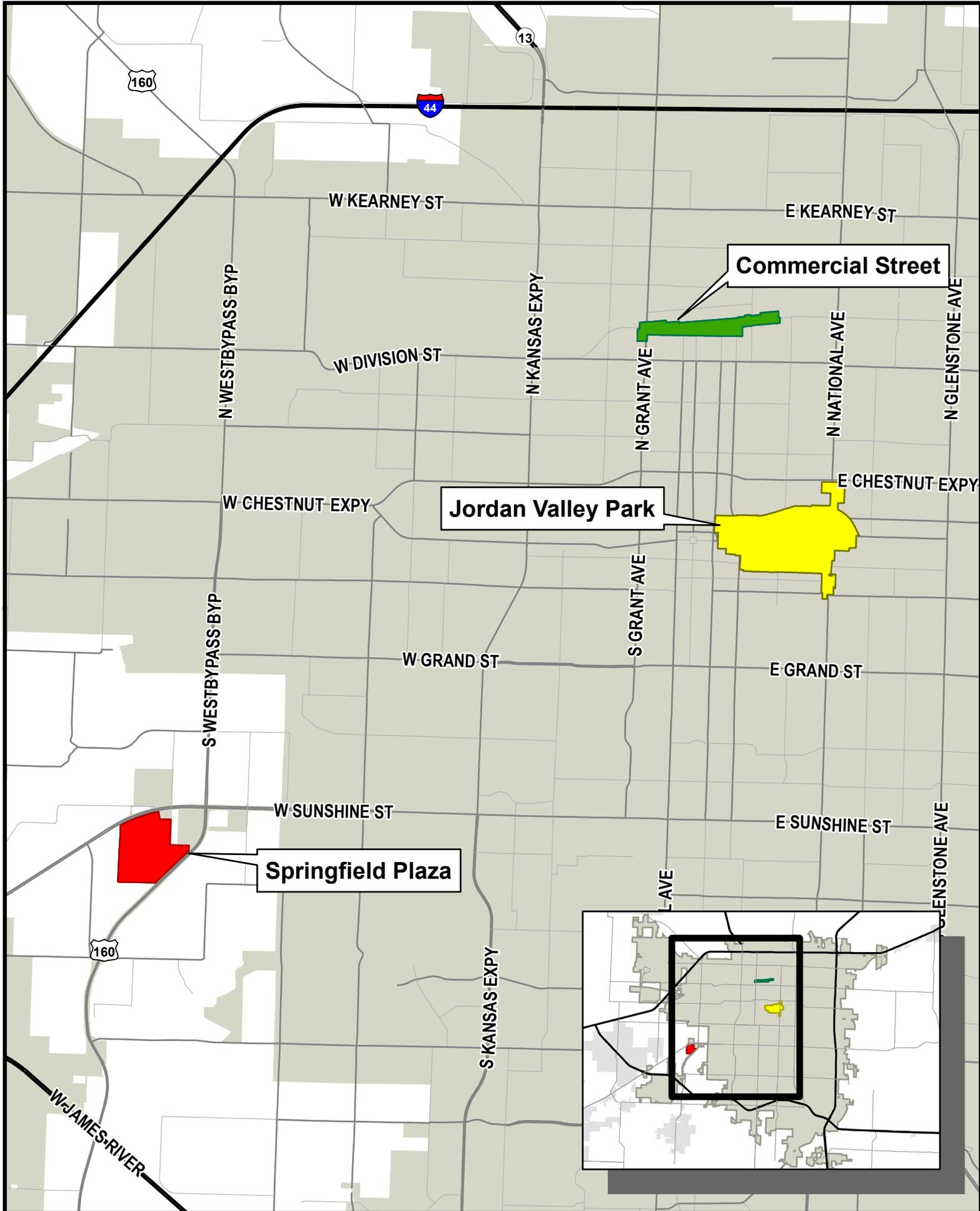
Source: [Missouri Municipal Finance Guide](#), prepared by Gilmore & Bell, P.C., April 2012.

City of Springfield TIF Update - 2015

In accordance with statutory requirements, the City of Springfield, Missouri (the “City”) has prepared this comprehensive review of the three tax increment financing projects located in the City, commonly referred to as the Commercial Street TIF, Jordan Valley Park TIF, and Springfield Plaza TIF.

Two of Springfield's TIFs, Commercial Street and Jordan Valley Park, are focused on redevelopment of central and north Springfield. The newest TIF, Springfield Plaza, will help fund extensive public improvements for a growing retail activity center in southwest Springfield.

The information supplied in this report is on the cash basis for receipts and disbursements for the year ending December 31, 2015. The cash basis is a method of recording accounting transactions for revenue and expenses only when the corresponding cash is received or payments are made. Thus, revenue is recorded only when funds are received, and payables are recorded only when they are paid.



TIF Redevelopment Areas
 City of Springfield, August 2016



Jordan Valley Park TIF

The Jordan Valley Park TIF Plan was approved on October 23, 2000 by Special Ordinance No. 23917. It was subsequently amended by City Council on November 13, 2001 by [Special Ordinance No. 24114](#).

Redevelopment Area Location

The Jordan Valley Park Redevelopment Area is located in the eastern portion of center city. The area comprises approximately 228 acres and is generally bounded by the BNSF Railroad spur to the north, the southern border of the properties along the south side of Walnut Street to the south, Jefferson and Kimbrough Avenues to the west, and Kickapoo and National Avenues to the east. A map of the area is attached.

TIF Plan Objectives

The purpose of the Plan is to finance the construction of significant public and private facilities in Center City in order to accomplish the following objectives:

1. To eliminate adverse conditions which are detrimental to public health, safety, morals or welfare in the Redevelopment Area and to eliminate and prevent recurrence thereof;
2. To enhance the tax base of the City and other Taxing Jurisdictions by developing the Redevelopment Area to a more beneficial use;
3. To encourage private investment in the surrounding area that will increase employment opportunities and discourage commerce, industry and manufacturing from moving their operations to another state;
4. To increase employment, housing and recreational opportunities in the City; and
5. To stimulate development that would not otherwise occur without Tax Increment Financing assistance.

Redevelopment Project Areas

The Jordan Valley Park TIF contains eight redevelopment project areas, five of which have been activated. Those redevelopment project areas have facilitated rehabilitation and expansion of the Springfield Expo Center, as well as construction of Jordan Valley Park, the Mediacom Ice Park, Hammons Field, the Jordan Valley Car Park, Holiday Inn Express, and additional surface off-street parking. The redevelopment project areas are detailed below. Please note more than 10 years have passed since the approval of this redevelopment plan; therefore, the three remaining redevelopment projects areas cannot be activated.

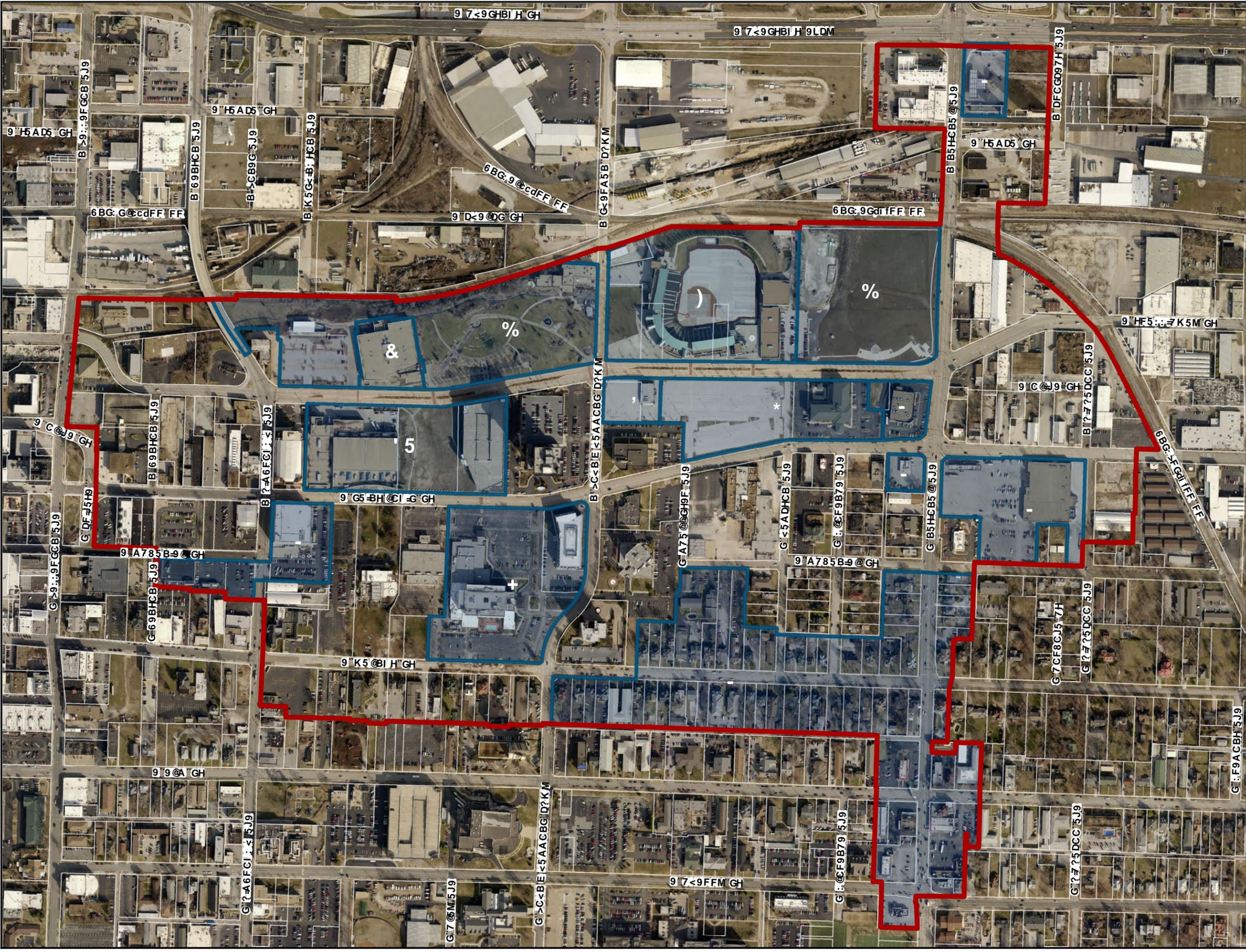
Redevelopment Project Number	Description	Activated by	Date activated	Expiration date
1	Jordan Valley Park	Special Ordinance No. 23918	October 23, 2000	October 22, 2023
2	Ice Park	Special Ordinance No. 24112	November 13, 2001	November 12, 2024
3A	Expo, garage, multipurpose arena	Not activated	-	-
4	No project assigned to this number	-	-	-
5	Baseball Stadium	Special Ordinance No. 24717	January 10, 2005	January 9, 2028
6	Parking/ Holiday Inn Express	Special Ordinance No. 24832	July 25, 2005	July 24, 2028
7	Hotel expansion	Not activated	-	-
8	Office building	Not activated	-	-
9	Existing commercial and retail uses	Special Ordinance No. 23919	October 23, 2000	October 22, 2023

TIF Reimbursable Projects

All TIF revenues are directed towards Expo Center debt payments.

TIF Revenues and Expenditures

Payments in Lieu of Taxes Received as of December 31, 2015	\$ 1,837,723.34
Economic Activity Taxes Received as of December 31, 2015	\$ 341,499.44
TIF Revenues Expended as of December 31, 2015	\$ 2,167,081.87
Outstanding Bonded Indebtedness as of December 31, 2015	\$ 16,330,000.00
TIF Special Allocation Fund Balance as of December 31, 2015	\$ 12,140.91



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 Springfield, Missouri
 June 2013

Legend

- TIF Boundary
- Project Areas

0 200 400 800 Feet
 Scale: 1:5,000



Department of
 Planning and Development

DISCLAIMER: All information included on this map or digital file is provided "as-is" for general information purposes only. The City of Springfield, and all other contributing data suppliers, make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, or suitability of the data for any particular use. Furthermore, the City of Springfield, and all other contributing data suppliers, assume no liability whatsoever associated with the use or misuse of the data.

Commercial Street TIF

The Commercial Street TIF Redevelopment Plan was approved on April 7, 2008 by [Special Ordinance No. 25373](#). This TIF will expire on April 6, 2031.

Redevelopment Area Location

The Commercial Street Redevelopment Area is located in the center city, approximately one mile north of Park Central Square. The area comprises 10 blocks and includes the entire Commercial Street Historic District. The Area is generally bounded by the BNSF railroad to the north, Pacific and Blaine Streets to the south, Douglas Avenue to the west, and Clay Avenue to the east. A map of the area is attached.

TIF Plan Objectives

The Plan identifies its primary purpose as establishing a process by which public improvements within the area will be made and redevelopment will occur. The process will enable the City to carry out extensive redevelopment envisioned by the Plan, as well as to encourage significant and sustained growth and development through private sector investment. The Redevelopment Plan also addresses the following objectives:

1. Eliminate the conditions that have qualified the area as a "blighted area" under the terms of the TIF Act;
2. Provide funding for the area's critical infrastructure needs;
3. Provide economic development tools for the Commercial Street area that have been utilized in downtown Springfield;
4. Encourage the rehabilitation and reinvestment in historic structures within the Commercial Street area;
5. Further the objectives of the City's Comprehensive Plan.

Redevelopment Project Area

The Redevelopment Plan includes a combination of a private redevelopment and public infrastructure projects. The sole Project Area designated in the Plan was activated on April 7, 2008. Selection and construction of the public project improvements is pending.

TIF Reimbursable Projects

The proposed public improvement projects include:

- Frisco Lane (pave for traffic, add about 60 parking spaces, landscaping and fencing),
- Streetscapes (approximately 6 blocks of streetscapes, plan to use TIF revenues as 50-50 match for grant funds and other local funds);
- Refurbish public parking lots;
- Business loan/grant program;
- Public restrooms;
- Acquire blighted parking lots (from willing seller);
- Renovate Commercial Club;
- Blaine Street improvements;

- Public art;
- Acquire blighted buildings (from willing seller);
- Footbridge Plaza improvements (stage, lighting, sound system, landscaping);
- Public radio station (promote Commercial Street and live music venues on the street);
- Improve alleyways;
- Planters;
- Gateways/entryways;
- Directional signage;
- Park benches; and
- Cab stands.

TIF Revenues and Expenditures

No TIF revenues have been expended to date. A proposal to expend TIF revenues will be brought forward in a separate Council bill in late 2016 or early 2017.

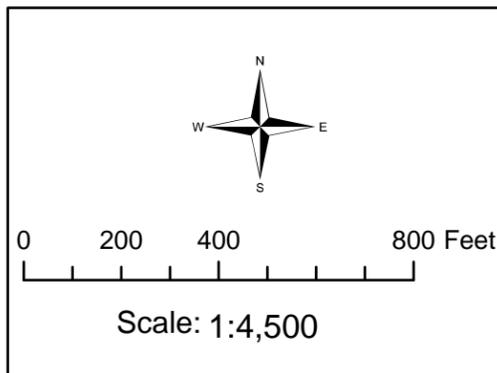
Payments in Lieu of Taxes Received as of December 31, 2015	\$ 471,724.96
Economic Activity Taxes Received as of December 31, 2015	\$ 25,798.13
TIF Revenues Expended as of December 31, 2015	\$ 0
Outstanding Bonded Indebtedness as of December 31, 2015	\$ 0
TIF Special Allocation Fund Balance as of December 31, 2015	\$ 497,523.09

Figure 1

Proposed Redevelopment
Area and Redevelopment
Project Area

Commercial Street
Tax Increment
Financing
Redevelopment Plan
Springfield, Missouri

November 1, 2007



Legend

-  TIF Boundary
-  Parcels

 **CITY of
SPRINGFIELD** Department of
Planning and Development

DISCLAIMER:
All information included on this map or digital file is provided "as is" for general information purposes only. The City of Springfield, and all other contributing data suppliers, make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, or suitability of the data for any particular use. Furthermore, the City of Springfield, and all other contributing data suppliers, assume no liability whatsoever associated with the use or misuse of the data.



Springfield Plaza TIF

The Springfield Plaza TIF Plan was approved on May 6, 2013 by [Special Ordinance No. 26231](#).

Redevelopment Area Location

The Springfield Plaza Redevelopment Area comprises approximately 96 acres and is located in southwest Springfield, near the intersection of Sunshine and West Bypass. A map of the area is attached.

TIF Plan Objectives

The primary objectives for this Redevelopment Plan are:

1. To facilitate redevelopment of the Area;
2. To cure the economic underutilization of the Area and to convert it to its highest and best use;
3. To alleviate those conditions that cause the Area to be a “Blighted Area;” and
4. To encourage a consumer-friendly commercial environment that encourages activity within the Redevelopment Area and promotes the economic health and independence of the City.

Additional objectives for the Redevelopment Plan include:

1. To upgrade and/or refurbish utilities and other infrastructure facilities serving the Redevelopment Area;
2. To enhance the tax base by inducing development of the Area to its highest and best use, to the benefit of taxing districts, and to encourage private investment in surrounding areas;
3. To promote health, safety, order, convenience, prosperity, and the general welfare, as well as efficiency of economy in the process of development;
4. To increase property values in the Area;
5. To stimulate employment opportunities and increased demand for services in the Area;
6. To provide an implementation mechanism which will accelerate the achievement of these objectives and complement other community and economic development objectives and programs; and
7. To further the objectives of the City’s Comprehensive Plan.

Redevelopment Project Areas

The Redevelopment Plan will be implemented through two Redevelopment Project Areas (“RPAs”). The purpose of RPA-1 is commercial use, including approximately 182,500 square feet of retail commercial space. Public improvements for this area include stormwater and sewer infrastructure and roadway improvements.

The purpose of RPA-2 is commercial use, including approximately 250,000 square feet of office uses. Public improvements for this area include stormwater and sewer infrastructure and internal public roadway improvements.

As of the date of this Report, no RPAs have been activated. Under the TIF Act, a project area must be activated within 10 years of the approval of the TIF in order to be valid.

TIF Reimbursable Projects

The projected Redevelopment Project Costs for the Plan include the following:

- The land that will be dedicated for public improvements;
- The cost of removing remaining existing improvements and grading;
- The cost of importing soil as fill for road construction and landscaping;
- The cost of required infrastructure improvements, such as street improvements; curbing and sidewalk improvements, storm and sanitary improvements, and upgrading utilities;
- The miscellaneous costs associated with development, such as loan fees, construction loan interest, permit and inspection fees, appraisals, title insurance, surveying, soils engineering and compaction, architect/engineer fees, environmental testing, etc.;
- All other planning, legal, and financial advisory costs associated with the preparation of this Plan and implementation of the Redevelopment Projects which have been and will be incurred in the future.

Reimbursable Project Costs which are incurred by the Developer of record for each Redevelopment Project shall be reimbursed in accordance with a redevelopment agreement between the Developer and the City.

It is anticipated that TIF Revenues will be collected and used to reimburse Redevelopment Project Costs related to the implementation of the Redevelopment Project on a “pay-as-you-go” basis. The City does not anticipate the issuance of any bonds, notes or other obligations with respect to the completion of the Redevelopment Projects. The collection of TIF Revenues from each Redevelopment Project will last no longer than 18 years, and each Redevelopment Project will be terminated 18 years from the date that tax increment financing was activated by ordinance for such Redevelopment Project. The TIF will retain only 75% of the PILOTs; the remaining 25% will be redirected back to the affected taxing jurisdictions. A CID was also established over the Redevelopment Project Areas to accelerate reimbursement of the public improvements.

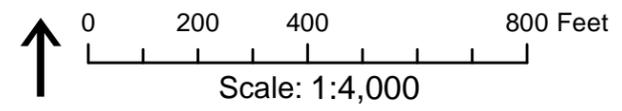
TIF Revenues and Expenditures

Payments in Lieu of Taxes Received as of December 31, 2015	\$0
Economic Activity Taxes Received as of December 31, 2015	\$0
TIF Revenues Expended as of December 31, 2015	\$0
TIF Special Allocation Fund Balance as of December 31, 2015	\$0



Springfield Plaza Tax Increment Financing Redevelopment Area

- TIF Boundary
- Redevelopment Project Areas
- RPA-1
- RPA-2



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Appendix

Tax Increment Financing Annual Reports
Submitted to the
Missouri Department of Revenue
for Calendar Year 2015



Tax Increment Financing Annual Report

For filing prior year reports or revising past TIF reports

(Note: The reporting period may cover any 12 month period prior to September 30.)

This report includes the requirements of Section 99.865, RSMo which elements (or portions thereof) are identified by subsection noted in bold. Additional information is requested to accurately determine the impact of TIF in the State. The results of this unaudited report will be distributed to the Governor, Speaker of the House of Representatives the Senate President Pro Tem and the State Auditor and will be available to the public. There are three Sections to this report, Section 1, Description of the Plan and Project; Section 2, Tax Increment Financing Revenues and Section 3, Certification of Accuracy. An Instruction Sheet is available. If you have any questions, please contact the Missouri Department of Revenue, Taxation Division at 573-751-4541 or (573) 751-3055.

Section 1: Description of the Plan and Project

1. Name of City and/or County (entity that approved the TIF Plan or Project): City of Springfield
2. Name of Plan or Project: Jordan Valley Park TIF
3. Report Period: From January 1, 20 15; to December 31, 20 15
4. Name of the person who prepared this Annual Report Matt D. Schaefer
5. Contact Information
 - a) City or County Contact Agency City of Springfield, Missouri
 - b) Person Sarah Kerner, Interim Economic Development Director
 - c) Phone 417-864-1035
 - d) Fax 417-864-1030
 - e) E-mail Address skerner@springfieldmo.gov
 - f) Private Sector Developer John Q. Hammons revocable trust
 - g) Person Gregg Groves
 - h) Phone 417-873-3586
 - i) Fax 417-873-3503
 - j) E-mail Address gregg.groves@jqh.com
6. Original Date Plan/Project Approved October 23, 2000
7. Ordinance Number (if available) 23917
8. Most Recent Plan Amendment Date (if any) [**99.865.1(9)**] November 13, 2001
9. Ordinance Number (if available) 24114
10. State House District 132nd and 135th
11. State Senate District 30th
12. School District Springfield R-12

13. General Location of Area or Project Area (if feasible, please attach copy of Redevelopment Area Boundary Map from Plan [99.865.1(10)])

The Area consists of approximately 30 blocks located in Springfield's central business district, which are generally bounded by the BNSF Railroad to the north, the south property lines of properties along the south side of East Walnut Street to the south, National Avenue to the east, and Jefferson Avenue to the west.

14. Brief description of Plan/Project [99.865.1(10)]

The Plan will revitalize the Area and positively impact all of central Springfield through the development of public improvements and concurrent private development. Projects within the area include a municipally-owned recreational ice facility, exposition hall, a public park, privately owned minor league baseball stadium, parking deck, and a business class hotel.

15. Plan/Project Status (Circle one which best describes status):

a) Starting-Up

b) Seeking Developer

c) Under Construction

d) Fully-Operational

e) Inactive

f) District Dissolved

If Clarification Is Needed: _____

16. Area Type (Circle All Applicable):

a) Blight

b) Conservation

c) Economic Development

17. How was the "but-for" determination made? (Circle All Applicable):

a) Project had unusual/extraordinary costs that made the project financially unfeasible in the market place.

b) Project required significant public infrastructure investment to remedy existing inadequate conditions.

c) Project required significant public infrastructure investment to construct adequate capacity to support the project.

d) Project required parcel assembly and/or relocation costs.

e) Other (describe): _____

18. Major Development Obstacles to be Overcome: The Area has been built in an incremental fashion and exhibits improper subdivision and obsolete platting in addition to an inadequate street layout. Ownership is placed among dozens of owners, requiring significant site assembly. Approximately three-fourths of the properties exhibit moderate to significant levels of blight. The area has experienced declining population and significant economic decline.

19. Briefly Describe the Project's Public Benefits [99.865.1(10)]

Jordan Valley Park, the Springfield community's grand vision for center city revitalization, is a comprehensive strategy that includes recreation, commerce, environmental enhancement, housing, economic development, infrastructure and quality of life initiatives. The public investments associated with the implementation of this vision will help remediate

blight and support major private development in the City's downtown urban core.

20. Briefly Describe Agreements with the Developer [99.865.1(9)]

The City has entered into a development agreement with John Q. Hammons. It includes the establishment of a CID comprised of property owned by Mr. Hammons and the City of Springfield as a supplementary funding source. The agreement also includes provisions with regards to the renovations to and the management of the Exposition Center.

21. Brief Description of Any Agreements with the Affected Taxing Districts [99.865.1(9)]

None

22. Number of Relocated Residences During This Report Period: 0

23. Number of Relocated Businesses During This Report Period: 0

24. Number of Parcels Acquired Through Use of Eminent Domain Power In This Report Period (99.865.1(12)): 0

25. Identify any Businesses that have Relocated to the Redevelopment Area During This Report Period: (Completion of This Section Satisfies Requirements of 99.810.2 'New Business Report', Otherwise Due by the last day of February).

Name	Address	Phone Number	Primary Business Line	Relocated from What City/County?
See Attachment A				

(Please Attach List Separately If Necessary or Desired)

26. Estimate of New Jobs: **Projected:** 333 + 2 pt **Actual to date:** 167 +220 pt

27. Estimate of Retained Jobs: **Projected:** 10 **Actual to date:** 293

Section 2: Tax Increment Financing Revenues

28. TIF Revenue Deposits to the Special Allocation Fund as of the Report Date:

Form Date
9/06/2006

a. Payments in Lieu of Taxes (PILOTs): **[99.865.1(6)]**
 Total received since inception: \$ 1,837,723.34 ; Amount on hand: \$ 11,054.94
 (As of Report Date)

b. Economic Activity Taxes (EATs): **[99.865.1(8)]**
 Total received since inception: \$ 341,499.44 ; Amount on hand: \$ 1,085.97
 (As of Report Date)

Total Revenue on hand in the Special Allocation Fund as of Report Date: [99.865.1(1)] \$ 12,140.91

29. Expenditures for Total Project Costs Funded by TIF: **[99.865.1(2)]**

	Total Since Inception:	Report Period Only:
a) Public Infrastructure (streets, utilities, etc)	\$ _____	\$ _____
b) Site Development (grading, dirt moving, etc.)	\$ _____	\$ _____
c) Rehab of Existing Buildings [99.865.1(11)]	\$ _____	\$ _____
d) Acquisition of Land or Buildings [99.865.1(11)]	\$ _____	\$ _____
e) Other (specify): Construction	\$ <u>28,809,039</u>	\$ _____
f) Other (specify): _____	\$ _____	\$ _____

Amount Paid on Debt Service: **[99.865.1(3)]**

g) Payments of Principal and Interest on Outstanding Bonded Debt:
 Since Inception: \$ 2,167,081.87 This Reporting Period: \$ 291,915.01

h) Reimbursement to Developer for Eligible Costs:
 Since Inception: \$ 0 This Reporting Period: \$ 0

i) Reimbursement to Municipality (or Other Public Entity) for Eligible Costs:
 Since Inception: \$ 0 This Reporting Period: \$ 0

30. Anticipated TIF Reimbursable Costs (Only include hard costs; do not include interest or bond issuance costs.)

a. Public Infrastructure and Site Development Costs (Utility Extensions, Road Improvements, Stormwater, Demolition, Grading, etc.)	\$ 2,600,000
b. Property Acquisition and Relocation Costs	\$ 0
c. Project Implementation Costs (Including Professional Fees)	\$ 18,500,000
d. Other (specify, as applicable): _____	\$ _____
e) Other (specify): _____	\$ _____
e) Other (specify): _____	\$ _____
Total Anticipated TIF Reimbursable Project Costs	\$ 21,100,000

31. Anticipated **Total Project Costs** \$ 150,545,000

(Please attach a copy of the budgets from the Redevelopment Plan for Anticipated Total Project Costs and Anticipated Reimbursable TIF Costs if any revisions occurring since previous filing.)

32. TIF Financing Method (circle all that apply):

- | | | | |
|------------------|-----------------------------|----------------------|----------|
| a) Pay-as-you-go | b) General Obligation Bonds | c) TIF Notes | d) Loan |
| e) TIF Bond | f) Industrial Revenue Bond | <u>g) Other Bond</u> | h) Other |

Maturity of TIF Obligations (term of the TIF payout)

33. Original Estimate (# of Years to Retirement) 23

34. Current Anticipated Estimate (# of Years to Retirement) 23

Estimated Increase in Tax Generation

35. Original Assessed Value of the Redevelopment Project: **[99.865.1(4)]**

\$ 7,901,230

36. Assessed Valuation Added to the Redevelopment Project (As of the end of the rpt. period): **[99.865.1(5)]**

\$ 4,556,350

37. Anticipated Assessed Value at Time of District Termination: \$ 12,928,648

38. Total Amount of **Base Year** EATs **[99.865.1(7)]** \$ 1,757,951

39. Total Amount of **Base Year** PILOTs \$ 188,946.38

40. Total Annual EATs Anticipated at Time of District Termination \$ 313,516

41. Total Annual PILOTs Anticipated at Time of District Termination \$ 580,496

42. Percentage of EATs Captured (per TIF Plan, usually up to 50%) 50 %
43. Total Years Anticipated to Capture EATs (per TIF Plan, up to 23 years) 23
44. Percentage of PILOTs Captured (per TIF Plan, usually up to 100%) 100 %
45. Total Years Anticipated to Capture PILOTs (per TIF Plan, up to 23 years) 23

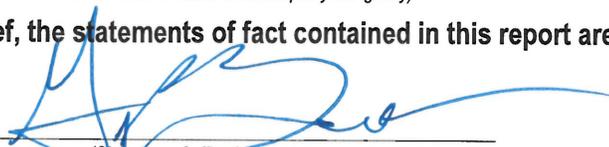
Section 3: Certification of Chief Executive Officer of Municipality or Agency

This section is not a requirement of 99.865.1-8 RSMo, but may be required, along with other submitted certifications by the municipality or agency, in the event the municipality desires the Department of Revenue to provide statement of conformance with the TIF Annual Report reporting statutes.

I, Greg Burris, certify that, to the best of my knowledge and

(Name of Chief Executive Officer of Municipality or Agency)

belief, the statements of fact contained in this report are true and correct.



(Signature of affiant)

City Manager

(Title of affiant)

NOTE: Please include any before and after color photographs of the Redevelopment Area that are available. If the site has not yet been redeveloped, if possible please include a before picture and a rendering of what the site will look like after redevelopment.

Send Report to:

**Missouri Department of Revenue
 Attn: TIF Annual Report
 P.O. Box 27
 Jefferson City, MO 65105-0027**

E-Mail: TIFreporting@dor.mo.gov

Further Information:

573-751-4541 or 573-751-3055

ATTACHMENT A

Businesses that have Relocated to the Jordan Valley Park TIF Redevelopment Area

Business Name	Address	Phone Number	Business Type	Relocated from What City/County?
Brad's Auto Repair	1243 E Saint Louis St	n/a*	Automotive Repair	New Business
CVS Pharmacy	1153 E Elm St	417-831-0380	Retail - Pharmacy	New Business
EmBark Staffing, LLC	901 E Saint Louis St	417-849-9995	Staffing	New Business
Herman's Custom Builders	350 S John Q Hammons Pkwy	417-268-0891	Construction	New Business
King Cuts*	1212 E Trafficway St	n/a	Barber	New Business
Metro PCS	218 N National Ave	417-319-5565	Retail	New Business
Online Marketing Giant	1050 E Walnut St	417-720-4859	Advertising	New Business
Price Cutter	1260 E Saint Louis St	417-895-3107	Retail - Grocery	New Business
Raby Auto Sales	1227 E Saint Louis St	417-425-6488	Advertising	New Business
Rama Thai Café	1129 E Walnut St	417-865-3204	Restaurant	New Business
The Old Glass Place	521 E Saint Louis St	417-501-8035	Event Center	New Business
Yellowpages.com, LLC	300 S John Q Hammons Pkwy	678-406-5523	Advertising	New Business
YP Advertising and Publishing, LLC	300 S John Q Hammons Pkwy	678-406-5523	Advertising	New Business

*Business opened and closed during the reporting period.

Tax Increment Financing Annual Report

For filing prior year reports or revising past TIF reports
(Note: The reporting period may cover any 12 month period prior to September 30.)

This report includes the requirements of Section 99.865, RSMo which elements (or portions thereof) are identified by subsection noted in bold. Additional information is requested to accurately determine the impact of TIF in the State. The results of this unaudited report will be distributed to the Governor, Speaker of the House of Representatives the Senate President Pro Tem and the State Auditor and will be available to the public. There are three Sections to this report, Section 1, Description of the Plan and Project; Section 2, Tax Increment Financing Revenues and Section 3, Certification of Accuracy. An Instruction Sheet is available. If you have any questions, please contact the Missouri Department of Revenue, Taxation Division at 573-751-4541 or (573) 751-3055.

Section 1: Description of the Plan and Project

1. Name of City and/or County (entity that approved the TIF Plan or Project): City of Springfield
2. Name of Plan or Project: Commercial Street TIF
3. Report Period: From January 1, 20 15; to December 31, 20 15
4. Name of the person who prepared this Annual Report Matt D. Schaefer
5. Contact Information
 - a) City or County Contact Agency City of Springfield, Missouri
 - b) Person Sarah Kerner, Interim Economic Development Director
 - c) Phone 417-864-1035
 - d) Fax 417-864-1030
 - e) E-mail Address skerner@springfieldmo.gov
 - f) Private Sector Developer Juliet Mee
 - g) Person Juliet Mee
 - h) Phone 417-863-7682
 - i) Fax 417-863-7652
 - j) E-mail Address director@pmtc.edu
6. Original Date Plan/Project Approved April 7, 2008
7. Ordinance Number (if available) 25373
8. Most Recent Plan Amendment Date (if any) **[99.865.1(9)]** n/a
9. Ordinance Number (if available) n/a
10. State House District 132nd
11. State Senate District 30th
12. School District Springfield R-12

13. General Location of Area or Project Area (if feasible, please attach copy of Redevelopment Area Boundary Map from Plan [99.865.1(10)])

The Commercial Street Redevelopment Area is located in the city center of Springfield, approximately one mile north of Park Central Square. The area comprises approximately 10 blocks and includes the entire Commercial Street Historic District. The Area is generally bounded by the BNSF railroad to the north, Pacific and Blaine Streets to the south, Douglas Avenue to the west, and Clay Avenue to the east.

14. Brief description of Plan/Project [99.865.1(10)]

The Commercial Street Redevelopment Plan consists of a private Redevelopment Project (professional massage school, day spa, and laundry) and Public Improvement Projects undertaken by the City of Springfield. Almost 20 public projects are proposed comprised primarily of public infrastructure improvements with a few programs, such as a rehabilitation loan/grant program, included.

15. Plan/Project Status (Circle one which best describes status):

a) Starting-Up

b) Seeking Developer

c) Under Construction

d) Fully-Operational

e) Inactive

f) District Dissolved

If Clarification Is Needed: _____

16. Area Type (Circle All Applicable):

a) Blight

b) Conservation

c) Economic Development

17. How was the "but-for" determination made? (Circle All Applicable):

a) Project had unusual/extraordinary costs that made the project financially unfeasible in the market place.

b) Project required significant public infrastructure investment to remedy existing inadequate conditions.

c) Project required significant public infrastructure investment to construct adequate capacity to support the project.

d) Project required parcel assembly and/or relocation costs.

e) Other (describe): _____

18. Major Development Obstacles to be Overcome: The Redevelopment Area is substantially blighted due to many years of disinvestment and property neglect that have created unsafe conditions including fire hazards and economic and social liability. The majority of buildings are over 100 years old, and more than half are in need of major rehabilitation in order to be brought up to current building codes and to protect against structural failure.

19. Briefly Describe the Project's Public Benefits [99.865.1(10)]

The Redevelopment Plan will help remediate blight and support private investment that will in turn preserve historic structures, increase property values and tax revenues, create jobs, provide housing opportunities, and add to quality of life for citizens.

20. Briefly Describe Agreements with the Developer [99.865.1(9)] _____
 The City will serve as the "Master Developer," coordinating the Redevelopment Program.
 There is no written agreement with any private sector developer related to this Redevelopment
 Plan.

21. Brief Description of Any Agreements with the Affected Taxing Districts [99.865.1(9)] _____
 None

22. Number of Relocated Residences During This Report Period: 0

23. Number of Relocated Businesses During This Report Period: 0

24. Number of Parcels Acquired Through Use of Eminent Domain Power In This Report Period (99.865.1(12)): 0

25. Identify any Businesses that have Relocated to the Redevelopment Area During This Report Period: *(Completion of This Section Satisfies Requirements of 99.810.2 'New Business Report', Otherwise Due by the last day of February).*

Name	Address	Phone Number	Primary Business Line	Relocated from What City/County?
See attachment A				

(Please Attach List Separately If Necessary or Desired)

26. Estimate of New Jobs: *Projected:* 0 *Actual to date:* 27

27. Estimate of Retained Jobs: *Projected:* 0 *Actual to date:* 0

Section 2: Tax Increment Financing Revenues

28. TIF Revenue Deposits to the Special Allocation Fund as of the Report Date:

a. Payments in Lieu of Taxes (PILOTs): **[99.865.1(6)]**

Total received since inception: \$ 471,724.96 ; Amount on hand: \$ 471,724.96
(As of Report Date)

b. Economic Activity Taxes (EATs): **[99.865.1(8)]**

Total received since inception: \$ 25,798.13 ; Amount on hand: \$ 25,798.13
(As of Report Date)

Total Revenue on hand in the Special Allocation Fund as of Report Date: [99.865.1(1)] \$ 497,523.09

29. Expenditures for Total Project Costs Funded by TIF: **[99.865.1(2)]**

	Total Since Inception:	Report Period Only:
a) Public Infrastructure (streets, utilities, etc)	\$ <u>0</u>	\$ <u>0</u>
b) Site Development (grading, dirt moving, etc.)	\$ <u>0</u>	\$ <u>0</u>
c) Rehab of Existing Buildings [99.865.1(11)]	\$ <u>0</u>	\$ <u>0</u>
d) Acquisition of Land or Buildings [99.865.1(11)]	\$ <u>0</u>	\$ <u>0</u>
e) Other (specify): _____	\$ _____	\$ _____
f) Other (specify): _____	\$ _____	\$ _____

Amount Paid on Debt Service: **[99.865.1(3)]**

g) Payments of Principal and Interest on Outstanding Bonded Debt:

Since Inception: \$ 0 This Reporting Period: \$ 0

h) Reimbursement to Developer for Eligible Costs:

Since Inception: \$ 0 This Reporting Period: \$ 0

i) Reimbursement to Municipality (or Other Public Entity) for Eligible Costs:

Since Inception: \$ 0 This Reporting Period: \$ 0

30. Anticipated TIF Reimbursable Costs (Only include hard costs; do not include interest or bond issuance costs.)

a. Public Infrastructure and Site Development Costs (Utility Extensions, Road Improvements, Stormwater, Demolition, Grading, etc.)	\$ 4,216,000
b. Property Acquisition and Relocation Costs	\$ 750,000
c. Project Implementation Costs (Including Professional Fees)	\$ 240,000
d. Other (specify, as applicable): <u>Business assistance</u>	\$ 250,000
e) Other (specify): _____	\$ _____
e) Other (specify): _____	\$ _____
Total Anticipated TIF Reimbursable Project Costs	\$ 5,456,000

31. Anticipated **Total Project Costs** \$ 5,456,000

(Please attach a copy of the budgets from the Redevelopment Plan for Anticipated Total Project Costs and Anticipated Reimbursable TIF Costs if any revisions occurring since previous filing.)

32. TIF Financing Method (circle all that apply):

- | | | | |
|---|---|-------------------------------------|--------------------------------|
| <input checked="" type="radio"/> a) Pay-as-you-go | <input type="radio"/> b) General Obligation Bonds | <input type="radio"/> c) TIF Notes | <input type="radio"/> d) Loan |
| <input type="radio"/> e) TIF Bond | <input type="radio"/> f) Industrial Revenue Bond | <input type="radio"/> g) Other Bond | <input type="radio"/> h) Other |

Maturity of TIF Obligations (term of the TIF payout)

33. Original Estimate (# of Years to Retirement) 23

34. Current Anticipated Estimate (# of Years to Retirement) 23

Estimated Increase in Tax Generation

35. Original Assessed Value of the Redevelopment Project: **[99.865.1(4)]**

\$ 3,710,120

36. Assessed Valuation Added to the Redevelopment Project (As of the end of the rpt. period): **[99.865.1(5)]**

\$ 2,147,220

37. Anticipated Assessed Value at Time of District Termination: \$ 11,346,000

38. Total Amount of **Base Year** EATs **[99.865.1(7)]** \$ 328,227

39. Total Amount of **Base Year** PILOTs \$ 172,962

40. Total Annual EATs Anticipated at Time of District Termination \$ TBD

41. Total Annual PILOTs Anticipated at Time of District Termination \$ 422,604

42. Percentage of EATs Captured (per TIF Plan, usually up to 50%) 50 %
43. Total Years Anticipated to Capture EATs (per TIF Plan, up to 23 years) 23
44. Percentage of PILOTs Captured (per TIF Plan, usually up to 100%) 100 %
45. Total Years Anticipated to Capture PILOTs (per TIF Plan, up to 23 years) 23

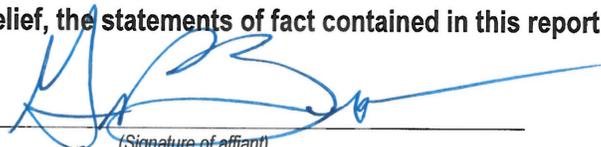
Section 3: Certification of Chief Executive Officer of Municipality or Agency

This section is not a requirement of 99.865.1-8 RSMo, but may be required, along with other submitted certifications by the municipality or agency, in the event the municipality desires the Department of Revenue to provide statement of conformance with the TIF Annual Report reporting statutes.

I, Greg Burris, certify that, to the best of my knowledge and

(Name of Chief Executive Officer of Municipality or Agency)

belief, the statements of fact contained in this report are true and correct.



(Signature of affiant)

City Manager

(Title of affiant)

NOTE: Please include any before and after color photographs of the Redevelopment Area that are available. If the site has not yet been redeveloped, if possible please include a before picture and a rendering of what the site will look like after redevelopment.

Send Report to:

Missouri Department of Revenue
Attn: TIF Annual Report
P.O. Box 27
Jefferson City, MO 65105-0027

E-Mail: TIFreporting@dor.mo.gov

Further Information:

573-751-4541 or 573-751-3055

ATTACHMENT A

Businesses That Have Relocated to the Commercial Street TIF Redevelopment Area

Business Name	Address	Phone Number	Business Type	Relocated from What City/County?
AKF Photography	209 W Commercial St	417-351-3260	Photographer	New Business
Activities	209 W Commercial St	417-399-4580	Art Studio	New Business
Chabom Teas and Spices	209 E Commercial St	417-719-4311	Restaurant	New Business
Creative Escape Glass	219 W Commercial St	417-693-4991	Art Studio	New Business
Distorted Utopia	213 W Commercial St	417-894-7187	Retail	New Business
Eurasia Coffee and Tea/C-Street Café	445 E Commercial St	417-268-9100	Restaurant	New Business
Moon City Pub	420 W Commercial St	417-315-8146	Tavern	New Business
Ms. Gilmore's Tea Room and Vintage Suitcase	211 E Commercial St	417-863-6908	Restaurant	New Business
Said Yes Films	302 E Commercial St	417-343-5135	Photographer	New Business
The 1906 Gents	426 W Commercial St	417-812-5638	Retail	New Business

Tax Increment Financing Annual Report

For filing prior year reports or revising past TIF reports
(Note: The reporting period may cover any 12 month period prior to September 30.)

This report includes the requirements of Section 99.865, RSMo which elements (or portions thereof) are identified by subsection noted in bold. Additional information is requested to accurately determine the impact of TIF in the State. The results of this unaudited report will be distributed to the Governor, Speaker of the House of Representatives the Senate President Pro Tem and the State Auditor and will be available to the public. There are three Sections to this report, Section 1, Description of the Plan and Project; Section 2, Tax Increment Financing Revenues and Section 3, Certification of Accuracy. An Instruction Sheet is available. If you have any questions, please contact the Missouri Department of Revenue, Taxation Division at 573-751-4541 or (573) 751-3055.

Section 1: Description of the Plan and Project

1. Name of City and/or County (entity that approved the TIF Plan or Project): City of Springfield
2. Name of Plan or Project: Springfield Plaza TIF Redevelopment Plan
3. Report Period: From January 1, 20 15; to December 31, 20 15
4. Name of the person who prepared this Annual Report Matt D. Schaefer
5. Contact Information
 - a) City or County Contact Agency City of Springfield, Missouri
 - b) Person Sarah Kerner, Interim Economic Development Director
 - c) Phone 417-864-1035
 - d) Fax 417-864-1030
 - e) E-mail Address skerner@springfieldmo.gov
 - f) Private Sector Developer Springfield Plaza Real Estate, Inc.
 - g) Person Thomas B. Rankin, President
 - h) Phone 417-887-8826
 - i) Fax 417-875-9233
 - j) E-mail Address tom.rankin@svn.com
6. Original Date Plan/Project Approved May 6, 2013
7. Ordinance Number (if available) 26231
8. Most Recent Plan Amendment Date (if any) [99.865.1(9)] n/a
9. Ordinance Number (if available) n/a
10. State House District 133rd
11. State Senate District 30th
12. School District Republic R-3

13. General Location of Area or Project Area (if feasible, please attach copy of Redevelopment Area Boundary Map from Plan [99.865.1(10)])

The Springfield Plaza TIF Redevelopment Area consists of approximately 96 acres generally located near the southwest corner of the intersection of West Sunshine Street and South West Bypass.

14. Brief description of Plan/Project [99.865.1(10)]

The Redevelopment Plan proposes to redevelop the Area into a 432,500 square foot retail and office mixed-use development. TIF revenues will be used to fund approximately \$9.58 million of public improvements in and around the Redevelopment Area. Such improvements include, but are not limited to road and intersection improvements, new public streets, storm water facilities, sanitary sewers, and utilities.

15. Plan/Project Status (Circle one which best describes status):

a) Starting-Up

b) Seeking Developer

c) Under Construction

d) Fully-Operational

e) Inactive

f) District Dissolved

If Clarification Is Needed: _____

16. Area Type (Circle All Applicable):

a) Blight

b) Conservation

c) Economic Development

17. How was the "but-for" determination made? (Circle All Applicable):

a) Project had unusual/extraordinary costs that made the project financially unfeasible in the market place.

b) Project required significant public infrastructure investment to remedy existing inadequate conditions.

c) Project required significant public infrastructure investment to construct adequate capacity to support the project.

d) Project required parcel assembly and/or relocation costs.

e) Other (describe): _____

18. Major Development Obstacles to be Overcome: The Redevelopment Area is substantially blighted due to a variety of conditions that include defective and inadequate street layout, unsanitary and unsafe conditions, deteriorated site improvements, improper subdivision, and obsolete platting. The physical condition of the Area and lack of commercial development contributes to its economic underutilization, which is constitutes an economic liability.

19. Briefly Describe the Project's Public Benefits [99.865.1(10)]

The Project will remediate blight and facilitate commercial development in an economically underutilized area of the City. New tax revenues will expand and preserve the City's tax base, thus helping the City to continue providing high-quality services to the community. The Project is also anticipated to be a catalyst for additional development in this part of the City.

20. Briefly Describe Agreements with the Developer [99.865.1(9)] _____
 The City has entered into an agreement with the Developer that sets the maximum principal amount of reimbursement for public improvements to be made to Developer at \$9,963,000. Other key provisions include limiting the TIF to 18 years, restricting PILOTs captured by the TIF to 75%, and requiring the Developer to pursue establishment of a CID as a additional funding source.

21. Brief Description of Any Agreements with the Affected Taxing Districts [99.865.1(9)] _____
 None

22. Number of Relocated Residences During This Report Period: 0
 23. Number of Relocated Businesses During This Report Period: 0
 24. Number of Parcels Acquired Through Use of Eminent Domain Power In This Report Period (99.865.1(12)): 0

25. Identify any Businesses that have Relocated to the Redevelopment Area During This Report Period: (Completion of This Section Satisfies Requirements of 99.810.2 'New Business Report', Otherwise Due by the last day of February).

Name	Address	Phone Number	Primary Business Line	Relocated from What City/County?
Bio Life Plasma Services	1815 McCurry Street	417-877-1201	Blood Plasma Donation	New Business

(Please Attach List Separately If Necessary or Desired)

26. Estimate of New Jobs: Projected: 0 Actual to date: 0

27. Estimate of Retained Jobs: Projected: 0 Actual to date: 0

Section 2: Tax Increment Financing Revenues

28. TIF Revenue Deposits to the Special Allocation Fund as of the Report Date:

Form Date
 9/06/2006

a. Payments in Lieu of Taxes (PILOTs): **[99.865.1(6)]**

Total received since inception: \$ 0; Amount on hand: \$ 0
(As of Report Date)

b. Economic Activity Taxes (EATs): **[99.865.1(8)]**

Total received since inception: \$ 0; Amount on hand: \$ 0
(As of Report Date)

Total Revenue on hand in the Special Allocation Fund as of Report Date: [99.865.1(1)] \$ 0

29. Expenditures for Total Project Costs Funded by TIF: **[99.865.1(2)]**

	Total Since Inception:	Report Period Only:
a) Public Infrastructure (streets, utilities, etc)	\$ <u>0</u>	\$ <u>0</u>
b) Site Development (grading, dirt moving, etc.)	\$ <u>0</u>	\$ <u>0</u>
c) Rehab of Existing Buildings [99.865.1(11)]	\$ <u>0</u>	\$ <u>0</u>
d) Acquisition of Land or Buildings [99.865.1(11)]	\$ <u>0</u>	\$ <u>0</u>
e) Other (specify): _____	\$ _____	\$ _____
f) Other (specify): _____	\$ _____	\$ _____

Amount Paid on Debt Service: **[99.865.1(3)]**

g) Payments of Principal and Interest on Outstanding Bonded Debt:

Since Inception: \$ 0 This Reporting Period: \$ 0

h) Reimbursement to Developer for Eligible Costs:

Since Inception: \$ 0 This Reporting Period: \$ 0

i) Reimbursement to Municipality (or Other Public Entity) for Eligible Costs:

Since Inception: \$ 0 This Reporting Period: \$ 0

30. Anticipated TIF Reimbursable Costs (Only include hard costs; do not include interest or bond issuance costs.)

a. Public Infrastructure and Site Development Costs (Utility Extensions, Road Improvements, Stormwater, Demolition, Grading, etc.)	\$ 8,734,000
b. Property Acquisition and Relocation Costs	\$ 0
c. Project Implementation Costs (Including Professional Fees)	\$ 250,000
d. Other (specify, as applicable): Capitalized interest for private financing	\$ 595,016
e) Other (specify): _____	\$ _____
e) Other (specify): _____	\$ _____
Total Anticipated TIF Reimbursable Project Costs	\$ 9,579,016

31. Anticipated **Total Project Costs** \$ 78,454,016

(Please attach a copy of the budgets from the Redevelopment Plan for Anticipated Total Project Costs and Anticipated Reimbursable TIF Costs if any revisions occurring since previous filing.)

32. TIF Financing Method (circle all that apply):

- | | | | |
|--|--|--|-----------------------------------|
| <input checked="" type="checkbox"/> a) Pay-as-you-go | <input type="checkbox"/> b) General Obligation Bonds | <input type="checkbox"/> c) TIF Notes | <input type="checkbox"/> d) Loan |
| <input type="checkbox"/> e) TIF Bond | <input type="checkbox"/> f) Industrial Revenue Bond | <input type="checkbox"/> g) Other Bond | <input type="checkbox"/> h) Other |

Maturity of TIF Obligations (term of the TIF payout)

33. Original Estimate (# of Years to Retirement) 18

34. Current Anticipated Estimate (# of Years to Retirement) 18

Estimated Increase in Tax Generation

35. Original Assessed Value of the Redevelopment Project: [99.865.1(4)]

\$ 1,440,020

36. Assessed Valuation Added to the Redevelopment Project (As of the end of the rpt. period): [99.865.1(5)]

\$ 0

37. Anticipated Assessed Value at Time of District Termination: \$ 14,686,843

38. Total Amount of **Base Year** EATs [99.865.1(7)] \$ 0

39. Total Amount of **Base Year** PILOTs \$ 0

40. Total Annual EATs Anticipated at Time of District Termination \$ 682,000

41. Total Annual PILOTs Anticipated at Time of District Termination \$ 609,075

- 42. Percentage of EATs Captured (per TIF Plan, usually up to 50%) 50 %
- 43. Total Years Anticipated to Capture EATs (per TIF Plan, up to 23 years) 18
- 44. Percentage of PILOTs Captured (per TIF Plan, usually up to 100%) 75 %
- 45. Total Years Anticipated to Capture PILOTs (per TIF Plan, up to 23 years) 18

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I, Greg Burris, certify that, to the best of my knowledge and

(Name of Chief Executive Officer of Municipality or Agency)

belief, the statements of fact contained in this report are true and correct.



(Signature of affiant)

City Manager

(Title of affiant)

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 Attn: TIF Annual Report
 P.O. Box 27
 Jefferson City, MO 65105-0027

Further Information: 573-751-4541 or 573-751-3055