

ECONOMIC DEVELOPMENT INCENTIVES
RESOURCE GUIDE



February 2011

ECONOMIC DEVELOPMENT FINANCING

RESOURCE GUIDE

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Pub. Imp. _____
Govt. Gmt. _____
Emer. _____
P. Hrngs. 4-12-04
Pgs. 4
Filed: 8-2-05

Sponsored by: CARLSON

First Reading: August 8, 2005

Second Reading: August 22, 2005

COUNCIL BILL NO. 2005-256

GENERAL ORDINANCE NO. 5490

AN ORDINANCE

1 AMENDING the Springfield City Code, Chapter 36, to adopt a new Section 36-1
2 establishing a fee schedule for economic development incentives and to
3 adopt this proposed fee schedule in accordance with the requirements and
4 provisions of Chapter 2, Article VI, Division 3, Section 2-425(a) (Staff
5 recommends approval).
6
7

8
9 BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SPRINGFIELD, MISSOURI, as
10 follows:
11

12 Section 1 - That Chapter 36 is hereby amended to adopt a new Section 36-1 related
13 to fees for economic development incentives. That a schedule of fees and charges shown
14 in Exhibit A for the Planning and Development Department is adopted, which Exhibit A is
15 attached hereto and incorporated herein by reference. City officials are authorized to
16 charge the fees shown on Exhibit A.
17

18 Sec. 36-1. Fees for Economic Development Incentives

19 The Director of Planning and Development or his designee shall not accept an
20 application for processing for any economic development incentives listed on the
21 following schedule unless and until the applicant has paid the appropriate fee as
22 stated thereon or has entered into a written agreement related to payment of the
23 direct costs related to processing such application.
24

25 [Fee Schedule from Exhibit A to be inserted here]
26

27 Note: Language underlined has been added.
28

31 Section 2 - Savings Clause. Nothing in this ordinance shall be construed to affect
32 any suit or proceeding now pending in any court or any rights acquired or liability incurred
33 nor any cause or causes of action accrued or existing, under any act or ordinance repealed
34 hereby, or shall any right or remedy of any character be lost, impaired, or affected by this
35 ordinance.

36 Section 3 - Severability Clause. If any section, subsection, sentence, clause, or
37 phrase of this ordinance is for any reason held to be invalid, such decision shall not affect
38 the validity of the remaining portions of this ordinance. The Council hereby declares that
39 it would have adopted the ordinance and each section, subsection, sentence, clause or
40 phrase thereof, irrespective of the fact that any one or more sections, subsections,
41 sentences, clauses, or phrases be declared invalid.

42 Section 4 - This ordinance shall be in full force and effect from and after passage.

43
44
45
46 Passed at meeting: August 22, 2005

47
48 Thomas A. Carlson
49 Mayor

50
51 Attest: Paul M. G. G., City Clerk

52
53
54 Filed as Ordinance: August 22, 2005

55
56
57 Approved as to form: D. Maria De la Cruz, Assoc., City Attorney

58
59
60 Approved for Council action: Bob Lemley, Deputy, City Manager

61
62
63
64 C:\Documents and Settings\Sdsmith\Local Settings\Temporary Internet Files\OLK1\Cleco_dev_fees_080105.wpd

Affected Agency Notified:
Emergency Required:
Budget Adjust. Required:
IPO Required:
Board Rec. Required:
Public Hearing:
Sponsor:
Date: July 11, 2005

EXPLANATION TO COUNCIL BILL NO. 2005 -

ORIGINATING DEPARTMENT: Planning and Development

PURPOSE: To establish a fee structure for economic development incentives.

REMARKS:

In early 2005, City Council set a \$1,000 application for Chapter 353 Redevelopment Projects. Other Missouri communities also charge application fees or require a pre-development funding agreement for the use of other economic development incentives.

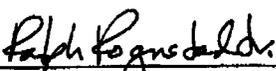
The purpose of charging application fees or requiring a pre-development funding agreement is to recoup at least part of the staff time required to process the application and to provide the required ongoing budgeting, collection and reporting.

Approval of the incentive is not the end of staff's commitment. Many of the incentives require quarterly or annual reports to the City Council or the State, publication requirements, etc. Staff is spending an increasing amount of time on the processing, reporting, and monitoring of these incentives. Some of these incentives have lives of 10 - 25 years and thus are a long-term commitment.

The proposed fee structure is directed at fairly straight-forward projects. More complex projects will require a pre-development funding agreement wherein the developer may be responsible for direct costs of outside legal counsel, market feasibility studies, etc.

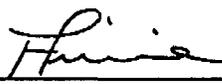
The proposed fee structure includes economic development incentives currently used by the City as well as several that have not been used by the City.

Submitted by:



Planning and Development

Approved by:



City Manager

	ECONOMIC DEVELOPMENT INCENTIVE	FEE *
1	Chapter 353 Blight Study and Redevelopment Plan including Property Tax Abatement and/or Eminent Domain (Prepared by Developer - Fee already approved by Council)	\$1,000 + Direct Costs
2	Chapter 353 Blight Study and Redevelopment Plan including Property Tax Abatement and/or Eminent Domain (Prepared by City)	Agreement Required
3	Chapter 99 Blight Study and Redevelopment Plan (Prepared by Developer)	\$750 + Direct Costs
4	Chapter 99 Blight Study and Redevelopment Plan (Prepared by City)	Agreement Required
5	Chapter 99 Property Tax Abatement (Blight Report and Redevelopment Plan already adopted)	\$250
6	Chapter 99 Bond Issue	Agreement Required
7	Chapter 100 Tax Abatement	\$1,000 / \$1 Million Project Cost
8	Transportation Development District	\$1,000 + Direct Costs
9	Community Improvement District	\$1,000 + Direct Costs
10	Neighborhood Improvement District	\$1,000 + Direct Costs
11	Tax Increment Finance District and State Tax Increment Finance Districts	Agreement Required
12	Missouri Downtown Economic Stimulus Act	Agreement Required
13	Downtown Revitalization Preservation Program	Agreement Required
14	Access and Infrastructure Agreement (Sales Tax Rebate)	\$500
15	Missouri Development Finance Board	\$1,000 / \$1 Million Project Cost
16	BEDI / Section 108 Loan	30 Basis Points

* Direct costs include advertising and notices as required by State Law and/or Council Ordinance.

PRELIMINARY FUNDING AGREEMENT

This **PRELIMINARY FUNDING AGREEMENT** (“**Agreement**”) is entered into this _____ day of ____, 20__, among the **CITY OF SPRINGFIELD, MISSOURI** (the “**City**”), and _____, a Missouri _____ (the “**Developer**”) (collectively the “**Parties**”).

RECITALS

WHEREAS, the City is a constitutional charter city incorporated and exercising governmental functions and powers pursuant to the Constitution and the Revised Statutes of the State of Missouri; and

WHEREAS, the Developer is the owner or has the right to purchase approximately ____ acres of real property generally located _____, and proposes to develop this property for a _____ development (the “**Development**”); and

WHEREAS, the Developer is a Missouri _____ and is authorized to conduct business in the State of Missouri; and

WHEREAS, Developer is working with the City to develop a plan to provide for the funding of the design and construction of transportation and related infrastructure improvements to serve the Development, in accordance with Missouri law and applicable City Code requirements; and

WHEREAS, Developer proposes to use one or more sources of public funding mechanisms to pay for the public improvements that will serve the Development, such as tax increment financing, a community improvement district, transportation development district and possibly other economic development tools; and

WHEREAS, in order for the City to fully consider and evaluate all of Developer’s proposals to fund the public improvements to serve the Development, the City will need to engage consultants to research and analyze applicable law regarding economic incentive tools and financing options and work with Developer and City staff to arrange for the most appropriate mix of funding sources for the public improvements; and

WHEREAS, the City does not have a source of funds to pay for costs incurred for additional legal, financial and other consultants or for direct out-of-pocket expenses and other costs resulting from services to research, analyze and plan for the most appropriate mix of public funding sources; and

WHEREAS, it is the City’s policy that landowners and developers who desire assistance from the City in a public-private partnership or through the use of economic incentive tools must demonstrate the financial ability to allow for the full and fair evaluation by the City of all development proposals and requests for economic incentives from the City; and

WHEREAS, Developer seeks to deposit funds with the City to be used by the City to pay for administrative expenses and actual consultant expenses necessary to research, analyze, plan for and develop the incentive tools and financing options for the public improvements that will serve the Development.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Services to be Performed by the City.** The City shall:

A. Consult with Developer on the most appropriate mix of economic incentive tools and financing options and arrange for the research, analysis and development of public funding sources for the public improvements to serve the Development in accordance with applicable law;

B. Provide necessary staff, legal, financial, and other assistance to plan for the most appropriate mix of economic incentive tools and financing options;

C. Provide the necessary staff and legal, financial and planning assistance to prepare and negotiate a development agreement between Developer and the City to implement the selected mix of economic incentive tools and financing options to fund the public improvements that will serve the Development;

D. Engage appropriate outside consultants and attorneys to carry out the tasks described above.

2. **Initial Deposit.** The City acknowledges receipt of ___ Thousand Dollars (\$___,000.00) (the “**Deposit**”) from the Developer upon the execution of this Agreement. The City shall disburse the Deposit as set forth in **Section 4** and shall bill the Developer pursuant to **Section 3** to re-establish the Deposit so that there is always a minimum cash balance of ___ Thousand Dollars (\$___,000.00) available, from which additional disbursements may be made as required.

3. **Additional Funding.**

A. The City shall submit an itemized statement for actual expenses incurred to perform its obligations hereunder or for any additional obligations or expenditures incurred by the City in accordance with this Agreement. Such statements shall be submitted on a regular periodic basis, but no more often than monthly. Developer shall pay the City the amounts set forth on such statements (the “**Additional Funds**”) within thirty (30) days of receipt thereof. If such funds are not so received, the unpaid balance shall be subject to a penalty of two percent (2%) per month until paid, but in no event shall such penalty exceed twenty-four percent (24%) per annum, and City shall be relieved of any and all obligations hereunder until paid or may terminate this Agreement pursuant to **Section 5**. Developer shall supply the Additional Funds in a timely manner so that City activities may continue without interruption.

B. Developer shall reimburse the City for its administrative expenses and actual out-of-pocket expenses necessary to perform the City’s obligations hereunder, using Gilmore & Bell, P.C., for special legal counsel, and other consultants as approved according to this paragraph. The City shall advise Developer in writing if it intends to utilize the services of any other consultant to perform its obligations under the terms of this Agreement. Such written notice shall include the name of the consultant, the service to be performed and an estimate of the cost expected. If Developer, in writing, within five (5) business days from receipt of the City’s notice, objects to either the consultant named or the service to be performed, the City and Developer shall negotiate in good faith to resolve Developer’s objections. If the Parties cannot agree on the consultant to be used or the service to be performed, the

City shall have no obligation to perform that service under the terms of this Agreement and Developer shall have no obligation to pay for such service under the terms of this Agreement.

C. The parties agree that the funds advanced to the City under this Agreement shall be reimbursed to Developer, to the extent allowed by law, through any economic incentive tools that may result from the discussions and approved by the City Council.

4. **Disbursement of Funds.** The City shall disburse the Deposit and Additional Funds for reimbursement of costs to the City on or before the thirtieth (30th) day of each month, and for consulting fees and the payment of all out-of-pocket expenses incurred by the City in connection with the performance of its obligations under this Agreement as payment for such expenses become due. Upon reasonable notice, the City shall make its records available for inspection by the Property Owners and the Developer with respect to such disbursements.

5. **Termination.**

A. In the event Developer fails to perform any of its obligations herein, and if Developer fails to cure the default within ten (10) days after written notice of the default is sent by the City to Developer, then the City may terminate this Agreement at its sole discretion. Termination by the City shall also terminate any duties and obligations of the City with respect to this Agreement.

B. Developer may abandon its plans for the Development and Developer may terminate this agreement upon the delivery of written notice to the City.

C. Upon termination of this Agreement, in the event the Deposit and Additional Funds are insufficient to reimburse the City for the outstanding expenses of the City payable hereunder, the Property Owners and the Developer shall reimburse the City as set forth in **Section 3**. After termination of this Agreement, the City shall retain the Deposit and Additional Funds, if any, necessary to reimburse the City for all expenses incurred under this Agreement to the date of termination. After all amounts have been paid to consultants by the City, the remainder of such funds shall be delivered to Developer.

D. The Parties acknowledge that a subsequent funding arrangement among the City and Developer may be entered into, whereby the City's expenses going forward will be reimbursed pursuant to that arrangement. In the event that such other agreement is executed, this Agreement may terminate in accordance with that subsequent agreement.

6. **Notice.** Any notice, approval, request or consent required by or asked to be given under this Agreement shall be deemed to be given if in writing and mailed by United States mail, postage prepaid, or delivered by hand, and addressed as follows:

To the City:

City of Springfield
840 North Boonville
Springfield, Missouri 65802
Attn: City Manager

With a copy to:

David Queen
Gilmore & Bell, P.C., Suite 1100
2405 Grand Blvd.
Kansas City, Missouri 64108

To Developer:

With a copy to:

[ADD]

[ADD attorney]

Each party may specify that notice be addressed to any other person or address by giving to the other party ten (10) days prior written notice thereof.

7. **City Requirements and Prior Approval.** Developer agrees to comply with all applicable laws and City ordinances, including, but not limited to, the City's zoning ordinances, subdivision regulations and all planning or infrastructure requirements related to the development of any property. Developer agrees that execution of this Agreement in no way constitutes a waiver of any requirements of applicable City ordinances or policies with which Developer must comply and does not in any way constitute prior approval of any future proposal for development. Developer acknowledges that the City may not lawfully contract away its police powers and that approval of any zoning, subdivision and similar development applications cannot be contractually guaranteed. This Agreement does not alter or diminish the City's ability to exercise its legislative discretion to consider any application in accordance with all applicable laws with respect to the development of any property.

[Remainder of this Page Intentionally Left Blank]

The parties hereto have caused this Agreement to be executed by their duly authorized representatives the day and year first above written.

CITY OF SPRINGFIELD, MISSOURI

By: _____
Greg Burris, City Manager

(SEAL)

ATTEST:

City Clerk

[DEVELOPER]

By: _____

Name: _____

Title: _____



COMMUNITY IMPROVEMENT DISTRICT FORMATION TIMELINE

The following is the typical processing timeline for establishing a Community Improvement District within the City of Springfield. The length of time from beginning to end may vary, depending on whether the petition is complete, the timing of the submittal, and other factors.

Day 1: Pre- Application Meeting

Discuss proposed CID and project with Staff. Staff will provide a sample petition and review it with the applicant.

Day 2: Submit Draft Petition

Applicant will submit two copies of the draft petition – one for the Planning and Development Department, and the other for the Law Department. Staff will review draft petition within 10 days and provide feedback to applicant.

Day 12: File Petition with City Clerk

The City Clerk will review the petition and determine that it either does or does not comply with the petition requirements specified in Section 67.1421 RSMo. The City Clerk is required to certify (among other items) that the petition has been signed by more than fifty percent per capita of all owners of real property within the boundaries of the proposed district, as well as by property owners collectively owning more than fifty percent by assessed value of the real property within the boundaries of the proposed district. According to this section, the clerk must either certify or reject the petition (if incomplete) within a reasonable period of time not to exceed 90 days. *The City Clerk can usually make his/her determination within a much shorter time period – typically within 10 days.*

Day 22: Petition is certified by the City Clerk; Petition is scheduled for a City Council public hearing.

Day 23: Notice of public hearing is sent to all property owners within the proposed district, via certified US Mail, no later than 15 days prior to the scheduled public hearing.

Day 24: First public notice is published in the newspaper two weeks prior to public hearing.

Day 31: Second public notice is published in the newspaper one week prior to public hearing.

Day 38: City Council Meeting – Public Hearing

Day 55: City Council Meeting – Action

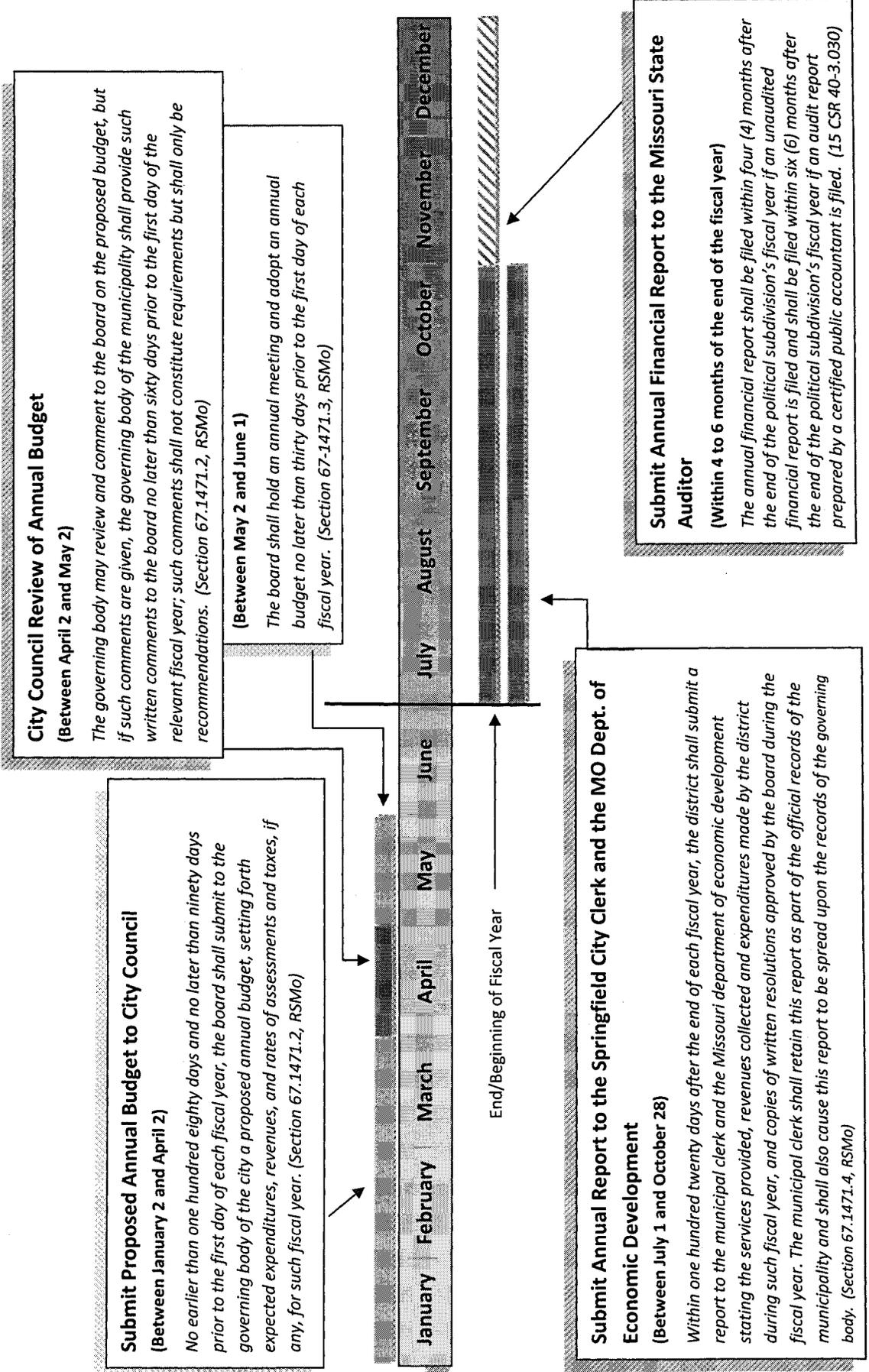
The proposed CID is officially established. The City Clerk will report in writing the creation of such district to the Missouri Department of Economic Development



COMMUNITY IMPROVEMENT DISTRICT ANNUAL TIMELINE

12/6/10

The Missouri Revised Statutes requires Community Improvement Districts to adopt annual budgets and to submit annual reports to the City Clerk and the Missouri Department of Economic Development in accordance with Section 67.1471. The timeline below describes the process for meeting those requirements.



PETITION TO ESTABLISH THE

COMMUNITY IMPROVEMENT DISTRICT

Springfield, Greene County, Missouri

Submitted _____, 20_____

By

_____ (Owner)

And

_____ (Developer)

**PETITION TO ESTABLISH THE
_____ COMMUNITY IMPROVEMENT DISTRICT**

To the City Council of the City of Springfield, Greene County, Missouri (the "City")

The undersigned (the "Owner"), being the owner of record of more than fifty percent (50%) by assessed value of the real property within the boundaries of the _____ Community Improvement District (the "District") and the owner of record of more than fifty percent (50%) per capita of all owners of real property within the boundaries of the District, do hereby petition and request that the City approve and establish the _____ Community Improvement District in order to fund all or part of the cost of services and public improvements provided and made within the District under the authority of Sections 67.1401 to 67.1571, RSMo. (the "Community Improvement District Act" or "Act") in accordance with this Petition.

1. Legal Description and Map of District Boundaries; Property Areas; Ownership.

The legal description of the District is attached hereto as Exhibit A. A map illustrating the District boundaries is attached hereto as Exhibit B. The boundaries of the District are contiguous. The Owner is the owner of more than 50% by assessed value of the real estate within the District and the owner of more than 50% per capita of all owners of real property within the boundaries of the District. A listing of all the owners of real estate is attached hereto as Exhibit C.

2. Name of District.

The name of the District is the "_____Community Improvement District."

3. Signatures May Not Be Withdrawn Later Than Seven Days After Submittal.

Petitioner's signatures may not be withdrawn later than seven (7) days after the filing of this Petition with the City Clerk. This notice is included on each signature page attached to this Petition.

4. Five-Year Plan.

A five-year plan stating a description of the purposes of the District, the improvements it will make, and an estimate of costs of these improvements to be incurred is attached hereto as Exhibit D.

5. Type of District.

The District will be a political subdivision.

6. Board of Directors.

The District will be governed by a five (5) member board of directors (the "Board").

Each Director shall meet the following requirements:

- a. Be at least 18 years of age; and
- b. Be and must declare to be either (i) an owner of real property within the District ("Owner") or the authorized representative of an owner of real property within the District ("Owner Representative"). All Owner Representatives must be certified in writing as an Owner Representative by the Owner. In the event the Owner de-certifies an Owner Representative as an authorized representative of the Owner, for any reason at the discretion of the Owner, the Owner Representative shall immediately be ineligible to be a Director and shall automatically be removed from the Board.

Except for the initial Directors which are named, approved and appointed by way of the City's written acceptance of this Petition, each Director shall be appointed by the Mayor with the advice and consent of the City Council according to a slate submitted by the Board to the City Clerk.

The Owner hereby proposes the following slate of Directors:

NAME	TYPE	TERM
		4 Years
		4 Years
		2 Years
		2 Years
		2 Years

The initial Directors named above shall serve for the terms set out opposite their names or until their successor is appointed in accordance herewith, and their successors shall serve for four-year terms or until their successor is appointed in accordance with the Act. If so appointed, there shall be no limits on the number of times a person may serve as a Director and there shall not be any term limits.

In the event for any reason a Director is not able to serve his or her full term or is removed from the Board for any reason ("Exiting Director"), any vacancy to the Board shall be filled by appointment of an interim director ("Interim Director") which shall be nominated by the remaining Directors and appointed by the Mayor as described below. Notwithstanding anything to the contrary, any Director's failure to meet the qualification requirements set forth in this Article, either in a Director's individual capacity or in a Director's representative capacity, shall constitute cause for the Board to take appropriate action to remove said Director. Provided, however, that the failure to meet such representation requirements shall not affect the Board's authority to hold meetings, exercise any of the District's powers or take any otherwise lawful action, assuming a lawful quorum to do so.

7. Successor Directors.

A. Successor Directors, whether to serve a new term or to fill a vacancy on the Board, shall be appointed in accordance with the Act according to a slate submitted to the City Clerk by the Board. The City Clerk shall immediately deliver the slate to the Mayor. The Mayor may appoint the successor Directors according to the slate submitted, and the City Council shall consent by resolution to the appointment; or the Mayor or the City Council may reject the slate submitted and request in writing, with written reasons for rejection of the slate, that the Board submit an alternate slate.

B. If an alternate slate is requested, the Board shall submit an alternate slate to the City Clerk. The City Clerk shall immediately deliver the alternate slate to the Mayor. The Mayor may appoint the successor Directors according to the alternate slate submitted, and the City Council shall consent by resolution to the appointment; or, the Mayor or the City Council may reject the alternate slate submitted and request that the Board submit another alternate slate.

C. The procedure described above shall continue until the successor Directors are appointed by the Mayor with the consent of the City Council.

D. The Board may suggest a slate to the Mayor as follows:

- 1) Individuals meeting the qualifications set out in this Petition shall be nominated by two sitting Directors; and
- 2) The Directors shall then vote for a slate of nominees who shall consist of the number needed to fill vacancies and the seats of expiring terms.

8. Total Assessed Value.

The total assessed value of all real property located within the District is \$_____.

9. Determination of Blight.

The District does not seek a determination of blight.

10. Life of District.

Subject to the provisions of Section 13 of this Petition, the District will continue to exist and function until the earlier of: (i) _____; or (ii) until the entire cost of the CID Projects, as such term is defined on Exhibit D attached hereto, is reimbursed by the CID Sales Tax Revenue, as hereinafter defined; or (iii) until any bond, notes or other obligations issued by or on behalf of the District (the "CID Obligations") to pay the costs of the CID Projects have been fully repaid (however, in this regard, a refinancing or restructuring of said bond issue shall not constitute a repayment thereof).

11. Maximum Rates of Business License Tax, Real Property Tax and Sales Tax.

A. License and Real Estate Taxes.

The District does not request the power to impose business license taxes or real estate taxes at this time.

B. Sales and Use Taxes.

The District will impose a sales and use tax, at a maximum rate of _____, on all retail sales made in the District which are subject to taxation pursuant to Sections 144.010 to 144.525, R.S.Mo., except sales of motor vehicles, trailers, boats or outboard motors and sales to public utilities (the "CID Sales Tax").

12. Maximum Rates of Special Assessments and the Method of Assessment.

The District does not request the power to impose special assessments at this time.

13. Intergovernmental Agreement Relating to CID Sales Tax Revenue Collection and Distribution.

Within six (6) months following the establishment of the District and prior to the commencement of construction of the CID Project, the District, the City, and the Developer shall enter into an intergovernmental agreement (the "Agreement"). Failure to execute the Agreement within the aforementioned time period shall result in termination of the District. The Agreement shall provide as follows:

A. Collection and Administration Fee

The Missouri Department of Revenue shall collect revenues from the CID Sales Tax (the "CID Sales Tax Revenue"); provided, however, that in the event that the Missouri Department of Revenue shall no longer agree to collect the CID Sales Tax, the City agrees to collect the CID Sales Tax. The Missouri Department of Revenue, or City, as applicable, shall deposit the CID Sales Tax Revenue into a CID Sales Tax Revenue special trust account created by the District (the "Fund"). The District shall disburse the CID Sales Tax Revenue according to the prioritization agreed to by the Developer (as defined in Exhibit D) and the City as set forth below. If the Missouri Department of Revenue does not collect the CID Sales Tax and if, and only if, the City provides such collection services, then the City shall be entitled to a fee in an amount equal to one percent (1%) of the total amount collected by the City (the "Collection Fee"). In exchange for the City's administration efforts with the District and its review of project costs for certification and reimbursement, the City shall be entitled to an amount equal to one and one-half percent (1.5%) of the total amount of CID Sales Tax collected (the "Administration Fee"). The City will provide reasonable assistance and cooperation with the District in the collection of the CID Sales Tax.

B. Certificates of Completion of CID Project and of Project Costs.

Upon the completion of the CID Project, as described on Exhibit D attached hereto, the Developer shall submit a report to the City and the Board: (a) certifying that the CID Project has been completed in accordance with all relevant codes, regulations, statutes and laws, as evidenced by appropriate required governmental approvals; and (b) identifying all Reimbursable Project Costs, as such term is defined in Exhibit D attached hereto, incurred for which reimbursement is sought, and including all such detail and back up material as the City deems reasonably necessary to determine that the costs were in fact incurred and paid. The report submitted shall include a certificate endorsed by the Developer and its architect or engineer certifying that the costs submitted for reimbursement are Reimbursable Project Costs, and that the work performed for which reimbursement is sought was performed to standards typical of the relevant industry and in a good and workmanlike manner.

If the City and the Board determine that the CID Project has been completed in accordance with all relevant codes, regulations, statutes and laws, and that the project costs submitted for reimbursement are Reimbursable Project Costs, then the City shall issue a Certificate of Completion for the CID Project, and shall issue a Certificate of Costs certifying the submitted project costs as eligible for reimbursement. If these requirements are not met, then the City shall not issue a Certificate of Completion or Certificate of Costs, and shall specify in writing within sixty (60) days of receiving Developer's report the reason(s) for withholding its certifications. Upon request of the Developer or the Board, the City shall hold a hearing at which the Developer or the Board may present new and/or additional evidence. Developer may submit Reimbursable Project Costs for certification in one or more phases, but no more than three (3) times per year.

C. Prioritization of CID Sales Tax Revenue Disbursements.

The District shall seek disbursements from the Fund not later than ninety (90) days after the issuance of a Certificate of Costs by the City as described above. All disbursements from the Fund shall be made in the following manner and order of preference:

- 1) To pay any Collection Fee or Administrative Fee owed the City.
- 2) To pay any administrative, professional or other operational costs or expenses of the District.
- 3) To pay Developer's Reimbursable Project Costs, provided that the City has first issued a Certificate of Completion and Certificate of Costs.

After all administrative, professional or other operational costs or expenses of the District and all Reimbursable Project Costs have been paid, collection

of the CID Sales Tax shall immediately cease, and any funds remaining in the Fund shall be disbursed to the City.

The Developer shall not be entitled to reimbursement for any Reimbursable Project Costs unless and until the Agreement is executed between the City, District and Developer.

D. Development Agreement.

The Agreement shall provide as follows:

Developer shall cause all real estate purchase contracts, deeds and leases for property in the District to contain a provision requiring tenant's consent to and acknowledgement of the CID Sales Tax and special assessments, if any, and requiring all tenants' cooperation with the reporting of retail sales and the collection of the sales and use tax. Furthermore, Developer, its successors and assigns, shall, to the maximum extent possible, provide City with documentation of sales tax receipts for each business in the District. Developer shall include the provisions herein in all lease documents with tenants located within the District requiring said sales information to be provided to the City. A similar provision shall be included in all sales contracts with purchasers of property located within the District requiring said sales information be provided to the City. Developer hereby agrees that each such lease or sales contract shall provide that the City is an intended third party beneficiary of such provisions and has a separate and independent right to enforce such provisions directly against any such tenant or purchaser. Furthermore, Developer, to the maximum extent possible, shall require any purchaser, lessee or other transferee or possessor of the property within the District, to provide to the City a copy of their Missouri sales tax receipts and filing indicating the amount of the sales tax paid. This obligation shall be a covenant running with the land and shall be enforceable against the Developer, to the extent Developer continues to own property within the District and against any purchaser, lessee or other transferee or possessor as if such purchaser, lessee or possessor were originally a party to and bound by this Contract and shall only terminate upon the end of the term of the CID. The Developer hereby acknowledges and agrees to these provisions by its execution of this Petition, and, therefore, any contract between Owner and Developer for the purchase of any property within the District does not need to separately include the above provisions.

14. Limitations on Borrowing Capacity.

The District will have the authority to borrow funds from any public or private source and issue obligations and provide security for the repayment of same as provided by the Act and as otherwise provided by law.

15. Limitations on Revenue Generation.

The Owner and the Developer do not desire to establish any limitations on the revenue generation of the District.

16. Other Limitations on District Powers.

The District will have the authority and powers granted to community improvement districts and political subdivisions under the Act and as otherwise provided by law.

17. Annual Reports and Meetings.

The District shall comply with the reporting and meeting requirements described in Sections 67.1471 and 105.145, R.S.Mo., and acknowledges that such meetings shall be open to the public.

18. Request for Ordinance Establishing District.

The Owner and the Developer (the "Petitioners") respectfully request the City Council of the City of Springfield, Missouri to establish the District in accordance with the Petition.

19. Severability.

If any provision of this Petition shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case, or in all cases, because it conflicts with any other provision or provisions or this Petition or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision contained in this Petition invalid, inoperative or unenforceable to any extent whatsoever.

[Remainder of page left intentionally blank. Signature Pages follow]

CLERK'S RECEIPT OF PETITION

This Petition to Establish the _____ Community Improvement District
was filed in the office of the City Clerk of Springfield, Missouri on the ____ day of
_____, 20____.

City Clerk

[SEAL]

EXHIBIT A

District Legal Description

EXHIBIT B

Map of District Boundaries

EXHIBIT C

List of Owners of Real Property within District

EXHIBIT D

Five-Year Plan

A. Purpose of the District. The purposes of the District are to:

- 1) Form and govern the District in accordance with the Act and the Missouri Revised Statutes;
- 2) Provide or cause to be provided for the benefit of the District, certain improvements and services described in Paragraphs B and C of this Exhibit;
- 3) To levy and collect the CID Sales Tax in order to provide a source of repayment for the CID Projects and related expenses; and
- 4) Such other purposes as authorized by the Act.

B. Services. The services to be performed by the District shall include, but not be limited to, the following:

- 1) Adopting bylaws, passing resolutions, and otherwise governing the District in the manner required by the Act and the revised statutes of the State of Missouri;
- 2) Developing funding sources, including the levying of the CID Sales Tax, necessary in order to pay for the required expenses, costs and expenses of the District and to pay for the CID Projects in a manner authorized by the Act;
- 3) Providing such accountings, reports and communications as are required by the Act and the Agreement; and,
- 4) Providing such other services as are authorized by the Act.

C. Improvements. The District shall construct or cause to be constructed the following improvements:

- 1) *[List eligible improvements]*

The estimated costs of these improvements are set forth on the attached Exhibit D-1. The party or parties constructing the CID Project may only be reimbursed by the CID Sales Tax for the amounts identified as Reimbursable Project Costs on this Exhibit D-1 and only for the line items described therein (the "Reimbursable Project Costs").

D. Budget. The estimated five-year budget for the District is attached to and made a part of this Petition as Exhibit D-2.

EXHIBIT D-1
Estimated Costs

EXHIBIT D-2
Five-Year Budget

COOPERATIVE AGREEMENT

among the

CITY OF SPRINGFIELD, MISSOURI,

and

COMMUNITY IMPROVEMENT DISTRICT

and

dated as of

_____, 20____

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COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT (“**Agreement**”), entered into as of this ____ day of _____, 20____, among the **CITY OF SPRINGFIELD, MISSOURI**, a constitutional charter city and political subdivision of the State of Missouri (the “**City**”), the _____ **COMMUNITY IMPROVEMENT DISTRICT**, a Missouri community improvement district (the “**District**”), and _____ (the “**Developer**”) (the City, District and Developer being sometimes collectively referred to herein as the “**Parties**”, and individually as a “**Party**”, as the context so requires).

WITNESSETH:

WHEREAS, on _____, 20____, _____ filed the “Petition to Establish the _____ Community Improvement District” (the “**Petition**”), which proposed formation of the District to reimburse the Developer for certain costs associated with design and construction of the development (the “**Development**”); and

WHEREAS, the City Council of Springfield, Missouri (the “**City Council**”), did on _____, 20____, pass Special Ordinance No. _____, which approved the Petition and formed the District; and

WHEREAS, the Petition requires the District and the Developer to enter into an agreement with the City which shall provide for the process by which Developer will be reimbursed by the District for Reimbursable Project Costs, the Missouri Department of Revenue will collect the CID Sales Tax Revenues and the District will make payments to the Developer for Reimbursable Project Costs and other costs and requirements as set forth in the Petition; and

WHEREAS, the District is authorized under the CID Act to undertake the CID Project, impose the CID Sales Tax to pay for Reimbursable Project Costs and other costs as set forth in the Petition, and enter into this Agreement for such purposes; and

WHEREAS, following the imposition of the CID Sales Tax, the Missouri Department of Revenue will collect the CID Sales Tax on behalf of the District in accordance with this Agreement, and the CID Sales Tax Revenues will be used to reimburse the Developer for Reimbursable Project Costs and other costs as set forth in the Petition; and

WHEREAS, the City is authorized in accordance with the provisions of the CID Act to perform all functions incident to the administration, collection, enforcement, and operation of the CID Sales Tax, and contract with the District for such purposes.

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

ARTICLE 1: DEFINITIONS, RECITALS AND EXHIBITS

Section 1.1 Recitals and Exhibits.

The representations, covenants and recitations set forth in the foregoing recitals and the exhibits attached to this Agreement 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, and the appropriate exhibits are incorporated into each Section of this Agreement that makes reference to an exhibit.

Section 1.2 Definitions.

Words and terms defined elsewhere in this Agreement shall have the meanings assigned therein. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

“**Administrative Fee**” means that amount of the CID Sales Tax Revenue that the City shall receive as compensation for performing the duties of collecting the CID Sales Tax, pursuant to Section 3.3 of this Agreement.

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

“**CID Projects**” means the streets, sewer lines, water lines, storm water basins and storm water control devises, street lighting, traffic control devises, signage of streets and property identification, sidewalks, landscaping along public walkways and streets, and any other public improvement within the District, eligible under the CID Act, that are constructed for or in connection with the Development, as set forth in the Petition and further described in **Exhibit “A-1”** attached hereto.

“**CID Sales Tax**” means the sales tax levied by the District on the receipts from the sale at retail of all eligible tangible personal property or taxable services at retail within their boundaries pursuant to the CID Act, in the amount not to exceed one half of one percent (0.5%).

“**CID Sales Tax Revenues**” means the monies actually collected, pursuant to this Agreement and the CID Act, from the imposition of the CID Sales Tax.

“**City Council**” means the governing body of the City of Springfield, Missouri.

“**District**” is the _____ Community Improvement District, which includes all real property described on **Exhibit “A”**.

“**Event of Default**” means any event specified in Section 6.1 of this Agreement.

“**Excusable Delays**” means delays due to acts of terrorism, acts of war or civil insurrection, strikes, riots, floods, earthquakes, fires, tornadoes, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, national or regional material shortages, failure to obtain regulatory approval from any Federal or State regulatory body,

unforeseen site conditions, material litigation by parties other than a Party and not caused by any Party's failure to perform, or any other condition or circumstances beyond the reasonable or foreseeable control of the applicable Party using reasonable diligence to overcome which prevents such Party from performing its specific duties or obligation hereunder in a timely manner. Excusable Delays shall extend the time of performance for the period of such excusable delay.

“Operating Costs” means the actual, reasonable expenses which are necessary for the operation of the District, which include, but are not limited to, costs associated with notices, publications, meetings, supplies, equipment, photocopying, the engagement of special legal counsel, financial auditing services, and other consultants or services.

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

“Reimbursable Project Costs” means all actual and reasonable costs and expenses which are incurred by or at the direction of the Developer or the District with respect to the construction of the CID Project, including the actual and reasonable cost of labor and materials payable to contractors, builders, suppliers, vendors and materialmen in connection with the construction contracts awarded for the CID Project that is constructed or undertaken by the Developer, plus all actual and reasonable costs to plan, finance, develop, design and acquire the CID Project, and the ongoing administration of the District, including but not limited to the following:

(1) Actual and reasonable fees and expenses of architects, appraisers, attorneys, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, financing, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of architects, appraisers, attorneys, surveyors and engineers in relation to the construction of the CID Project and all actual and reasonable costs for the oversight of the completion of the CID Project;

(2) All Operating Costs of the District; and

(3) All other items of expense not elsewhere specified in this definition which may be necessary or incidental to the review, approval, acquisition, construction, improvement and financing of the CID Project and which may lawfully be paid or incurred by the District under the CID Act.

ARTICLE 2: REPRESENTATIONS

Section 2.1 Representations by the District.

The District represents that:

A. The District is a community improvement district and political subdivision, duly organized and existing under the laws of the State of Missouri, including particularly the CID Act.

B. The CID has authority to enter into this Agreement and to carry out its obligations under this Agreement. By proper action of District's Board of Directors (the "Board"), the District has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

C. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the performance of or compliance with the terms and conditions of this Agreement by the District will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the District is a party or by which it or any of its property is bound, or any order, rule or regulation of any court or governmental body applicable to the District or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District under the terms of any instrument or agreements to which the District is a party.

D. There is no litigation or proceeding pending or, to its knowledge, threatened against the District affecting the right of the District to execute or deliver this Agreement or the ability of the District to comply with its obligations under this Agreement or which would materially adversely affect its financial condition.

E. Consideration and public benefit: The District acknowledges that construction of the CID Project is of significant value to the District, the property within the District and the general public. The District finds and determines that the CID Project will promote the economic welfare and the development of the City and the State of Missouri through: (i) the creation of temporary and permanent jobs; (ii) stimulating additional development in the area near the CID Project; (iii) increasing local and state tax revenues; and (iv) providing necessary parking and other infrastructure improvements for the Development and other surrounding development. Further, the District finds that the CID Project conforms to the purposes of the CID Act.

Section 2.2 Representations by the City.

The City represents that:

A. The City is duly organized and existing under the Constitution and laws of the State of Missouri, as a constitutional-charter city.

B. The City has authority to enter into this Agreement and to carry out its obligations under this Agreement, and the Mayor of the City or his designee has been duly authorized to execute and deliver this Agreement.

C. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, and the performance of or compliance with the terms and conditions of this Agreement by the City will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the City is a party or

by which it or any of its property is bound, or any order, rule or regulation of any court or governmental body applicable to the City or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City under the terms of any instrument or agreement to which the City is a party.

D. There is no litigation or proceeding pending or, to its knowledge, threatened against the City affecting the right of the City to execute or deliver this Agreement or the ability of the City to comply with its obligations under this Agreement.

Section 2.3 Representations by the Developer.

The Developer represents that:

A. The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer 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 obligations of the Developer, enforceable in accordance with its terms.

B. The execution and delivery of this Agreement, the consummation of the transactions contemplated thereby, 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. No litigation, proceedings or investigations are pending or, to the knowledge of the Developer, threatened against the Developer or any member of the Developer or the CID Project. In addition, no litigation, proceedings or investigation are pending or, to the knowledge of the Developer, threatened against the Developer 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 Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer, the terms and provisions of this Agreement.

D. The Developer 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, and operations as contemplated by this Agreement.

ARTICLE 3: COLLECTION OF REVENUES

Section 3.1 Imposition of the CID Sales Tax.

The District may approve a resolution that, subject to qualified voter approval, imposes the CID Sales Tax. The CID Sales Tax shall be collected by the Missouri Department of Revenue as provided in the CID Act. The District shall receive the CID Sales Tax Revenue from

the Department of Revenue, or collected by the City as provided herein, which shall be used to reimburse the Developer for Reimbursable Project Costs incurred by the Developer and the District for Operating Costs incurred by the District in the order of priority set forth herein. The District and the City shall have no obligation to reimburse the Developer for Project Costs until a Certificate has been approved (as described in Section 4.3) and after and to the extent CID Sales Tax Revenues have been collected and are available for payment to Developer in accordance with this Agreement.

Section 3.2 Administration and Collection of the CID Sales Tax.

The Parties anticipate that the CID Sales Tax will be collected by the Missouri Department of Revenue, as provided in the CID Act. In the event that the Department of Revenue refuses such collection and allows the City to collect in lieu of state collection, the City shall collect the CID Sales Tax. The City agrees to perform for the District all functions incident to the administration and enforcement of the CID Sales Tax, pursuant to the CID Act and this Agreement. The District will enact a resolution that (i) imposes the CID Sales Tax (subject to qualified voter approval), (ii) authorizes the City to perform all functions incident to the administration, enforcement and operation of the CID Sales Tax, (iii) authorizes the City to collect in lieu of state collection, if the Department of Revenue refuses to collect, and (iv) prescribes any required forms and administrative rules and regulations for reporting and collecting the CID Sales Tax. After collection by the Department of Revenue and/or the City (as the case may be) and the CID Sales Tax Revenues have been transferred to the District, the CID Sales Tax Revenues shall be deposited by the District directly into a special trust account in accordance with the resolution adopted by the District. The District may amend the forms, administrative rules and regulations applicable to the administration, collection, enforcement and operation of the CID Sales Tax, as needed.

Section 3.3 Administrative Fee and Collection Fee for the CID Sales Tax.

A. The City shall receive an annual Administrative Fee in the amount of one and one-half percent (1.5%) of the total annual CID Sales Tax Revenues in exchange for its administration efforts with the CID and its review of Reimbursable Project Costs and Operating Costs for certification and reimbursement.

B. If, and only if, the Department of Revenue does not collect the CID Sales Tax and the City is required to collect the CID Sales Tax, as set forth in paragraph A of this Section, then the City shall receive a Collection Fee in the amount of one percent (1%) of the total CID Sales Tax Revenues. Such Collection Fee shall be in addition to the Administrative Fee.

Section 3.4 Operating Costs.

The District shall pay for the Operating Costs of the District incurred by or on behalf of the District from CID Sales Tax Revenue. The Operating Costs shall be included in the District's annual budget, as provided in Section 4.5. In the course of performing the administrative duties set forth in Section 3.2, the City may incur Operating Costs for the District, which shall be approved by the District.

Section 3.5 Enforcement of the CID Sales Tax.

The District authorizes the City, to the extent permitted by law, to take any and all actions necessary for collection and enforcement of the CID Sales Tax. The City may, in its own name or in the name of the District, prosecute or defend in action, lawsuit or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure the payment of any CID Sales Tax. The District hereby agrees to cooperate fully with the City and to take all action necessary to effect the substitution of the City for the District in any such action, lawsuit or proceeding if the City shall so request.

Section 3.6 Distribution of the CID Sales Tax Revenue.

No disbursements of the CID Sales Tax Revenues shall be made until the City has approved a Certificate, as defined in Section 4.3. After the City has approved a Certificate for the CID Project, and to the extent Reimbursable Project Costs remain unpaid, the District shall make disbursements of the entire balance of the CID Sales Tax Revenues not later than sixty (60) days after the end of each calendar quarter in the following order of priority:

- A. The District shall deduct and pay to the City one and one-half percent (1.5%) of the total CID Sales Tax Revenue collected for its Administrative Fee, and, if applicable, one percent (1%) of the total CID Sales Tax Revenue collected for its Collection Fee.
- B. The District shall pay Operating Costs of the District.
- C. The District shall pay Developer's Reimbursable Project Costs.

Section 3.7 Records of the CID Sales Tax.

The District shall keep accurate records of the CID Sales Tax collected and copies of such records shall be made available to the City. Any District records pertaining to the CID Sales Tax shall be provided to the City upon written request of the City, as permitted by law.

Section 3.8 Repeal of the CID Sales Tax.

When: (1) the Developer has been fully reimbursed for the costs incurred by the Developer: (a) to finance the CID Project and Reimbursable Project Costs and (b) to pay ongoing Operating Costs associated with and required by the business of the District, or (2); August 1, 2025, whichever occurs first, the District shall implement the procedures in the CID Act for repeal of the District's CID Sales Tax and abolishment of the District. The District shall not implement the procedures for repeal or modification of the CID Sales Tax and abolishment of the District if: (1) any CID Sales Tax Revenue is due to the City for outstanding Administrative Fees; or (2) the District, with the prior written consent of the City, has approved another project pursuant to the CID Act; or (3) any portion of the District's obligations remain unpaid. The City's obligation to perform for the District any functions incident to the administration, collection, enforcement and operation of the CID Sales Tax for the District shall terminate concurrent with the repeal of the CID Sales Tax levied by the District. Upon repeal of any CID Sales Tax, the District shall:

- A. Pay the City’s Administrative Fee and Collection Fee, if applicable, to which it is entitled in accordance with this Agreement.
- B. Pay all outstanding Operating Costs to the District.
- C. Pay all unpaid Reimbursable Project Costs to the Developer.
- D. Retain any remaining CID Sales Tax until such time as the District is abolished and the District has provided for the transfer of any funds remaining in a manner permitted by the CID Act.

ARTICLE 4: FINANCING CID PROJECT

Section 4.1 Design and Construction of CID Project.

As allowed by the CID Act, the District’s role is solely to fund and assist in the funding of the CID Project and the Operating Costs incurred by Developer. The CID Project shall be designed and constructed by or at the direction of Developer, and the District shall have no obligation to design and construct the CID Project. The CID Project shall be designed and constructed on a schedule to be determined by the Developer, in accordance with plans approved by the City. The Developer shall comply with all applicable laws regarding the payment of prevailing wages to contractors or subcontractors of the Developer for the construction of the CID Project. The Developer shall indemnify and hold harmless the City for any damage resulting to it from failure of either the Developer or the District for any damage resulting from failure of either the Developer or any contractor or subcontractor to pay prevailing wages pursuant to applicable laws.

Section 4.2 Financing the CID Project.

The Developer shall provide or secure the financing of the CID Project. The District shall be allowed and is authorized to issue and incur the District obligations, such as promissory notes to the Developer for certified reimbursement expenses as well as bonds and other financing mechanisms as the District determines is in its best interest. The District shall impose the CID Sales Tax within the boundaries of the District to assist in the funding of the CID Project.

Section 4.3 Certificate of Completion and Reimbursable Project Costs.

Upon completion of the CID Project, the Developer shall submit a Certificate of Completion and Reimbursable Project Costs (“**Certificate**”) using the form attached as **Exhibit “D”**: The Developer shall provide itemized invoices, receipts or other information to confirm that any such cost is so incurred and does so qualify. If the City determines that the CID Project, or an applicable portion of any CID Project, has been completed in accordance with all relevant codes, regulations, statutes and laws, and that the costs submitted for reimbursement are Reimbursable Project Costs, then the City shall approve the Certificate and the amounts stated therein for payment. If the CID Project, or an applicable portion of any CID Project, is not complete, then the City shall not approve the certificate and the amounts stated therein for

payment, and shall specify in writing within sixty (60) days after receiving Developer's Certificate the reason(s) for withholding its approval. Upon request of the Developer or the Board, the City shall hold a hearing at which the Developer or the Board may present new and/or additional evidence. Developer shall have the right to identify and substitute other Reimbursable Project Costs with a supplemental application for payment, subject to the limitations of this Agreement, for any requested reimbursement that does not qualify as a Reimbursable Project Cost.

Section 4.4 Ownership, Maintenance and Dedication of CID Projects.

The District's sole role is to fund and assist in the funding of the CID Project and the Operating Costs. The District shall have no ownership of the CID Project, and title to the CID Project shall at all times be vested in the name of the Developer, the City or other appropriate entity. The District shall not be responsible for maintenance of the CID Project. The Developer shall be responsible for obtaining and maintaining insurance for the design, construction, operation and maintenance of the CID Project in such form and amounts as required by applicable City or state law.

Section 4.5 Annual Budget.

The budget for the District's first fiscal year shall be prepared and submitted to the City Finance Director within ninety (90) days after execution of this Agreement. For each subsequent fiscal year of the District, the District shall, no earlier than one hundred eighty (180) days and no later than ninety (90) days prior to the first day of each fiscal year, submit a proposed budget for the upcoming fiscal year to the City Finance Director, which shall be approved by the Board. Each budget for the District shall generally be prepared in accordance with all applicable state statutes including Section 67.1471 RSMo, as amended. Once the budget is approved by the Board, the City shall have the right to comment on the Budget. Based on the City's comments, the Board may determine that the budget should be amended. However, if there are no comments from the City or the Board determines that no revisions to the budget are necessary following the City's comments, the budget shall be effective without further action or vote by the Board.

Section 4.6 New CID Projects.

The District may use CID Sales Tax Revenue, as such revenues are available, to pay Project Costs for all CID Projects which have been determined by the City Council to be necessary and approved in accordance with the CID Act. The District shall not undertake any additional CID Projects which are not reasonably described in Exhibit D to the Petition, except with the prior approval of the City Council. Payments due to the City pursuant to the priority established in Section 3.6 for its Administrative Fee shall take priority over any costs associated with new CID Projects.

ARTICLE 5: SPECIAL COVENANTS

Section 5.1 Records of the Districts.

The District shall keep proper books of record and account on behalf of the District in which full, true and correct entries will be made of all dealings or transactions of or in relation to its business affairs in accordance with generally accepted accounting principles, consistently applied, and will furnish the City such information as it may reasonably request concerning the District, including such statistical and other operating information requested on a periodic basis, in order to determine whether the covenants, terms and provisions of this Agreement have been met. In addition, the District shall, within one hundred twenty (120) days after the end of each fiscal year, submit a report to the City and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the District during such fiscal year, and copies of written resolutions approved by the Board during the fiscal year. For that purpose, all pertinent books, documents and vouchers relating to its business, affairs and properties that are otherwise considered public information and not confidential in nature shall at all times during regular business hours be open to the inspection of the City by its accountant or other agent (who may make copies of all or any part thereof provided that the confidentiality of all records shall be maintained pursuant to applicable confidentiality laws and such confidentiality agreements as the City reasonably requires) as shall from time to time be designated and paid for by the inspecting party.

Section 5.2 Records of the City.

The City shall keep and maintain adequate records of the disbursements it authorizes the District to make for reimbursement or payment of the Reimbursable Project Costs (including Operating Costs) to the Developer and the Administrative Fees and Collection Fees paid to the City. Such records shall be available for inspection by the District upon reasonable notice. The CID shall submit a true and accurate copy of all agendas at least twenty-four hours in advance, annual meeting notices and minutes, the adopted budget and any reports or filings provided to State agencies.

Section 5.3 Consent by Tenants and Transferees.

A. Developer shall cause all leases of property in the District to contain provisions that are in substantial compliance with the following:

Community Improvement District: Tenant acknowledges and consents that the Leased Premises are a part of the _____ Community Improvement District (“District”) created by Springfield, Missouri (the “City”), and that the District imposes a sales tax on Tenant’s economic activities which will be applied toward the costs of improvements for the Development. Tenant shall forward to the City copies of Tenant’s State of Missouri sales tax returns for its property located in the District when and as they are filed with the Missouri Department of Revenue. Tenant hereby acknowledges and agrees that the District, and the City, are third party beneficiaries of the obligations in this paragraph and shall have a separate and independent right to enforce both these reporting requirements.

Provisions in substantial compliance with these provisions shall be included in all sales contracts with purchases of property located within the District, requiring said sales information be provided to the City.

B. At least five (5) days following its execution, the Developer shall provide a certification to the City, signed by Developer and each such tenant/purchaser, confirming that each lease/sales contract affecting Property within the District includes the provisions satisfying the Developer's obligation as set forth in this Section 5.3. Failure of the Developer to require to include such restrictions in any such lease or sale contract shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the District's and the City's rights of enforcement and remedies under this Agreement.

C. Developer, to the maximum extent possible, shall enforce the lease/sales contract obligation set forth in paragraph A of this Section and shall require any purchaser, lessee or other transferee or possessor of the property within the District, to provide to the City a copy of their Missouri sales tax receipts and filing indicating the amount of the sales tax paid. This obligation shall be a covenant running with the land and shall be enforceable against the Developer, to the extent Developer continues to own property within the District and against any purchaser, lessee or other transferee or possessor as if such purchaser, lessee or possessor were originally a party to and bound by this Agreement and shall only terminate upon the end of the term of the District.

Section 5.4 Developer's Obligations to the City under Bond or Surety.

The Parties agree that:

A. The CID Project, or any portion thereof, which the Developer is or becomes obligated to the City to construct pursuant to any City Code provision or Ordinance, does not diminish the consideration to the District as recited in Section 2.1 and shall be a Reimbursable Project Cost that may be reimbursed in accordance with this Agreement.

B. In the event that the City constructs or causes to be constructed any portion of the CID Project pursuant to any action on a bond or other form of surety that is provided to the City by the Developer pursuant to the City Code or an Ordinance, then the City shall be entitled to reimbursement from the District for such Reimbursable Project Costs or Operating Expenses that are not paid or reimbursed to the City under such bond or surety. The City shall complete a certificate in substantial compliance with the form in **Exhibits "D" or "E"** to receive such reimbursement, which shall be approved by the District in accordance with Section 4.3.

ARTICLE 6: DEFAULTS AND REMEDIES

Section 6.1 Events of Default.

If any one or more of the following events shall occur and be continuing, such event or events shall constitute an Event of Default under this Agreement:

A. Failure by the District to make a payment in a timely manner as required by this Agreement, and the continuance of such failure for ten (10) days following written notice to District of such failure; or

B. Failure by any Party in the performance of any covenant, agreement or obligation imposed or created by this Agreement, and the continuance of such default for sixty (60) days after a non-defaulting Party has given written notice to the defaulting Party specifying such default.

Section 6.2 Remedies on Default.

If any Event of Default has occurred and is continuing, then any non-defaulting Party may, upon its election or at any time after its election while such default continues, by mandamus or other suit, action or proceedings at law or in equity, enforce its rights against the defaulting Party and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Agreement.

Section 6.3 Rights and Remedies Cumulative.

The rights and remedies reserved by the Parties under this Agreement and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The Parties shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

Section 6.4 Waiver of Breach.

No waiver of any breach of any covenant or agreement contained in this Agreement shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of an Event of Default, a non-defaulting Party may nevertheless accept from the defaulting Party, any payment or payments without in any way waiving the non-defaulting Party's right to exercise any of its rights and remedies as provided herein with respect to any such default or defaults in existence at the time when such payment or payments were accepted by the non-defaulting Party.

Section 6.5 Excusable Delays.

No Party shall be deemed to be in default of this Agreement because of Excusable Delays.

ARTICLE 7: MISCELLANEOUS

Section 7.1 Effective Date and Term.

This Agreement shall become effective on the date set forth herein. Upon expiration of the CID Sales Tax as providing in Section 3.8, the District shall be abolished in accordance with Section 67.1481, RSMo.

Section 7.2 Immunities.

No recourse shall be had for any claim based upon any representation, obligation, covenant or agreement in this Agreement maintained against any past, present or future officer, member, employee, director or agent of the City or the District, or of any successor thereto, as such, either directly or through the City or the District, or any successor thereto, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement. The District, as a separate political subdivision of the state, is responsible for compliance with all applicable state laws and agree to hold harmless and indemnify the City from and against all suits, claims, costs of defense, damages, injuries, liabilities, costs and/or expenses, including court costs and attorney fees, resulting from, arising out of, or in any way connected with District's failure to comply with any applicable law.

Section 7.3 Modification.

The terms, conditions, and provisions of this Agreement can be neither modified nor eliminated except in writing and by mutual agreement between the Parties. Any modification to this Agreement as approved shall be attached hereto and incorporated herein by reference.

Section 7.4 Applicable Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri. The Parties agree that the engagement of common special legal counsel among two or more Parties to this Agreement does not materially limit the representation of those Parties and will not adversely affect the relationship between such Parties.

Section 7.5 Validity and Severability.

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

Section 7.6 Execution of Counterparts.

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 7.7 City Approvals.

Unless specifically provided to the contrary herein, all approvals of City hereunder may be given by the City Manager or his/her designee without the necessity of any action by the City Council.

Section 7.8 District Approvals.

Unless specifically provided to the contrary herein, all approvals of any District hereunder may be given by the Executive Director or his designee without the necessity of any action by the Board.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

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

ATTEST:

**THE CITY OF SPRINGFIELD,
MISSOURI**

City Clerk

By: _____
City Manager

APPROVED AS TO FORM:

City Attorney

[DEVELOPER]

By: _____

Name:

Title:

EXHIBIT A
DISTRICT LEGAL DESCRIPTION

EXHIBIT A-1

ESTIMATED COSTS OF CID PROJECT

A. Estimated CID Project Costs

B. Projected CID Revenue/Disbursement Budget

	Year 1	Year 2	Year 3	Year 4	Year 5
CID Sales Tax (0.5%)					
Total Revenue					
City Administration Fee					
District Expenses					
Developer Reimbursement					
Total Disbursements					

EXHIBIT B
MAP OF DISTRICT

**EXHIBIT C
FORM OF
CERTIFICATE OF COMPLETION
AND REIMBURSABLE PROJECT COSTS**

**CERTIFICATE OF COMPLETION
AND REIMBURSABLE PROJECT COSTS**

To: City Manager, City of Springfield, Missouri
cc: Executive Director, _____ Community Improvement District
Re: Completion and Certification of the _____ Reimbursable Project Costs

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Cooperative Agreement dated as of _____, 20____ (the "Agreement") between the City of Springfield, the _____ Community Improvement District and the Developer. In connection with said Agreement, the undersigned hereby states and certifies that:

1. The capital improvements of the CID Project, or an appropriate portion thereof, have been completed in accordance with the Agreement, and all required approvals, certificates or permits have been granted or issued by the appropriate governmental entity agency to commence operation of said improvements in the CID Project.
2. Each item listed on *Schedule 1* attached hereto as a Reimbursable Project Cost and was incurred in connection with the construction of the CID Project.
3. These Reimbursable Project Costs have been paid by the Developer and are reimbursable under the Agreement and the CID Act.
4. No item listed on *Schedule 1* has previously been paid or reimbursed from money derived from the CID Sales Tax, and no part thereof has been included in any other certificate previously filed with the City.
5. There has not been filed with or served upon the Developer 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.
6. All necessary permits and approvals required for the work for which this certificate relates have been issued and are in full force and effect.
7. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.
8. If any cost item to be reimbursed under this Certificate is deemed not to constitute a Reimbursable Project Cost within the meaning of the Agreement and the CID Act, the

Developer shall have the right to substitute other eligible Reimbursable Project Costs for payment hereunder.

9. The Developer 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 Developer Event of Default under the Agreement.

10. All of the Developer's representations set forth in the Agreement remain true and correct as of the date hereof.

11. The parties acknowledge and agree that the Developer may submit more than one Certificate as appropriate stages of the CID Project are completed and the City shall consider and approve each Certificate provided it is otherwise in compliance with the Cooperative Agreement.

12. The parties hereto acknowledge and agree that Reimbursable Project Costs include the Operating Costs of the District and that the Developer shall be entitled to submit requests for said Operating Costs under and as a part of this Certificate.

Dated this _____ day of _____, 20____.

[DEVELOPER]

By: _____

Name: _____

Title: _____

Approved:

CITY OF SPRINGFIELD, MISSOURI,
agent for the _____ Community Improvement District

By: _____

Name: _____

Title: _____

Date: _____

**SCHEDULE 1 TO CERTIFICATE OF COMPLETION
AND REIMBURSABLE PROJECT COSTS**

Itemization of Reimbursable Project Costs



NEIGHBORHOOD IMPROVEMENT DISTRICT FORMATION TIMELINE

The following is the typical processing timeline for establishing a neighborhood improvement district (NID) by a petition of land owners. The length of time from beginning to end may vary from one district to another depending on the completeness of the petition, the size and complexity of the proposed improvements, and other factors.

Pre-Application Meeting

Discuss proposed Neighborhood Improvement District. Staff will provide a sample petition and review it with the applicant.

Day 1: Submit Draft Petition

Applicant submits two copies of the draft petition – one for the Planning and Development Department and one for the Law Department to review. Staff will review the petition and forward comments to the applicant within ten days.

Day 10: File petition with City Clerk

The applicant files a complete application with the City Clerk. The City Clerk will review the petition for compliance with the petition requirements contained Section 67.457 RSMo. This includes verifying that the owners of record for at least two-thirds of the area of all property located within the proposed district have duly signed the petition. *The statute does not specify a maximum time period for the City Clerk to verify the petition. However, the City Clerk can usually verify the petition within 10 to 20 days.*

Day 30: Certification by City Clerk

The petition is certified by the City Clerk; it is scheduled for a public hearing with the City Council

Day 51: City Council – First Resolution

By resolution, the City Council determines the advisability of the improvement(s) and may order the Neighborhood Improvement District be established and that preliminary plans and specifications for the improvement(s) be made. Such resolution shall state and make the following findings:

- a) The project name;
- b) The nature of improvement(s);
- c) The estimated cost of improvement(s);
- d) The boundaries of the neighborhood improvement district;
- e) The proposed method(s) of assessment of real property in the district (for both the improvement(s) and their maintenance costs), and;
- f) That the final project cost will not exceed the estimated project cost by more than 25%.

Day 65: City Council – Second Resolution

City Council orders assessments against each parcel deemed to benefit from the improvement, and it orders a proposed assessment roll to be prepared. It also directs the City Clerk to publish in the newspaper, as well as to mail to property owners within the district, a notice of public hearing to consider the proposed improvement(s) and assessments.

Day 79: Plans and specifications for improvements and proposed assessment roll filed with the City Clerk

Day 79: Notice of public hearing to consider the proposed improvements and assessments is published in the newspaper and mailed to property owners in the neighborhood improvement district not less than 10 but not more than 20 days prior to the public hearing.

Day 94: Public hearing on proposed improvement(s) and assessments.

Day 94: City Council – Third Resolution

City Council orders the proposed improvement(s) be made and that financing for the costs thereof be obtained as provided in the statute. Construction of the improvement(s) may now begin.

Following construction of the improvement(s)

City Council – Fourth Resolution

City Council computes the final costs of the improvement and apportions the costs among the property benefitted by the improvement(s) , and assesses the final cost of the improvement(s) or the amount of general obligation bonds issued (or to be issued) as special assessments.

Final Assessment Notice

The City Clerk mails final assessment notices to all affected property owners.



Petition to Establish a Neighborhood Improvement District

Section 67.457.3 Missouri Revised Statutes authorizes local governing bodies to establish Neighborhood Improvement Districts when a proper petition has been signed by the owners of record of at least two-thirds by area of all real property located within such proposed district. Each owner of record of real property within the proposed district is allowed one signature. Any person owning more than one parcel within the proposed District shall be allowed only one signature on such petition.

Petitions to establish a Neighborhood Improvement Districts shall be filed with the city clerk. Upon receipt, the city clerk will determine if it is a proper petition that meets the criteria outlined in the Statute. Proper petitions shall contain the following information:

- The project name for the proposed improvement;
- The general nature of the proposed improvement;
- The estimated cost of such improvement;
- The boundaries of the proposed neighborhood improvement district to be assessed;
- The proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year during the term of the bonds issued for the original improvement and after such bonds are paid in full;
- A notice that the names of the signers may not be withdrawn later than seven days after the petition is filed with the City Clerk, and;
- A notice that the final cost of such improvement assessed against real property within the district and the amount of general obligation bonds issued therefore shall not exceed the estimated cost of such improvement, as stated in such petition, by more than twenty-five percent, and that the annual assessment for maintenance costs of the improvements shall not exceed the estimated annual maintenance cost, as stated in such petition, by more than twenty-five percent.

A sample form petition to establish a Neighborhood Improvement District is attached. Project details, costs, and methods of assessment will vary between projects.

**Petition to Establish the
_____ Neighborhood Improvement District
of Springfield, Missouri**

WHEREAS, Missouri law provides a procedure to establish a Neighborhood Improvement District (herein after referred to as District) and

WHEREAS, the undersigned believe it is necessary to utilize said procedure in establishing such a District in the City of Springfield, Missouri (hereinafter referred to as City).

NOW, THEREFORE, the undersigned hereby respectfully petition the City of Springfield, Missouri to establish such a District under its ordinances and under Sections 67.453 - 67.475 Missouri Revised Statutes.

1. Name of District

The name of the District will be “_____ Neighborhood Improvement District of Springfield, Missouri.”

2. Project Name for the Proposed Improvement(s)

The name of the project for the proposed improvement will be “_____” (hereinafter referred to as Improvement).

3. Estimated Cost of Improvement(s)

The estimated cost of the improvement is as follows:

Itemize estimated costs (i.e. land acquisition, professional fees, construction, maintenance, etc.)

4. General Nature of Proposed Improvement(s)

The general nature of the proposed improvement(s) will be to _____.

5. District Location

The proposed Neighborhood Improvement District generally located _____ . A location map and legal description of the District boundaries is attached as *Exhibit A*.

6. Signatures May Not Be Withdrawn Later Than Seven Days After Submittal

Petitioners’ signatures may not be withdrawn later than seven (7) days after filing this Petition with the City Clerk. This notice is included on each signature page attached to this Petition.

7. Proposed method(s) of assessment of real property within the District

Describe method(s) of assessment of real property within the District

- 8. The final cost of the improvement(s) assessed against real property within the district and the amount of general obligation bonds issued therefore shall not exceed the estimated cost of such improvement, as stated in this petition, by more than twenty-five percent (25%).**
- 9. The annual assessment for maintenance costs of the improvement(s) shall not exceed the estimated annual maintenance cost, as stated in this petition, by more than twenty-five percent (25%).**

**Signature Page to Petition to Establish the
_____ Neighborhood Improvement District**

The undersigned requests that the City Council of the City of Springfield, Missouri establish the _____ Neighborhood Improvement District according to the preceding Petition.

Name of Owner:
Owner's Telephone Number:
Owner's Mailing Address:

Name, Title of Signer:
Basis of Signer's Legal Authority to Sign:
Signer's Telephone Number:
Signer's Mailing Address:

Owner's Type of Entity:

Owner's Property within District:

Street Address	Parcel Number
_____	_____
_____	_____
_____	_____

By executing this Petition, the undersigned represents and warrants that he or she is authorized to execute this Petition on behalf of the property owner named immediately above. Signatures may not be withdrawn later than seven days after this Petition is filed with the City Clerk.

By: _____
Signature Owner or Owner's Representative Date

STATE OF MISSOURI)
) ss.
COUNTY OF GREENE)

Before me personally appeared _____, to me personally known to be the individual described in and who executed the foregoing instrument.

WITNESS my hand and official seal this ___ day of _____, 20__.

Notary Public

My commission expires: _____



LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY (CHAPTER 99) PROCESSING TIMELINE

The following is the typical processing timeline for adopting redevelopment and urban renewal plans and obtaining partial real property tax abatement pursuant to the Land Clearance for Redevelopment Authority Law (Sections 99.300 to 99.660 RSMo). Processing times may vary, depending on the complexity of a project, timing, and other factors.

Procedure for blighting property and adopting an urban renewal/redevelopment plan

Pre-Application Meeting: The applicant will meet with Staff to discuss the proposed redevelopment area. Staff will provide an application and review it, in detail, with the applicant.

Day 1: Submit Application

The applicant shall prepare and submit copies of the blight study and redevelopment plan to Staff, along with the application fee.

Day 21: Land Clearance for Redevelopment Authority (LCRA) Meeting

The LCRA will review the blight study and redevelopment plan and make a recommendation to City Council. *The LCRA meets on the first Tuesday of each month.*

Days 30: Planning and Zoning Commission Meeting

The Planning and Zoning Commission will review the redevelopment plan for conformance with the adopted Comprehensive Plan and submit its recommendation to the City Council. *The Planning and Zoning Commission typically meets on the first Thursday of each month.*

Days Notice of Public Hearing

31 & 38: A public hearing before City Council will be scheduled. A notice of the hearing will be published in a newspaper of general circulation once a week for two consecutive weeks, the last publication being at least 10 days prior to the public hearing.

Day 48: City Council Meeting (1st reading, public hearing)

City Council will hold a public hearing to consider an ordinance declaring the redevelopment area as blighted and approving the redevelopment plan. *City Council meets regularly every other Monday.*

Day 62: City Council Meeting (2nd reading, action)

City Council may adopt an ordinance declaring the redevelopment area as blighted and approving the redevelopment plan. If adopted, applications for Certificates of Qualification for Tax Abatement may be submitted to the LCRA.

Procedure for obtaining a Certificate of Qualification for Tax Abatement

(Applicable to projects located in blighted areas with an approved redevelopment plan.)

Day 1: Submit application for certificate of tax abatement

Applicant shall submit an application for property tax abatement to Staff, which will be forwarded to the LCRA for review.

Day 21: Land Clearance for Redevelopment Authority Meeting

The LCRA shall review the application and issue a certificate of qualification for tax abatement if the project is located within a blighted area and the applicant is engaged in new construction or rehabilitation in accordance with an approved redevelopment plan.

Day 22: Forward Certificate of Qualification for Tax Abatement to the County Assessor

Staff will forward a copy of the Certificate of Qualification for Tax Abatement to the Greene County Assessor. Real property tax abatement will be applied to the project in accordance with the Statute.



<i>For Office Use Only</i>	
Date Received	_____
Application Complete	_____
LCRA Review Date	_____
Approved	_____

**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY
CHAPTER 99.700
APPLICATION FOR PROPERTY TAX ABATEMENT**

Property Address: _____

Redevelopment Plan Area: _____

Developer Name: _____

Contact Person: _____

Mailing Address: _____

Telephone: _____

Fax: _____

E-Mail: _____

Does Applicant Own or Lease the Property? _____

Signature: _____

Typed Name: _____

Date: _____

Required Attachments:

- Legal Description of project property
- \$250 application fee
- Ten (10) copies of the following:
 - Narrative identifying the scope of the proposed project
 - Site plan and floor plans
 - Concept plan and/or renderings, if available
 - Narrative describing relationship of project to the adopted redevelopment or urban renewal plan for the area.
- If property is located in the *Downtown Redevelopment Plan Area*, please note additional requirements on page 2 of this application

Additional Requirements for Projects Located in the *Downtown Redevelopment Plan*

Pursuant to the *Downtown Redevelopment Plan*, applications for property tax abatement in that *Plan Area* will be reviewed on the following items:

1. What effect the requested abatement has on the project's financial feasibility.
2. If the proposed project is in accordance with the stated strategies and policies of the Downtown Strategy Plan.
3. The financial and market feasibility of the project.

The *Downtown Redevelopment Plan* requires that the following material be submitted to support applications for property tax abatement.

- I. Developer
 - a. Identification of developer including all owners, partners and officers
 - b. Summary of developer's experience and qualifications
 - c. Proof of developer's financial capability (financial statements, profit/loss statements, etc.).
- II. Development Plan
 - a. Legal description of area
 - b. Description of project development
 - c. Project stages and timing
 - d. Documentation of construction costs
 - e. Source, nature and terms of all required project financing
 - f. Plans and Specifications
- III. Documentation of abatement requested

Two project pro formas each with ten year projections reflecting the effects of no tax abatement and the requested level of abatement, to include the following as minimal justification:

- a. All project gross income (rental estimates should be supported by local market data)
- b. Occupancy analysis to determine appropriate vacancy rate
- c. Estimate of effective gross income
- d. Itemized operating expense analysis
- e. Projected net income
- f. Debt service impact, cash flow and investor rate of return analyses (IRR and Cash-on-Cash Returns, etc.)



INDUSTRIAL DEVELOPMENT BOND PROCESS (CHAPTER 100 RSMo)

Below is the typical process for approving industrial development projects and issuing industrial development bonds, pursuant to Chapter 100 RSMo. Processing times may vary, depending on the project's complexity, timing, and other factors.

Pre-Qualification Meeting

Upon submittal of a pre-application, staff will meet with the developer to discuss, in detail, the proposed industrial development project and determine if it meets the City's policy criteria. If the project warrants the use of Chapter 100, Staff will present an overview of the approval process and provide application materials, which include templates for the industrial development plan, Chapter 100 performance agreement, and annual compliance reports.

Day 1: Submit Chapter 100 Application

The developer prepares and submits the application and all supporting materials to the Springfield Department of Planning and Development.

Days 1-30: Review Application/Negotiate Performance Agreement

Staff will review the application and hold meetings with the developer, as needed, to clarify details and refine the proposed industrial development plan. The terms of the performance agreement will be negotiated concurrent with the review.

Days 30-45: City Council Meeting – Resolution of Intent

City Council will consider a resolution approving the proposed industrial development plan and determining the official intent of the City to issue industrial development bonds to finance the proposed industrial development project. This is a one-reading bill, which may be considered and approved at the same meeting.

Days 45-60: Preparation of Bond Documents

The City's legal counsel will prepare bond documents for Chapter 100 issuance.

Day 50: Schedule Public Hearing/Publish Notice of Public Hearing

The City Clerk will schedule a City Council public hearing. A notice of public hearing will be published at least 14 days prior to the scheduled public hearing.

Day 64: City Council Meeting –Ordinances approving bond issuance and performance agreement (1st Reading, public hearing)

City Council will hold a public hearing to consider an ordinance authorizing the issuance of industrial development bonds and approving the performance agreement.

Day 78: City Council Meeting – Ordinances approving bond issuance and performance agreement (2nd Reading, final passage)

City Council may adopt an ordinance authorizing issuance of industrial development bonds and approving the performance agreement.



INDUSTRIAL DEVELOPMENT BONDS
"CHAPTER 100"
PRE-APPLICATION

Property Location: _____

Developer Name: _____

Mailing Address: _____

Telephone: _____

Fax: _____

E-Mail: _____

Attorney for Applicant: _____

Signature: _____

Typed Name: _____

Date: _____

Required Attachments:

- Narrative identifying the scope of the proposed private development, including executed leases and/or letters of intent from tenants, projected cost of private improvements, and construction schedule
- Concept plan, site plan, and/or renderings of proposed project
- Statement of desired program benefit (real property tax exemption, personal property tax exemption, sales tax exemption)

Note: Industrial Development Bond projects will be subject to a fee of \$1,000 per \$1 million project cost.



CHAPTER 353 TAX ABATEMENT TIMELINE

The following is the typical processing timeline for obtaining tax abatement pursuant to Chapter 353, RSMo. The length of time from may vary, depending on the project's complexity, completeness of the application, timing of the submittal, and other factors.

Pre-Application Meeting

The applicant will meet with Staff to discuss the proposed redevelopment project. Staff will provide an application and review it, in detail, with the applicant.

Day 1: Submit Application

The applicant shall submit 5 copies of the application (4 bound, 1 unbound) along with the \$1,000 application fee. The application fee is intended to cover the reasonable costs associated with reviewing and processing the application. Administrative costs exceeding \$1,000 shall be paid by the applicant. Staff will review the application and determine if it meets the application requirements set forth in Chapter 353 RSMo. and Chapter 36 Springfield City Code.

Days 21-36: Land Clearance for Redevelopment Authority

The Land Clearance for Redevelopment Authority (LCRA) shall review the Blight Report contained in the application and determine if the property located within the proposed redevelopment area meets the definition of a "blighted area" as set forth in Section 353 RSMo. The LCRA shall forward its recommendation for blighting the property to City Council. *The LCRA typically meets on the first Tuesday of each month.*

Planning and Zoning Commission Meeting (Public Hearing)

The Planning and Zoning Commission shall review the development plan for conformance with the Comprehensive Plan. The Commission will hold a public hearing and forward its recommendation to City Council. *The Planning and Zoning Commission typically meets on the first Thursday of every month.*

Days 36-46: Written Notice of Public Hearing

A written notice of a Public Hearing before the City Council shall be sent to all affected property owners and taxing jurisdictions via US Mail at least 10 days prior to the scheduled public hearing.

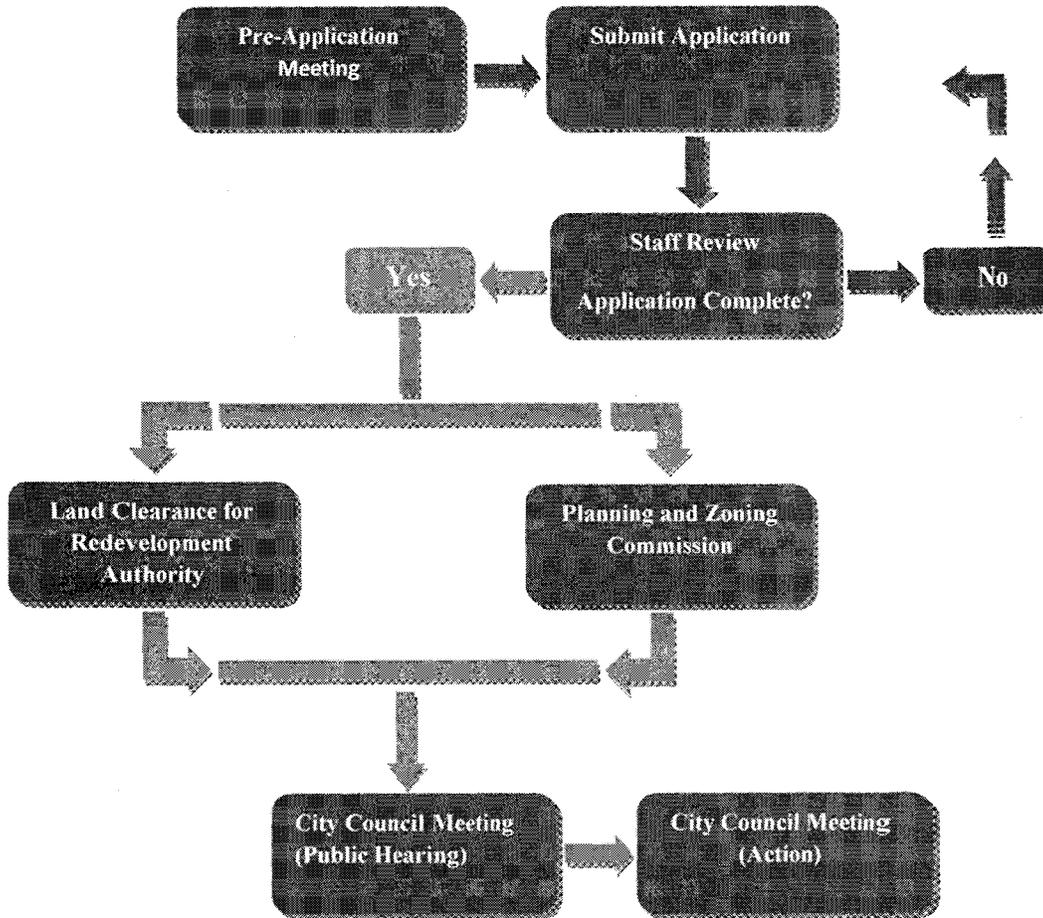
Day 56: City Council Meeting (Public Hearing)

The City Council shall hold a public hearing to consider blighting the property, approving the development plan, and extending real property tax abatement to the Redevelopment Corporation. *City Council typically meets every other Monday.*

Day 71: City Council Meeting (Action)

City Council may adopt an ordinance to blight the property located within the redevelopment area, approve the redevelopment plan and authorize the City Manager to execute a redevelopment agreement between the City and the Redevelopment Corporation, thus allowing real property taxes to be abated pursuant to Chapter 353 RSMo.

CHAPTER 353 TAX ABATEMENT REVIEW PROCESS





For Office Use Only

Date Received	_____
Application Certified Complete?	_____
Planning	_____ Law _____
Fee paid	_____ Amount _____
LCRA Review Date	_____
Council Review Date	_____
Notice to Taxing Entities	_____
Approved	_____

APPLICATION FOR APPROVAL OF REDEVELOPMENT PLAN
PURSUANT TO CHAPTER 353 RSMo. AND CHAPTER 36 SPRINGFIELD
CITY CODE
"CHAPTER 353"

All applications must be filed by an urban redevelopment corporation organized pursuant to Chapter 353, RSMo. Applications must be certified as complete by the City Planning and Development and Law Departments prior to being processed.

Property Address: _____

Name of Urban Redevelopment Corporation: _____

Registered Agent: _____

Attorney for Applicant: _____

Applicant Name/Title: _____

Mailing Address: _____

Telephone: _____ Fax: _____

Email: _____

Signature: _____ Date: _____

Required Attachments:

- \$1,000 application fee
- Five (5) bound and one (1) unbound copies of the items on the attached checklist

Checklist

Chapter 353 RSMo.

Chapter 36 Springfield City Code

Please provide five (5) bound and one (1) unbound copies of the following information:

1. Urban Redevelopment Corporation / Developer

- a. Identification of the urban redevelopment corporation and developer including all owners, partners and officers of both entities
- b. Summary of urban redevelopment corporation and/or developer's experience and qualifications
- c. Copy of articles of incorporation of urban redevelopment corporation
- d. Certificate of good standing for urban redevelopment corporation from Missouri Secretary of State

2. Blight Report and Development Plan

- a. Legal description of area
- b. Current condition of property related to blighting, including photographs
- c. Description of proposed project
- d. Project stages and timing
- e. Estimated construction costs
- f. Site plan and floor plans
- g. Concept plan and/or renderings, if available
- h. Narrative describing relationship of project to the City's Comprehensive Plan
- i. Impact project will have to alleviate blight identified in the report and schedule for blight elimination

3. Proof of Need for Abatement

Two project *pro formas*, each with twenty-five year projections reflecting the effect of no abatement and the effect of approval of the development plan with the requested tax abatement, including the following as minimal justification:

- a. All project gross income (rental estimates should be supported by local market data)
- b. Occupancy analysis to determine appropriate vacancy rate
- c. Estimate of effective gross income
- d. Itemized operating expense analysis
- e. Projected net income
- f. Debt service impact, cash flow and investor rate of return analyses (IRR and Cash-on-Cash Returns, etc.)
- g. Appraised value of the project area without improvements, with improvements prior to redevelopment, and with improvements following redevelopment (include methodology used)

4. Tax Impact Analysis

Tables comparing the impacts on real property tax revenues for all affected taxing jurisdictions under the following scenarios:

- a. The redevelopment project is not completed and real property taxes are not abated;
- b. The redevelopment project is completed and real property taxes are not abated, and;
- c. The redevelopment project is completed, real property taxes are abated, and the developer makes annual payments in lieu of taxes (PILOTs) based on the assessed value of the improvements prior to redevelopment.
 - i. The analysis shall compare real property tax abatement based on 50% and 100% of the assessed value of the improvements.
 - ii. PILOTs shall be based on the assessed value of the improvements for the calendar year preceding the year in which the redevelopment corporation will acquire the property.

5. Copy of Report from City of Springfield Redevelopment Review Team Visit, if available

353 REDEVELOPMENT AGREEMENT

BETWEEN

_____ **REDEVELOPMENT CORPORATION**

AND

CITY OF SPRINGFIELD, MISSOURI

FOR THE _____ REDEVELOPMENT AREA

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EXHIBITS

EXHIBIT A – Legal Description of Redevelopment Area

EXHIBIT B - Building Renovation Plan

353 REDEVELOPMENT AGREEMENT

THIS 353 REDEVELOPMENT AGREEMENT (this "*Agreement*"), is being entered into this _____ day of _____, _____, by and between the CITY OF SPRINGFIELD, MISSOURI, a municipal corporation (the "*City*"), and _____ REDEVELOPMENT CORPORATION ("*Developer*"), a corporation duly organized and existing pursuant to R.S.Mo. §§ 353.010 *et seq.* ("*The Urban Redevelopment Corporations Law*"), with a mailing address of _____.

WITNESSETH:

WHEREAS, on _____, _____, _____, Developer filed with the City Clerk of Springfield, Missouri a redevelopment plan (the "*Development Plan*") providing for the rehabilitation of _____ located at _____ in Springfield, Greene County, Missouri (the "*Redevelopment Project*") on the land described in the Development Plan (the "*Redevelopment Area*"), together with an application for approval of the Development Plan (the "*Application*"); and

WHEREAS, on _____, _____, _____, the City Council of Springfield, Missouri passed Ordinance No. _____ (the "*Ordinance*"), which approved the Application and Development Plan and authorized and directed the City Manager to enter into an agreement with Developer for the implementation of the Development Plan.

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

1. Items Incorporated in this Agreement. The provisions of the Ordinance, the provisions of the Development Plan, a copy of which is on file at the office of the City Clerk, and the provisions of Chapter 353, R.S.Mo., as amended as of and including the date of this Agreement, are hereby incorporated herein by reference and made a part of this Agreement.

2. Legal Descriptions. The Redevelopment Area is legally described in Exhibit A attached hereto and incorporated herein by reference.

3. Development Improvements. In accordance with the terms and conditions of the Development Plan and this Agreement, Developer shall rehabilitate, construct or cause to be constructed within the Redevelopment Area, those certain improvements pursuant to the Building Renovation Plan attached hereto and incorporated herein as Exhibit B. The Redevelopment Area is generally located _____
_____. The Development Plan consists of redeveloping _____
_____ (the "*Redevelopment Project*").

4. Time Schedule. Blight removal and construction of the Redevelopment Project shall commence and be completed no later than the dates set below:

(i) Property Acquisition: _____, owns the real property and improvements located in the Redevelopment Area. Developer will acquire from _____ such property and improvements on or before _____, _____.

(ii) Blight Removal and Building Renovations: Blight will be removed and the building will be renovated in accordance with the approved Development Plan. All blight removal and building renovations shall be complete for the Redevelopment Area on or before _____, _____, subject to Section 16, below.

Subject to the provisions of Section 16 of this Agreement, Excusable Delays, if Developer fails to adhere to and satisfy the above schedule for blight removal and construction, and if such failure continues for a period of two (2) years, then Developer's rights hereunder shall terminate without further action by the City.

5. Demolition of Buildings. _____.

6. Relocation Plan. There are no residents or businesses within the Redevelopment Area that are being relocated, so no relocation benefits are being provided.

7. Control of Project. Developer shall have complete and exclusive control over the renovation of the Redevelopment Project which it owns or controls insofar as the City is concerned, subject, however, to all applicable laws, rules and regulations, including, but not limited to, all ordinances, rules and regulations of the City, such as zoning ordinances, building codes, and property maintenance codes. Developer hereby grants to the City, its agents, and employees the right to enter upon all improvements under the control of Developer and located in the Redevelopment Area, for the purpose of inspecting the Redevelopment Project during regular business hours. Developer shall have complete and exclusive control over the construction, management, disposition and leasing of property which it owns within the Redevelopment Area. Developer's control over leasing includes, without limitation, the determination of rent rates and the selection or rejection of potential tenants. Notwithstanding the foregoing, the overall design of the Redevelopment Project including but not limited to architectural style, theme, building placement, building materials, site amenities and landscaping shall be subject to the reasonable approval of the Department of Building Development Services and the Department of Planning and Development, which shall not be unreasonably withheld, as evidenced in writing by a letter signed by the City Manager.

8. Tax Abatement.

a. First Ten Years - Land Only; Payments in Lieu of Taxes. The real property in the Redevelopment Area shall not be subject to assessment or payment of general ad valorem taxes imposed by the City, the State of Missouri, or any political subdivision thereof, for a period of ten (10) years after the date that Developer becomes the owner of such real property (the "**Ten Year Term**") except to such extent and in such amount as may be imposed upon such real property during such period measured solely by the amount of the assessed valuation of the land, exclusive of improvements, as was determined by the Assessor of Greene County, Missouri, for taxes due and payable thereon during the calendar year prior to the Redevelopment Corporation acquiring the real property and improvements located within the Redevelopment Area. The

amounts of such tax assessments shall not be increased during said Ten Year Term so long as the real property is used in accordance with the Development Plan. If any portion of such real property was tax exempt, or if the Assessor of Greene County has not previously assessed such real property immediately prior to its acquisition by Developer, then the Assessor of Greene County, Missouri, upon acquisition of such property by the Developer and upon request of the City, shall promptly assess such real property, exclusive of improvements, in accordance with the provisions of R.S.Mo. § 353.110.2, as now existing. The amount of such assessed valuation so fixed by the County Assessor or in the manner as provided by law shall not be increased during the Ten Year Term, so long as said real property is used in accordance with the Development Plan. Developer shall notify, in writing, the City of any tax exempt real property which it acquires in connection with the Redevelopment Project.

Developer shall make payments in an amount equal to the real property taxes based on one hundred percent (100%) of the assessed value of the improvements for the calendar year prior to the Redevelopment Corporation acquiring the property as a payment in lieu of taxes (“*PILOT Payments*”) for the real property in the Redevelopment Area during the Ten Year Term. Such PILOT Payments shall be made to the Greene County Collector of Revenue (the “*Collector*”) by December 31st of each calendar year. Pursuant to Section 353.110.4 of the Missouri Revised Statutes, the Collector shall allocate all revenues received from such PILOT Payments among all taxing authorities whose property tax revenues are affected by the abatement on the same pro rata basis and in the same manner as the ad valorem property tax revenues received by each taxing authority from such real property in the Redevelopment Area in the year such payments are due.

b. Subsequent Fifteen Years. After the ten (10) year period above-described, and for the next ensuing period of fifteen (15) years, ad valorem taxes upon the real property in the Redevelopment Area shall be measured by the assessed valuation thereof as determined by the Assessor of Greene County, Missouri, upon the basis of not to exceed fifty percent (50%) of the true value of such real property, including any improvements thereon. Such valuation shall not be increased above fifty percent (50%) of the true value of such real property from year to year during said period of fifteen (15) years, so long as the real property in the Redevelopment Area is used in accordance with the Development Plan.

c. Full Assessment-Election to Opt Out After Completion. After the twenty-five (25) year period provided in Sections 8(a) and 8(b) above, the real property in the Redevelopment Area shall be subject to assessments by the Greene County Assessor 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 Greene County Assessor. Furthermore, after the twenty-five (25) year period provided in Sections 8(a) and 8(b) above, the real property in said Redevelopment Area shall be owned and operated by Developer free from the conditions, restrictions, and provisions of The Urban Redevelopment Corporations Law, any rules or regulations adopted pursuant thereto, the Ordinance, the Development Plan, and this Agreement.

Pursuant to section 353.110.2 of the Missouri Revised Statutes, if at any time after the completion of the Redevelopment Project and prior to the expiration of the twenty-five (25) year

period addressed in Sections 8(a) and 8(b) above, the Developer elects to pay the sum equivalent to the amount of the general ad valorem taxes, not including interest and penalties, which would have been levied on the full value of such property from the date of the completion of the Redevelopment Project, then from the date of this election such real property shall be owned and operated by Developer free from the conditions, restrictions, and provisions of The Urban Redevelopment Corporations Law, any rules or regulations adopted pursuant thereto, the Ordinance, the Development Plan, and this Agreement.

d. Abatement Contingent on Compliance With Development Plan - Special Assessments. The tax relief provided in this Section 8 for any real property within the Redevelopment Area shall be contingent upon the real property's compliance with the Development Plan and this Agreement, and shall apply to general ad valorem taxes only and shall not be deemed or construed to exempt Developer or its successors in interest, in whole or in part, from special assessments, or from fees, service charges, or other taxes which may be made by the City or other governmental unit.

9. Effect of Sale on Tax Relief. Any portion of the real property in the Redevelopment Area which is sold or otherwise disposed of shall be entitled to the partial tax relief provided under Section 8 of this Agreement, provided that it shall be developed and held in accordance with the provisions of the Development Plan applicable thereto, including, but not limited to, the restrictions on earnings set forth in subsection (a) of Section 10 of this Agreement.

10. Earnings Limitation.

a. Net Earnings not to Exceed Eight Percent. The net earnings of Developer from the Redevelopment Project, during the period of the partial tax relief provided for in Section 8 of this Agreement, shall be limited to an amount not to exceed eight percent (8%) per annum of the cost to Developer of the Redevelopment Project, including the cost of the land or the balance of such total cost of the Redevelopment Project as reduced by amortization payments, provided that the net earnings derived from the Redevelopment Project shall in no event exceed a sum equal to eight percent (8%) per annum upon the entire cost thereof. Such net earnings shall be computed after deducting from gross earnings the following:

- i. all reasonable costs and expenses of maintenance and operation;
- ii. amounts paid for taxes, assessments, insurance premiums and other similar charges; and
- iii. an annual amount sufficient to amortize the cost of the entire Redevelopment Project at the end of the period, which shall be no more than sixty (60) years from the date of completion of the Redevelopment Project.

b. Cost of Redevelopment Project. The "*cost of the Redevelopment Project*," as said term is used in this Agreement, means those costs attributable to planning, developing, constructing, and equipping the improvements in the Redevelopment Project, including, without

limitation, planning costs, costs of feasibility work, construction costs, architect and engineering fees, contractor fees and overhead, interest, insurance and taxes during construction, developer fees, off-site and on-site land improvements, surveys, soil testing, costs necessary to make the real property in the Redevelopment Area environmentally safe, land and land acquisition costs, demolition costs and expenses, utility relocation costs and street improvements, site preparation, and all other land costs, attorneys' fees, and loan costs and expenses.

c. Allowable Uses of Surplus Earnings - Accounting to City Therefor. Surplus earnings of Developer derived from the Redevelopment Project, in excess of those provided for in subsection (a) of this Section 10, at the option of Developer may be used as follows:

- i. held by Developer as a reserve for maintenance of such rate of return in the future and may be used by Developer to offset any deficiency in such rate of return which may have occurred in prior years;
- ii. to accelerate the amortization payments;
- iii. for enlargement of the Redevelopment Project; or
- iv. for a reduction in rentals therein.

At the termination of the twenty-five (25) year partial tax relief provided for in Section 8 of this Agreement, Developer shall make a strict accounting of surplus earnings not previously used for one or more of the purposes herein set forth. If requested by the City, in writing, after review of the accounting made by Developer, Developer shall, at its own expense, have an audit made of its books by a firm of independent certified public accountants acceptable to the City, and the findings of such audit shall be made available to the City Manager. If it is determined by such audit that there are surplus earnings not previously used for one or more of the purposes set forth in this Agreement, then such earnings shall be paid to the City.

d. Certain Purchasers Subject to Earnings Limitations. If all or any portion of the real property located in the Redevelopment Area during the period of tax relief provided in Section 8 of this Agreement is purchased by an urban redevelopment corporation or a life insurance company operating as an urban redevelopment corporation the earnings derived from the Redevelopment Project shall be limited in the manner and to the extent set forth in subsection (a) of this Section 10.

11. Indebtedness Limitation. As per R.S.Mo. § 353.030(10), 2000, Developer shall not issue income debentures paying an interest rate in excess of nine percent (9%), provided however, that this limitation shall not apply to other debt of Developer as per the provisions of R.S.Mo. § 353.030(10), 2000. Developer shall not pay any interest on its income debentures, or dividends on its stock, regardless of class or preference, during any dividend year, unless there shall exist at the time of such payment no default under any amortization requirements with respect to its indebtedness, nor unless all accrued interest, taxes, and other public charges shall have been duly paid or reserves set up for the payment thereof, and adequate reserves provided for depreciation, obsolescence, and other proper reserves.

12. Accounting Practices. Developer shall establish and maintain depreciation, obsolescence and other reserves and surplus and other accounts, including a reserve for the payment of taxes, according to recognized standard accounting practices.

13. Sale or Disposition of Project Property.

a. Continuation of Abatement. In the event of the sale or other disposition of any or all of the real property of Developer in the Redevelopment Area by reason of the foreclosure of any mortgage or other lien, through insolvency or bankruptcy proceedings, by order of any court of competent jurisdiction, or by voluntary transfer or otherwise, the partial tax relief provided in Section 8 of this Agreement and under the provisions of The Urban Redevelopment Corporations Law shall inure, with respect to the real property so sold or otherwise disposed of, to any purchaser or transferee of such real property so long as such purchaser or transferee shall continue to use, operate, and maintain such real property in accordance with the provisions of the Development Plan and this Agreement, including compliance with all provisions of this Agreement which includes the earnings limitations contained in Section 10 of this Agreement. However, if such real property shall be used for a purpose different than that described in the Development Plan and this Agreement, or if the purchaser does not desire the property to continue under the Development Plan, the real property shall be assessed for ad valorem taxes based upon the full true value of such real property and may be owned and operated free from any of the conditions, restrictions, or provisions of The Urban Redevelopment Corporations Law, any rules or regulations adopted pursuant thereto, the Ordinance, the Development Plan, and this Agreement.

b. Obligation to Clear Blight - Covenant Running with Land. Developer, with respect to each property acquired by it, shall be required to clear the blight or to rehabilitate to eliminate the physical blight existing in the Redevelopment Area, or to make adequate provisions satisfactory to the City for the clearance of such blight. This obligation shall be a covenant running with the land and shall not be affected by any such sale or disposition. Any purchaser of property in the blighted area by deed from Developer or any of Developer's successors in title, who wishes to receive the development rights and partial tax abatement granted by this Agreement, shall acquire title subject to this obligation insofar as it pertains to the land so acquired.

14. Assignment of Development Plan. This Agreement shall be binding upon and shall inure to the benefit of Developer and its successors and assigns, and the term "*Developer*" as used herein shall be deemed to include such successors and assigns (including any subsequent purchasers or transferees of any portion or all of the real property located within the Redevelopment Area); provided, however, that no assignment of the Development Plan shall be effective nor discharge Developer of its obligations hereunder unless and until it has been approved by the City Council ("*Council*") by ordinance which approval shall not be unreasonably withheld. Council approval is not required for the sale of all or any portion of the real property located in the Redevelopment Area. Developer shall notify the City Manager in writing of any assignment of any or all of the Development Plan at least ten (10) days after said assignment. Said notice shall specify the name and address of the Assignee. The Assignee,

within six (6) months after the date of assignment, shall notify the City Manager in writing of the Assignee's election to continue under the Development Plan. No such assignment shall release Developer of its rights and obligations hereunder without approval of the Council.

15. Breach - Failure to Comply. If Developer does not substantially comply with the provisions of this Agreement, including the provisions of the Development Plan not inconsistent with this Agreement, within the time limits and in the manner for the completion of the Redevelopment Project as stated herein, except for reasonable delays caused by unforeseen circumstances beyond its control, or shall do, permit to be done, or fail or omit to do anything contrary to or required of it by this Agreement, The Urban Redevelopment Corporations Law, or shall be about to so do, permit to be done, or fail or omit to have done, then upon certification of such fact to the Council by City Staff, the City may authorize the City Attorney to commence a proceeding in the Circuit Court in the name of the City to have such action, failure, omission, or threatened action or omission stopped, prevented, or rectified by injunction or otherwise, or in the name of the City may bring an action for damages against Developer for breach of any of the provisions of the Development Plan or of this Agreement.

16. Excusable Delays. Notwithstanding any provisions of this Agreement or the Development Plan to the contrary, performance by Developer shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, litigation, tornadoes, unusually severe weather, inability to obtain or secure necessary labor, materials, or tools, delays of any contractor, subcontractor, materialman or supplier, acts or failure to act of the City or of any other governmental agency or entity, or any other causes beyond the control or without the fault of Developer. With the approval of the City, the time of performance hereunder shall be extended for the period of any delay or delays caused or resulting from any of the foregoing causes. All extensions hereunder shall be effective only if approved by the Council by ordinance, which approval shall not be arbitrarily or unreasonably withheld, it being understood that Developer is entitled to such extensions upon presentation of documentation of the periods of such delays. Developer shall not excessively delay filing an application for extension of time, but Developer shall not be prejudiced by failing inadvertently to make timely application therefor.

17. Default. In the event Developer materially defaults in the performance of any of its obligations pursuant to the terms of the Development Plan or this Agreement, the City may, after giving Developer thirty (30) days written notice and an opportunity to cure such material default, terminate this Agreement, including the Development Plan, and all rights granted pursuant thereto. Said termination shall be subject to the rights, if any, to continuing partial tax abatement as provided in Section 8 of this Agreement.

18. Notice. Any notice required by this Agreement is deemed to be given if it is mailed by United States certified mail, postage prepaid, and addressed as hereinafter specified:

To the City:

With a copy to:

_____, City Attorney

840 Boonville Avenue
Springfield, MO 65802

840 Boonville Avenue
Springfield, MO 65802

To the Developer:

With a copy to:

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

19. Modification - Interpretation. The terms, conditions, and provisions of **this** Agreement and of the Development Plan can neither be modified nor eliminated except **by** mutual agreement between the City and Developer and approved by an ordinance or ordinances duly adopted by the Council; *provided, however*, that this Agreement shall not be construed as an enlargement of the authority conferred upon the City by The Urban Redevelopment Corporations Law.

20. Effective Date. This Agreement becomes effective on the effective date of **the** Ordinance or the date of the actual execution hereof by the City and Developer, whichever **last** occurs, and shall remain in full force and effect so long as Developer shall either be entitled to enjoy partial tax relief pursuant to the provisions of Section 8 of this Agreement or shall have any right under the provisions of the Development Plan to commence construction of **any** buildings or improvements in said Redevelopment Project pursuant to Sections 3 and 4 hereof, and at the end of such period so determined, this Agreement shall terminate and become null and void.

21. Applicability. This Agreement applies only to the Redevelopment Project referred to herein.

22. Recording. This Agreement shall be recorded by Developer in the Recorder's Office of Greene County, Missouri.

23. Continuing Obligation to Maintain Redevelopment Area and Redevelopment Project. Developer agrees to maintain the Redevelopment Area and Redevelopment Project **in** a condition of good repair which includes compliance with all City Codes of Springfield, Missouri. In the event Developer assigns its rights under the Development Plan and this Agreement to an unrelated party and said assignment is approved by Ordinance pursuant to Section 14 of this Agreement, then, in such an event, Developer's obligations under this Section 23 shall be released.

24. Interpretation. In the event of any conflict between the terms of the Development Plan and this Agreement, the terms of this Agreement shall prevail.

25. Headings. The headings or captions of this Agreement are for convenience and reference only, and in no way define, limit, or describe the scope or intent of the Agreement or any provision hereof.

26. Severability. The provisions of this Agreement shall be deemed severable. In the event that any provision of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions of this Agreement shall remain valid unless the court finds that the valid provisions are so essentially and inseparably connected with and so dependent upon the invalid provisions that it cannot be presumed that the parties hereto would have agreed to the valid provisions of this Agreement; or unless the court finds the valid provisions, standing alone, are incomplete and incapable of being executed in accordance with the contracting parties' intent.

27. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

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

CITY OF SPRINGFIELD, MISSOURI

By: _____
CITY MANAGER

ATTEST:

City Clerk

Approved as to form and legality:

City Attorney

_____ **REDEVELOPMENT CORPORATION**

By: _____
Print Name: _____
Its: _____

ATTEST:

Secretary

STATE OF MISSOURI)
) ss.
COUNTY OF GREENE)

BE IT REMEMBERED, that on this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came _____, the _____ of the City of Springfield, Missouri, a municipal corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Missouri, and _____, _____ of the City of Springfield, Missouri, who are personally known to me to be the same persons who executed, as such officials, the within instrument on behalf of said municipal corporation, and such persons duly acknowledged the execution of the same to be the act and deed of said municipal corporation.

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

Notary Public

My Commission Expires:

STATE OF MISSOURI)
) ss.
COUNTY OF GREENE)

BE IT REMEMBERED, that on this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came _____, _____ of the _____ Redevelopment Corporation, a corporation duly organized, incorporated and existing under and by virtue of The Urban Redevelopment Corporations Law of Missouri, who is personally known to me to be the same person who executed, as such officers, the within instrument on behalf of said corporation, and such person duly acknowledged the execution of the same to be the act and deed of said corporation.

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

Notary Public

My Commission Expires:

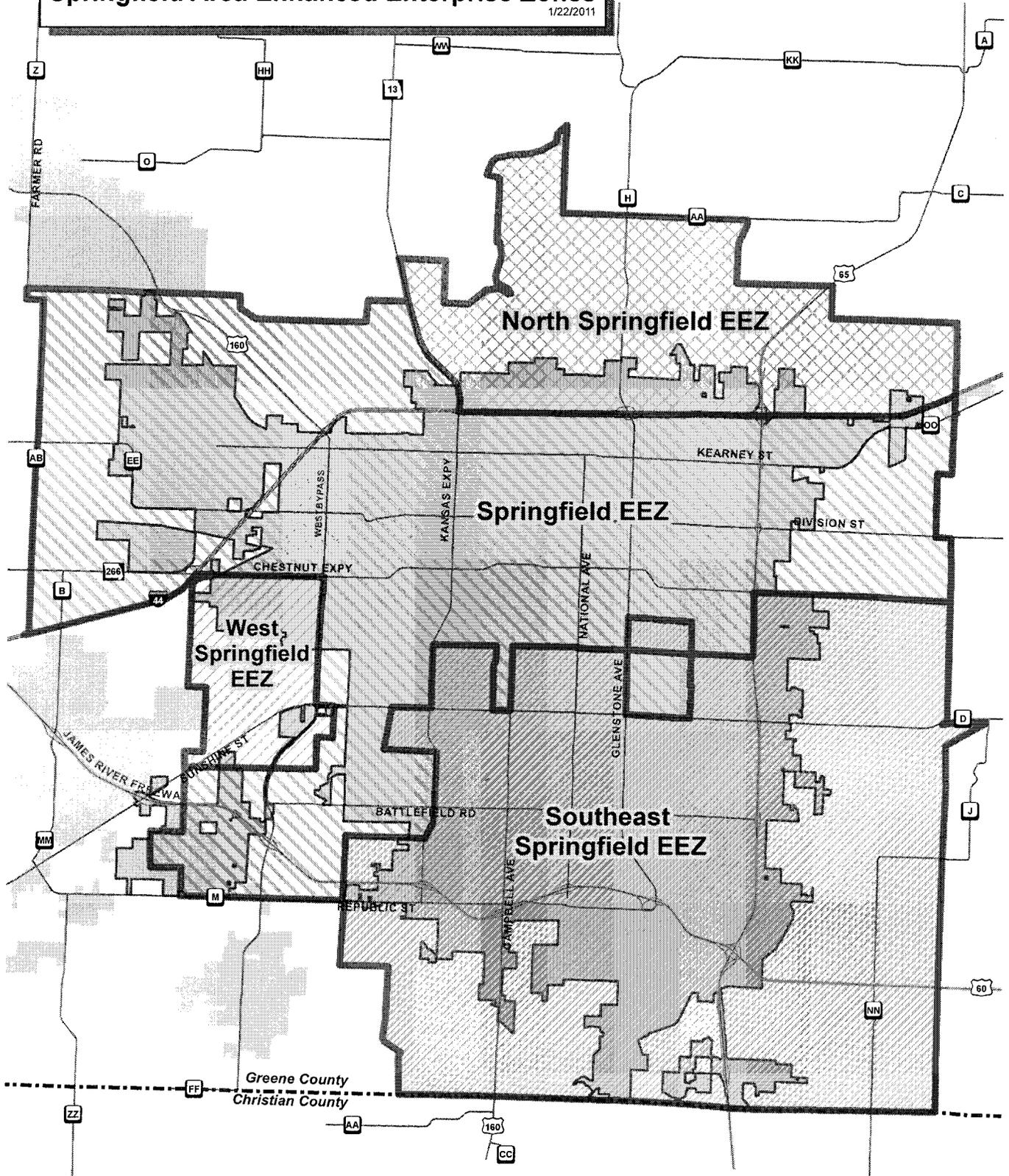
EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT AREA

EXHIBIT B
BUILDING RENOVATION PLAN

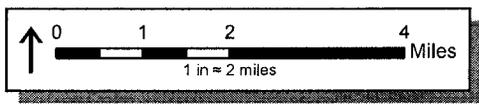
Springfield Area Enhanced Enterprise Zones

1/22/2011



Legend

- City of Springfield
- Neighboring Municipalities



For Office Use Only

Date received:	_____
Name of EEZ:	_____
Approved:	_____

Application for Local Enhanced Enterprise Zone Incentives

Property Address:	_____
Owner of Record:	_____

Business Name:	_____
Contact Person:	_____
Address:	_____
Phone:	() _____
Fax:	() _____
Email:	_____

Please describe new business/proposed expansion:	_____	NAICS Code:	_____
	_____		_____
	_____		_____

Signature:	_____	Date:	_____
Printed Name:	_____		

Please select one of the following:

- New business** that is locating within a Springfield area Enhanced Enterprise Zone.

Size of facility (ft ²):	_____
New employees (FTE*):	_____
Capital Investment (total):	_____
Building:	_____
Land:	_____
Equipment:	_____

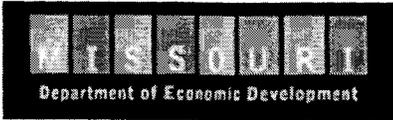
- Expanding business** currently located within a Springfield area Enhanced Enterprise Zone.

	Prior to Expansion	After Expansion
Size of facility (ft ²):	_____	_____
Employees (FTE*):	_____	_____
Capital Investment (total):	_____	_____
Building:	_____	_____
Land:	_____	_____
Equipment:	_____	_____

Does the applicant plan to pursue LEED-Silver certification for new or expanding facility?

- Yes
- No

*FTE: (Full-Time Equivalent) Average of at least 35 hours of employment per week.



**ENHANCED ENTERPRISE ZONE PROGRAM
CERTIFICATION OF FACILITY LOCATION**

Business Name			
Federal ID No. (FEIN):		MITS/Missouri Tax ID No.	
Project Facility Address			
City	County	Missouri	Zip Code

Following to be completed by Governing Authority's Representative, Not Taxpayer

I _____, of _____, a duly authorized representative of the governing authority of the foregoing city or county, do hereby certify on this _____ day of _____ in the year _____ that the foregoing facility's address is within the _____ Enhanced Enterprise Zone and is an eligible Enhanced Business Enterprise of that zone.

The above named business will receive 10 years of 50% tax abatement or _____ years of _____% tax abatement as set forth in the local governing resolution or ordinance.

Signature of Governing Authority's Authorized Representative

Notary Public Embosser Seal	Appeared before me this _____ day of _____, 20____, _____ to me personally known to be the person who executed the above certification, and acknowledged and states on his/her oath to me that he/she executed the same for the purpose therein stated.		
	State of _____		County (or City of St. Louis)
	Notary Public Name	My Commission Expires	Use Rubber Stamp in Area Below
	Notary Public Signature		



**ACCESS AND INFRASTRUCTURE AGREEMENT
SALES TAX REBATE
APPLICATION**

Property Location: _____

Developer Name: _____

Mailing Address: _____

Telephone: _____

Fax: _____

E-Mail: _____

Signature: _____

Typed Name: _____

Date: _____

Required Attachments:

- Narrative identifying the scope of the proposed private development, including executed leases and/or letters of intent from commercial tenants, projected cost of private improvements, and construction schedule
- Narrative identifying the scope of the public improvements associated with the private development
- Concept plan, site plan, and/or renderings of proposed project
- Statement from the Director of Public Works or other appropriate City official indicating staff support for the public improvements
- \$500 application fee

General Timeline For Adoption of a Tax Increment Financing Plan

Note: This timeline describes the minimum time needed between each step. This timeline assumes optimum conditions with no delays or continuances at the TIF Commission and governing body, and that all deadlines are met by the Developer and City staff. The process can take longer than the minimum time needed for each step.

Step	Responsible Party	Detailed Description	General Timeline	Proposed Specific Date
Establish written procedures for proposals and bids	City	The City or TIF Commission is required to establish written procedures relating to bids and proposals for implementation of the redevelopment projects. These procedures for obtaining bids and proposals must provide reasonable opportunity for any person to submit a proposal or bid under a redevelopment plan. § 99.820.1(3), RSMo.	Prior to plan submission	
Advertisement for alternative proposals or bids	City	Invitation published in newspaper for applicants to submit proposals and bids within the time period specified in written procedures adopted by the Commission. § 99.820.1(3), RSMo.	Flexible -- typically prior to Day 1	
Proposals and bids due	City	Deadline for developers to submit proposals and bids to City Clerk, pursuant to newspaper advertisement. § 99.820.1(3), RSMo. TIF plan is prepared in accordance with the elements set forth in § 99.810, RSMo. The deadline for submissions (the day the City receives the Developer's application) may serve as "Day 1" for the remainder of the process.	Flexible -- may be due Day 1 or later	
List of taxing jurisdictions	Developer	Developer provides City with a list of all taxing jurisdictions in the redevelopment area. This will allow the City to send mailed notices to taxing jurisdictions.	Day 1	
Mailed notice to taxing districts	City	TIF Commission mails written notice to all taxing districts entitled to levy on property in the plan area at least 45 days prior to public hearing. § 99.830.3, RSMo.	Day 1	
Comprehensive Plan amendment determination	Developer City	Determine whether a Comprehensive Plan amendment is needed to make the consistency finding pursuant to § 99.810(2), RSMo.	Day 1	
Distribute draft TIF contract	City	City distributes draft TIF contract to Developer for comment and to start negotiations. This step may occur earlier or later in the process.	Flexible (Day 10)	

General Timeline For Adoption of a Tax Increment Financing Plan

Step	Responsible Party	Detailed Description	General Timeline	Proposed Specific Date
Schedule TIF Commission orientation (if needed)	City	If needed, schedule TIF Commission orientation for approximately Day 18-22. The TIF Commission members may be provided with copies of the draft TIF Plan before the session occurs to allow time for review.	Day 11	
First publication notice	City	TIF Commission publishes first notice not more than 30 days before public hearing. § 99.830.1, RSMo	Day 15 or later	
Notice of Planning Commission hearing (if needed)	City	Notice of Planning Commission public hearing to amend Comprehensive Plan published in newspaper at least 15 days prior to Planning Commission public hearing. § 89.360, RSMo.	Day 15	
TIF Commission orientation session (if needed)	City	Hold orientation session with TIF Commission, if needed.	Day 18-22	
List of taxpayers	Developer	Developer provides City with list of all taxpayers of record in redevelopment area. This will allow City to send mail notices on Day 35.	Day 20	
Complete and distribute draft staff report	City (internal)	Complete draft report for TIF Commission. Distribute report internally for review.	Day 30	
Planning Commission hearing (if needed)	City	Planning Commission hearing to amend Comprehensive Plan for finding of consistency between TIF Plan and Comprehensive Plan. § 99.810(2), RSMo.	Day 30	
Second publication notice	City	TIF Commission publishes second notice of public hearing not more than 10 days before public hearing. § 99.830.1, RSMo.	Day 35 or later	
Mailed notice to taxpayers	City	TIF Commission mails notice to all taxpayers of record in the redevelopment area who will pay EATs or PILOTs not less than 10 days prior to public hearing. § 99.830.1, RSMo	Day 35 or earlier	
Complete and release final staff report	City	Release final staff report for TIF Commission.	Day 36	

General Timeline For Adoption of a Tax Increment Financing Plan

Step	Responsible Party	Detailed Description	General Timeline	Proposed Specific Date
TIF Commission public hearing	City Developer	TIF Commission holds a public hearing. § 99.820.3 and § 99.825.1, RSMo. The TIF Commission must vote within 30 days after the public hearing is concluded. § 99.820.3, RSMo. ¹ TIF Commission must make recommendation to governing body within 90 days following hearing. § 99.820.3, RSMo.		Day 46
Developer revisions to TIF Contract	Developer	Developer provides written feedback to City regarding proposed revisions to the draft TIF contract.		Day 50
Finalize TIF Contract	City Developer	Developer and City finalize TIF contract to allow governing body to approve contract with approval of TIF Plan on Day 70. (This approval can occur later, but the governing body may desire contract review with TIF Plan review.)		Day 60
Ordinances adoption for TIF	City Developer	An ordinance to approve the TIF plan is introduced in the governing body between 14 and 90 days following the TIF Commission public hearing. § 99.820.1(1) RSMo. Governing body considers TIF Plan and adopts ordinance that approves the redevelopment plan. § 99.820.3, RSMo. Governing body adopts ordinance approving TIF contract. § 99.820.1(2), RSMo. Governing body adopts ordinance authorizing the issuance of bonds, if necessary. § 99.835, RSMo. Project ordinance(s) are introduced in the governing body by first reading only; project ordinance(s) are will be adopted later when retail construction complete.		Day 70 ²
Contract execution for TIF	City	Developer enters into contracts with City for TIF Plan. § 99.820.1(2), RSMo.		Day 71 or thereafter
Notice to county assessor and county clerk	City	TIF Commission notifies county assessor and county clerk. § 99.855 RSMo.		Day 71

¹ Typically, the TIF Commission will vote on the same date of the hearing, and immediately transmit its recommendation to the governing body. If changes are made to the plan, project or area prior to the end of the hearing, the hearing must be continued and notice must be provided to all taxing jurisdictions at least 7 days prior to the end of the public hearing. RSMo 99.825.1. This will create at least a one week delay.

² The timeline from this point forward assumes that the governing body will not change the plan, project or area. If the governing body changes the plan, project or area, then additional time must be added to the schedule to allow 10 days prior notice to all taxing jurisdictions prior to adoption of the plan by ordinance. This will create at least ten days of delay.

General Timeline For Adoption of a Tax Increment Financing Plan

Step	Responsible Party	Detailed Description	General Timeline	Proposed Specific Date
Property value determination	County	County assessor determines total equalized assessed value of all taxable real property within redevelopment project. § 99.855.1, RSMo.	Following notification on Day 71	
Adoption of project ordinances	City	Governing body holds second reading and adopts an ordinance for each "redevelopment project" to initiate TIF in that project area. when retail construction is complete and stores are ready to open in that project area.	Variable	



TAX INCREMENT FINANCING
PRE -APPLICATION

Property Location: _____

Developer Name: _____

Mailing Address: _____

Telephone: _____

Fax: _____

E-Mail: _____

Attorney for Applicant: _____

Signature: _____

Typed Name: _____

Date: _____

Required Attachments:

- Narrative identifying the scope of the proposed private development, including executed leases and/or letters of intent from commercial tenants, projected cost of private improvements, and construction schedule
- Narrative identifying the scope of the public improvements associated with the private development
- Concept plan, site plan, and/or renderings of proposed project

Note: TIF applications for approval of blight reports and redevelopment plans will require execution of a pre-development funding agreement with the City of Springfield.

Exhibit 1

**RULES AND REGULATIONS
FOR
SMALL BUSINESS DEVELOPMENT
LOAN PROGRAM**

**Adopted by the City Council
of the City of Springfield, Missouri
Special Ordinance 25447**

DEPARTMENT OF PLANNING AND DEVELOPMENT

CITY OF SPRINGFIELD, MISSOURI

**Adopted
September 2, 1997
Amended
July 2008**

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CHAPTER 1

PURPOSE

The Small Business Development (SBD) Loan Program is designed to provide financial assistance for small business concerns and nonprofit organizations to expand employment opportunities, stimulate private investment and eliminate slum and blight conditions in selected areas of the community.

Authority for the SBD Loan Program is 24 CFR Part 570 -- Community Development Block Grants (CDBG). The local Rules and Regulations are intended to authorize a program which accomplishes local goals and objectives adopted by the City. However, it is intended to provide for maximum flexibility within the framework of the following chapters. Specific compliance is subject to said 24 CFR Part 570 when CDBG funds are used to finance a project. However, if non-CDBG funds should be available and used in a project, the Loan Committee may waive certain Federal requirements listed under Chapter 9.

These funds will generally be used for rehabilitation, to fill a "financing gap", or to provide incentive when the rate of return is not otherwise acceptable.

The City updates a Consolidated Plan on HUD Entitlement Programs each year which identifies needs and proposes activities to meet these needs. Projects approved by the Loan Committee must address these needs and conform to the Plan.

In summary, the SBD Loan Program is intended to provide assistance to Applicants in order to meet the needs of the community through a public-private partnership to accomplish projects not otherwise possible.

CHAPTER 2

DEFINITIONS

When used in context with the Rules and Regulations for the Small Business Development (SBD) Loan Program, the following definitions shall apply:

APPLICANT means any individual, firm, corporation, association or partnership desiring to obtain financial assistance under this Program by providing the appropriate information and by signing loan documents as required.

ARBITRATION means a hearing and determination of a case in controversy by a person chosen by the parties or under statutory authority.

BUSINESS FACILITY means one or more buildings which house a business operation within an appropriate Zoning District where income is derived from the production, distribution, storage and/or the sale of goods and services.

CITY means the City of Springfield, Missouri, a Municipal Corporation.

CONTRACT RENT means rent actually due and payable under all existing leases and agreements.

ECONOMIC DEVELOPMENT means the acquisition, construction, reconstruction, or installation of commercial, industrial or residential buildings, structures, and other real property equipment or improvements which are directed to and may result in the creation or retention of jobs principally to benefit low and moderate-income persons.

GAP FINANCING means the difference between the amount of financing provided by a lending institution and the amount of financing provided by the Owner.

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY (LCRA) means that political subdivision headed by a Board of Commissioners appointed by the City Council and charged with certain responsibilities for the administration of the Small Business Development Loan Program.

LOAN COMMITTEE means senior staff personnel assigned by the Director of Planning and Development to review and evaluate all loan applications. The Committee is provided legal counsel by an Assistant City Attorney.

LOW AND MODERATE INCOME means a family or individual whose annual income is 80% or less of the standard median household income for the City of Springfield as reported by the Department of Housing and Urban Development (HUD).

OWNER means the person or persons named on the recorded deed for the property; or owner of record.

PLANS AND SPECIFICATIONS means a description of the construction to be performed **which** is acceptable to the Loan Committee. This generally will be staff work write-up or architectural plans.

PROGRAM ADMINISTRATOR means the staff person assigned to the daily oversight of structural rehabilitation and economic development activities.

PROJECT AREA means a designated area or district approved by the City Council that is **eligible** to receive business assistance.

PROJECT means a business property which is being assisted under the Small Business Development Loan Program.

CHAPTER 3

ELIGIBILITY REQUIREMENTS

Eligible Applicants include for profit business concerns, real estate developers and nonprofit organizations within the project areas (see Exhibit A).

Eligible Project Areas are shown and described in Exhibit A. Generally, projects must be located within these boundaries. However, the Loan Committee may finance a project which is outside the area delineated in Exhibit A if it is determined that significant benefit to low-moderate income persons will occur only if the SBD Loan is approved. Exceptions to Exhibit A will be limited to CDBG eligible census tracts shown on the Rehabilitation Loan Boundaries (CDBG and HOME) map attached.

Eligible Activities

1. Acquisition of real property in whole or in part by fee title.
2. Clearance, demolition and removal of buildings and improvements, including movement of structure to another site.
3. Relocation payments and other assistance for permanently and temporarily relocated individuals, families, businesses and nonprofit organizations when SBDL activity causes the relocation.
4. Preservation, restoration and rehabilitation of properties determined to be eligible for the National Register of Historic Places or the Local Historic Sites Register and used as a business facility.
5. Rehabilitation, including improvements to commercial or industrial building exterior, facade improvements, correction of code violations in relation to the proposed use, and energy and water conservation improvements. Also, additional interior improvements may be made if they are deemed to be necessary or appropriate. (See Chapter 4).
6. New construction and substantial reconstruction of commercial or industrial buildings.
7. Machinery and fixed equipment necessary for the operation of business.
8. Rail spurs and similar extensions for business development.
9. Refinancing of existing debt when such refinancing is necessary to the development of the project.
10. Mixed-use development projects which include commercial and residential uses in the same building.

11. Residential rental property development.
12. Other activities in support of an economic development project which are not described as ineligible in CFR 570.207(a) or in these Rules and Regulations.
13. Working Capital, Inventory, Small Equipment for small businesses having six or more employees

CHAPTER 3(A)

MICROENTERPRISE LOAN PILOT PROGRAM CENTER CITY BUSINESS INCENTIVE LOANS

The Microenterprise Loan Pilot Program is a pilot proposed by the Urban Districts Alliance in response to needs expressed by small business owners and real estate developers in the center city area. Once that sufficient experience is gained by implementing this program, the UDA and staff will recommend any suggested changes to Council. The entire program is outlined in this chapter and with the exception that any applicable topics not covered in this chapter are covered by other chapters in this document or HUD regulations.

Eligible Applicants include new or expanding retail business concerns within the project areas with five or fewer employees at the time of loan application. Retail businesses consist of those whose primary transactions are the sale of goods or merchandise (new and used) from a storefront location. Due to the early stages of Commercial Street=s redevelopment, eligible applicants will not only include retail businesses but any other new and expanding type of business outlined in the Commercial Street A Strategy for Success@ accepted by City Council in August of 2005.

Eligible Project Areas. Eligible target areas for the Microenterprise program are (1) Boonville Avenue Corridor; (2) Center City; (3) Commercial Street Historic District; and (4) Walnut Street Conservation District; all shown on Exhibit A.

Maximum Loan Amount shall be \$25,000 to eligible businesses. Maximum loan amount may be reviewed, changed or increased in future years.

Sponsor. The sponsor of the Microenterprise Loan Pilot Program is the Urban District Alliance (UDA).

Eligible Activities include any activity described in CFR 570.201(0) of the federal regulations. Examples include:

14. Working capital;
15. Merchandise inventory;
16. Equipment;
17. Furniture and fixtures;
18. Infill improvements;
19. Other start-up costs

Authority for the Microenterprise Loan Program is 24 CFR Part 570.201(o) - Community Development Block Grants (CDBG). The Microenterprise Loan Program will be utilized to facilitate economic development through the establishment, stabilization and expansion of microenterprises. A Microenterprise@ means a business having five or fewer employees, one or more of whom owns the business. Microenterprises are for-profit businesses. Businesses that

are not classified under the CDBG definition as Amicroenterprise@ (with six or more employees) may qualify for assistance under the existing Small Business Development Loan Program (see Chapter 3 of the Rules and Regulations) and would be categorized under Special Economic Development.

National Objectives - Microenterprise Assistance

1. Low/Moderate Income Area Benefit - qualifies if the microenterprise assisted provides services to a residential area that has a sufficiently high percentage of low/moderate income persons;
2. Low/Moderate Limited Income- the microenterprise assistance is provided to a low/moderate income person who owns or is developing a microenterprise;
3. Low/Moderate Income Jobs- the microenterprise assisted will create or retain jobs, 51% or more of which will benefit low/moderate income persons.

Loan Terms and Security Requirements

Interest Rate: the interest rate will be 5% per annum.

Terms. The Loan Committee shall have the discretion to negotiate the terms of a loan with the microenterprise. Terms of the loan may be structured to meet the needs and ability to pay of the applicant as determined and approved by the Loan Committee. Applicants shall pay interest on the outstanding principal balance in the first two (2) years and then amortize principal in years three (3) through the life of the loan.

Loan Amount. The maximum loan amount shall be \$25,000.

Security. Each loan shall be secured with appropriate collateral, as determined and approved by the Loan Committee. Personal guarantees are required by all borrowers. Types of security include, but are not limited to, assignment of leases; perfected security interest in all business assets; personal collateral and real estate

Loan Assumption. The loan is generally not assumable except in special cases where the assumption would be in the best interest of the City and approved by the Loan Committee. In instances when loan assumptions are requested by the borrower, a \$200 fee shall be charged to cover the costs of processing.

Criteria for approval

The criteria for approval for the Center City Business Incentive Loan Program is the same as shown in Chapter 6 of the Rules and Regulations of the Small Business Development Loan Program except that compliance with number 4, Meet Public Benefit Standard is not required for a microenterprise loan. .

Other Requirements

Ongoing professional development will be an important component of the Center City Business Incentive Loan Program. Applicants will be required to submit a business plan to the City and to the Urban Districts Alliance and to attend one year of quarterly educational sessions sponsored by the Urban Districts Alliance (in conjunction with the City of Springfield, Chamber of Commerce, SCORE, the Small Business Administration, Missouri State University, Drury University and/or Ozarks Technical College).

Other Recommendations

Applicants are strongly encouraged to join the respective membership organizations to strengthen ties to develop a network of peers and cultivate potential customers.

Bank participation in the form of conventional loans are recommended for leveraging, but not required. Some level of borrower injection is required for each loan.

CHAPTER 4

NATIONAL OBJECTIVES AND CRITERIA

Meeting a National Objective

Each activity must be determined to meet one or both of the National Objectives in accordance with CFR 570.208 and summarized as follows:

1. Principally benefitting low and moderate-income households by meeting identified service/product needs of such households residing in the target area, or by providing job creation or retention.
2. Aiding in the preservation or elimination of slums or blight within the target area.

Public Benefit Standard

Economic development projects eligible through CFR 570.203 must meet the standards for public benefit set forth in 570.209(b) of the federal regulations.

CHAPTER 5

LOAN TERMS AND SECURITY REQUIREMENTS

Interest Rate Since the program is funded through multiple sources, the interest rate is as follows. The interest rate will be the 90 day LIBOR + .95, adjusted quarterly, with a minimum rate of 5% or the rate will equal the City=s Section 108 Loan Guarantee program interest rate plus 75 basis points, whichever is highest with a minimum rate of five percent (5%). A loan may be prepaid without penalty. *(This amendment was adopted by Council through Ordinance 25095 on November 13, 2006 and being codified into the rules by this amendment)*

Terms

The Loan Committee shall have the discretion to negotiate the terms of a loan with the Applicant. The Loan Committee shall have the discretion of conditions which may include deferment of loan amounts for definite periods of time when it determines deferment to be in the best interest of the City. Loan term may not exceed 20 years.

Loan Amount

There shall be no maximum loan amount, except the loan shall not exceed the actual cost of the rehabilitation and/or development costs of the Project.

Security

Each loan shall be secured with appropriate collateral, as determined by the Loan Committee.

Loan Assumption and Subordination

The loan is generally not assumable except in special cases where the assumption would be in the best interest of the City and approved by the Loan Committee. In instances when loan assumption or subordination are requested by the borrower, a \$200 fee shall be charged to cover the costs of processing.

Loan Origination Fee

A two (2%) fee for loan origination shall be imposed and collected when a property benefitting from any of the City=s loan programs is sold or disposed of prior to the public purpose for which the loan is made. *(This amendment was adopted by Council through Ordinance 25099 on November 13, 2006 and being codified into the rules by this amendment)*

CHAPTER 6

CRITERIA FOR APPROVAL

A successful applicant for a City of Springfield Small Business Development Loan must meet all criteria outlined below as well as the requirements of CFR 24 Part 570.

1. Be an eligible applicant.
2. Request funds for an eligible activity.
3. Propose a project that meets at least one National Objective.
4. Propose a project that meets Public Benefit Standards if required by HUD regulations.
5. Comply with Terms and Conditions.
6. Complete all application forms and provide all required information by the Loan Committee.
7. Demonstrate reasonable ability to repay the loan through project cash flow, business income, or financial capacity.
8. Provide sufficient collateral.
9. Demonstrate satisfactory credit history.
10. Demonstrate reasonableness of cost.

The loan request must be approved by the Loan Committee.

CHAPTER 7

PROCEDURES IN SUBMITTING AND PROCESSING A SMALL BUSINESS DEVELOPMENT (SBD) LOAN

This chapter sets forth basic procedures to be followed by the Applicant and the Loan Committee with respect to preparation, submission, processing, and approving or disapproving a SBD Loan.

Processing and Approval of SBD Loan Application

The Applicant shall submit an application for an SBD Loan on the Application Form approved by the Loan Committee. The Applicant may be required to submit additional information requested by the Loan Committee.

The Redevelopment Review Team shall review all properties on which application for loan assistance has been made for purchase of property, building improvements or construction and provide written comments to department staff.

The Loan Committee shall review the SBD Loan Application, along with the work write-up and cost estimate for the Project. The Committee may request the Applicant to submit redevelopment bids for a Contractor/Contract approval by the Loan Committee. Based upon information submitted, the Loan Committee shall review the SBD Loan Application and shall either approve or disapprove the loan. If the loan is disapproved, the Committee shall inform the Applicant and state the reasons for denial in writing.

Loan Cancellation

An approved SBD Loan may be canceled if the Applicant has requested cancellation, or if the Applicant is unwilling or unable to proceed with the development of the Project. The request for cancellation shall be in writing and delivered or mailed to the parties in the agreement.

Appeal of Adverse Decision

Any Applicant aggrieved by a decision of the Loan Committee relating to loan approval, loan cancellation, or determination of loan amount, may appeal said decision by filing a written notice of appeal with the Secretary of the Land Clearance for Redevelopment Board (LCRA) within thirty (30) days of receiving written notice of the Loan Committee's decision. The Secretary shall place the request for appeal on the LCRA Board agenda within thirty (30) days of filing notice of appeal. The LCRA Board may affirm or reverse or modify the decision of the Loan Committee and notify the Committee and the Applicant in writing of its decision and the reasons therefor. The LCRA Board decision shall be final.

CHAPTER 8

RESOLUTION OF DISPUTES

Introduction

This Chapter describes the policies applicable to disputes that may arise between the Borrower/Property Owner and the Contractor during the rehabilitation process.

Ultimately, the Property Owner and the Contractor are responsible for discussing and resolving their differences. However, in those cases where agreement is not reached initially, the City may provide assistance as an informal mediator and/or a source of information.

If the City's informal assistance does not succeed in resolving the dispute, the Property Owner and Contractor may either submit the case jointly to formal, binding arbitration or seek the advice of their own legal counsel.

For the purposes of these Rules and Regulations, a "dispute" shall be defined as a continuing claim, submitted in writing, which is raised by either the Property Owner or the Contractor, alleging that the letter or the spirit of the written contract has not been carried out by the other party. Such disputes generally involve interpretation of such issues as quality of workmanship, required scope of work, contract price adjustments and mutual cooperation between the Property Owner and the Contractor.

This definition also covers those occasions when one party to the contract claims that the other party has defaulted on his contractual obligations and wishes to halt further work under contract.

Informal Mediation by the City

It is common for the City's Project Specialist to be asked to make clarifications of contract requirements or performance evaluations in response to minor difficulties that arise in every project on a day-to-day basis. However, if any such field judgments are not acceptable to both parties, the aggrieved party may ask for informal mediation by the City's Program Administrator. The request must be submitted in writing within five days after the other party has received the Project Specialist's field judgment.

If both parties agree, the Program Administrator will convene a meeting before the Loan Committee at the Department of Planning and Development offices within five days of receiving the first written notice of dispute. The Loan Committee will hear the dispute and advise the Program Administrator in the formulation of resolution of dispute.

After listening to both sides of the issue, unless further investigation is warranted, the Program Administrator will propose a resolution to the dispute he considers to be fair to both parties while being consistent with the contract documents and the rehabilitation loan program policies and procedures.

If both parties accept the Program Administrator's proposal, a simple statement of acceptance may be drafted on the spot, signed by all parties and witnessed by a member of the Planning and Development staff. This does not necessarily mean that both parties now see eye-to-eye on the issue, only that they have accepted the Program Administrator's proposal on practical terms and are willing to put the dispute behind them. Copies of the statement will be made for each party to the contract and for the project file.

While this informal mediation process cannot be considered legally binding, its purpose is to give both parties a fair and open hearing and thereby neutralize conflicts that could jeopardize the project.

When the meeting is the result of a request by either party to terminate the contract, the Program Administrator will, after reviewing the evidence presented, take the matter under advisement and within five days render a written decision for or against termination.

Formal, Binding Arbitration

If either party declines to sign a statement accepting the Program Administrator's proposed resolution, the Program Administrator will advise them this mediation meeting has exhausted the avenue of appeal as far as the City is concerned.

The Program Administrator will also provide both parties with information about arbitration services that are available for a fee through the Better Business Bureau of Southwest Missouri. (The General Contractor and Property Owner shall be responsible for all fees associated with the binding arbitration procedure).

The Bureau's arbitration services call for both parties in a dispute to jointly submit a signed request for arbitration, stating the nature of the dispute and agreeing beforehand to abide by the arbitrator's decision.

The facts of their case are reviewed at a scheduled hearing before the arbitrator, who is a disinterested community volunteer acceptable to both parties. If additional information is needed, the arbitrator may visit the job site before delivering a written decision.

The decision of the arbitrator and any award made by the arbitrator generally are not subject to appeal in a court of law.

CHAPTER 9

TERMS AND CONDITIONS UNDER WHICH SMALL BUSINESS DEVELOPMENT LOANS ARE MADE

This chapter sets forth the general requirements of the City of Springfield, Missouri and United States Government with respect to the terms and conditions to which an Applicant must agree in order to receive a Small Business Development Loan. Specific terms and conditions with respect to a Small Business Development Loan are incorporated in the loan documents. The Federal Requirements are detailed in 24 CFR Part 570 Subpart K -- Other Program Requirements, are incorporated by reference and summarized below. The Applicant shall agree and by signing the appropriate loan documents does agree, to the following conditions:

Federal Requirements

570.601 Affirmatively Furthering Fair Housing

- a. Public Law 99-352 -- Title VI of the Civil Rights Act of 1964, which provides that no person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- b. Public Law 90-284 -- Title VIII of the Civil Rights Act of 1968, known as the Fair Housing Act, which provides that it is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States and prohibits any person from discriminating in the sale or rental of housing, the financing of housing or the provision of brokerage services, including otherwise making unavailable or denying a dwelling to any person, because of race, color, religion, sex or national origin.
- c. Executive Order 11063, which directs action to be taken necessary and appropriate to prevent discrimination because of race, color, religion, sex or national origin in the sale, leasing, rental, occupancy or other disposition of residential property.

570.602 Section 109 of the Act

- a. Section 109 of the Act requires that no person in the United States shall on the ground of race, color, national origin, sex, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Community Development Block Grant funds made available pursuant to the Act.

570.603 Labor Standards

Section 110 of the Act requires that all laborers and mechanics employed by contractors or subcontractors on construction work financed in whole or in part with assistance received under the Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the U.S. Secretary of Labor.

570.604 Environmental Standards

Projects must be implemented in compliance with CFR Part 58 of the federal regulations.

570.605 National Flood Insurance Program

Section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) provides that no Federal officer or agency shall approve any financial assistance for acquisition or construction purposes in any area that has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards unless the community in which such area is situated is then participating in the National Flood Insurance Program.

570.606 Relocation, Displacement and Acquisition

All relocation, displacement and acquisition must be performed as required, and in conformance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and all amendments thereto.

570.607 Employment and Contracting Opportunities

- a. Grantees shall comply with Executive Order 11246, as amended by Executive Order 12086, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of Federal or federally-assisted construction contracts.
- b. Section 3 of the Housing and Urban Development Act of 1968 requires, in connection with the planning and carrying out of any project assisted under the Act that to the greatest extent feasible opportunities for training and employment be given to low and moderate-income persons residing within the unit of local government or the metropolitan area as determined by the Secretary in which the project is located, and that contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in, the same metropolitan area as the project.

570.608 Lead-Based Paint

- a. Prohibition against the use of lead-based paint. Section 401(b) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831 (b)) directs the Secretary to prohibit the use of lead-based paint in residential structures constructed or rehabilitated with Federal assistance. Such prohibitions are contained in 24 CFR Part 35, Subpart B, and are applicable to residential structures constructed or rehabilitated with assistance provided under this part.
- b. Notification of hazards of lead-based paint poisoning. (1) The Secretary has promulgated requirements regarding notification to purchasers and tenants of HUD-associated housing constructed prior to 1978 of the hazards of lead-based paint poisoning in 24 CFR Part 35, Subpart A.
- c. Elimination of lead-based paint hazards. The purpose of this paragraph is to implement the provisions of Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards due to the presence of paint which may contain lead and to which children under seven years of age may be exposed in existing housing which is rehabilitated with assistance provided under this part.

570.609 Use of Debarred, Suspended or Ineligible Contractors or Subrecipients

Assistance under this part shall not be used directly or indirectly to employ, award contracts to, or otherwise engage the service of, or fund any contractor or subrecipient during any period of debarment, suspension, or placement in ineligibility status under the provisions of 24 CFR Part 24.

570.611 Conflict of Interest

No person who is an employee, agent, consultant, officer or elected official or appointed official of the City of Springfield or the LCRA who exercises or has exercised any functions or responsibilities with respect to activities assisted under this program or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from such activities, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Loan Committee Approval

All applications for Small Business Development Loans shall be subject to the preliminary and final approval of the Loan Committee of the Department of Planning and Development. Decision(s) of the Loan Committee may be appealed to the Land Clearance for Redevelopment Authority (LCRA) Board, as provided in Chapter 7.

Requirement of Lien

The Applicant must sign Promissory Notes and Security Instruments as required by the Loan Committee for any loan funds used in the activity.

Cancellation of Loan

Loan proceeds must be returned with no right, interest, or claim in the proceeds if the loan is canceled before the activity work is started.

Use of Proceeds

The loan proceeds may be used only to pay for costs and services and materials necessary to carry out activities for which the funds are approved.

Completion of Work

The Applicant shall ensure that all the required rehabilitation will be completed to the specifications, on time and within budget. Specifications shall be in terms of applicable building codes and the work write-ups shall specify grades, quantities, etc., to enable bidders to evaluate the project.

Loan Payoff

When ownership of the property on which a loan is made is transferred, the full amount of the loan balance shall be paid to the City of Springfield at the time of loan closing or transfer unless approved for assumption under the provisions of Chapter 5.

Inspection

The Applicant consents to inspection of the property by the City or its designee to check all contracts, materials, equipment, payrolls and conditions of employment pertaining to the activity.

Records

The Applicant must keep such records as may be required by the City with respect to the activity.

Bonus, Commission or Fee

The Applicant may not pay any bonus for the purpose of obtaining the City's approval or any other approval or concurrence required by the City or its designee to complete the activities financed in whole or in part with the funds.

Conflict of Interest -- City of Springfield Charter Provisions

No member of the Council and no salaried officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, or be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies or services, except on behalf of the City as an officer or employee.

No member of a (City) board or commission shall have a financial interest, direct or indirect, in any contract with the department or administrative agency managed or operated by the board or commission on which he is serving, or be financially interested, directly or indirectly, in the sale to the board or commission of any land, materials, supplies, or services, except on behalf of the department or administrative agency.

Any violation of this section renders the contract or sale void, and any Council member, officer, employee, or board member violating this section thereby forfeits his office or employment.

CHAPTER 10

PROTECTION OF THE CITY'S FINANCIAL INTEREST IN PROPERTIES ASSISTED WITH SMALL BUSINESS DEVELOPMENT LOANS

This Chapter outlines the basic procedures and policies of the City regarding protection of its financial interest in real property.

In order to meet program objectives and achieve goals, and to provide financial assistance where needed, the Loan Committee often approves loans for commercial rehabilitation on properties which require the City to assume a subordinate position to existing liens on the property being assisted. As a result thereof, it may be necessary from time to time for the City to provide funds to acquire a permanent interest in, or to obtain temporary control of, the assisted property in order to protect the financial interest of the City when foreclosure is pending by a lienholder on the property as a result of nonpayment by the mortgagor.

This Chapter authorizes the Director of Planning and Development, upon recommendation of the Loan Committee, to expend funds from the Small Business Development Loan Account, or from other sources as may be appropriate, to acquire a permanent interest in or to obtain temporary control of the assisted property in order to protect the financial interest of the City upon general default of the borrower when foreclosing by a lienholder would seriously affect the investment of the City in the property and loan program.

The City shall be guided by the procedures outlined in Chapter 11 of the Residential Loan Rules with respect to disposing of property acquired under foreclosure.

EXHIBIT A

Descriptions of the Targeted Loan Areas that may receive assistance under the Small Business Development Loan Program are listed below.

Targeted Loan Areas

A. Boonville Avenue Corridor: See Map 1

Those properties located on Boonville Avenue between Chestnut Expressway and the Commercial Street Historic District.

B. Center City: See Map 1

Those properties located within the area beginning at the intersection of Elm Street and Kimbrough Avenue, thence northerly along Kimbrough and Benton Avenues to Chestnut Expressway, thence west to Grant Avenue, thence south to Walnut Street, thence east to Campbell Avenue, thence south to Elm Street, thence east on Elm Street to Kimbrough Avenue, the point of beginning.

C. Commercial Street Historic District: See Map 1

Those properties located within the area bounded on the east by Washington Avenue, on the north by the Burlington Northern right-of-way, on the west by Lyon Avenue, and on south by an alley-way known as Blaine Street.

D. Walnut Street Conservation District - Area 8A: See Map 2

Those properties located within the area beginning at the NW corner of Lot 6, E.T. Robberson's Addition as recorded, being the southeast corner of Walnut Street and Sherman Parkway, thence along the east right-of-way of Sherman Parkway to the northwest corner of Lot 16, E.T. Robberson's Addition, being a point on the south line of an existing 20' alley, thence east along the south line of said alley to a point on the west right-of-way line of National Avenue 238', more or less, south of the southwest corner of Walnut Street and National Avenue, thence east 80', more or less, crossing National Avenue to the southwest corner of Lot 4, Mitchell's Addition, thence east to a point 20' east of the northwest corner of Lot 3, O.H. Mitchell's Addition, thence northeasterly across Walnut Street to the southeast corner of Lot 10, Hawthorne's Addition, thence north to a point on the south line of Lot 9 of said addition, thence east to the southeast corner of said Lot 9, thence north along the line of lots 9 through 4, Hawthorne's Addition to the north-east corner of Lot 4 of said addition, being the south right-of-way line of McDaniel Street, thence west 166' to the northwest corner of said Lot 4, thence west 80', more or less, to the northeast corner of Lot 41, East Side addition, being the southwest corner of McDaniel and National, thence north 160' to the northeast corner of Lot 27,

East Side Addition, thence west to the northwest corner of said Lot 27, thence continue west 15' across alley to the northeast corner of Lot 21 of said addition; thence south along the east line of Lots 21 and 22 of said addition; across McDaniel and continue south along the east line of Lots 35 through 40 to the southeast corner of Lot 40, East Side Addition, thence west along the south line of said Lot 40, across Florence Avenue and continue west long the south line of Lot 34 of said addition and across Hampton Avenue to a point on the west right-of-way of Hampton Avenue 182', more or less, north of the north right-of-way line of Walnut Street, thence north 18' along the west right-of-way line of Walnut Street, thence north 18' along the west right-of-way of Hampton Avenue, thence west 150', thence north 62', thence west 121.55', thence south 52', thence west 482', more or less, to a point on the east line of Lot 3, University Plaza First Addition, 210' north of the north right-of-way line of Walnut Street, thence south along the east line of said Lot 3 - 210', continue across Walnut Street to a point on the south right-of-way of Walnut Street to the north line of Lot 10, E.T. Robberson's Addition; thence west along the north side of Lots 6 through 10 of said addition to the point of beginning, all in Springfield, Greene County, Missouri.

E. Westside District: See Map 3

Those properties adjoining College Street between Kansas Expressway and Scenic Avenue, adjoining Chestnut Expressway between Scenic and the West By-Pass, adjoining Scenic Avenue between College Street and Grand Street, and within the area bounded on the northwest by Chestnut Expressway, on the east by Clifton Avenue and on the southwest by College Street.

Pub. Imp. _____
Pub. Imp. _____
Govt. Grnt. _____
Emer. X
P. Hrngs. 1/11/10
Pgs. 4
Filed: 1-05-2010

Sponsored by: Ibarra

First Reading: January 11, 2010

Second Reading: January 11, 2010

COUNCIL BILL NO. 2010 - 003

SPECIAL ORDINANCE NO. 25706

AN ORDINANCE

1 AMENDING the 2009 Consolidated Plan Action Plan, which will create a new
2 Homeless Services project to allow a grant to the Kitchen, Inc., to
3 assist additional homeless persons, create a new IDEA Commons
4 Disposition Project, and to extend the boundary of the existing
5 Business Incentive Program to serve appropriate home-based
6 businesses operated by low- and moderate-income persons; and
7 authorizing the City Manager to implement the two new projects and
8 the amended project, including selecting and contracting with service
9 providers, and declaring an emergency.

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WHEREAS, the City Council has declared an economic calamity within the City of Springfield, Missouri relating to the lack of suitable housing for homeless families and the working poor through the passage of Resolution No. 9737; and

WHEREAS, the economic calamity may be alleviated in part by creating two new programs for use of funds already in Planning Development program budgets and amending the boundary of the Business Incentive Program to encourage home-based businesses within the Community Development Block Grant (CDBG) eligible areas; and

WHEREAS, such efforts relate to the immediate preservation of public peace, health, safety and welfare, by addressing the factors creating the economic calamity.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SPRINGFIELD, MISSOURI, as follows, that:

Section 1 – The 2009 Consolidated Plan Action Plan is hereby amended by creating two new programs, which new programs shall be referred to as the Homeless Services Project and IDEA Commons Disposition Project, and are in addition to the City's existing Community Development Block Grant and HOME Investment Partnership

33 programs. These new projects shall be subject to all City program rules, ordinances,
34 and state and federal laws already in effect. The City Manager is empowered and
35 authorized to carry out such programs in accordance with such rules, ordinances, and
36 laws, including the issuance of a grant to the Kitchen, Inc., to carry out the Homeless
37 Services Project, provided the funds for such grant are already appropriated for such
38 purpose.

39
40 Section 2 – The 2009 Consolidated Plan Action Plan is hereby amended by
41 changing the boundary of the Business Incentive Program to be consistent and the
42 same as the CDBG-eligible area within the City with the result of increasing eligibility for
43 such program to serve appropriate home-based businesses operated by low- and
44 moderate-income persons within the CDBG-eligible areas. The current rules of the
45 Business Incentive Program shall continue to be in effect for such program in all eligible
46 areas.

47
48 Section 3 - The City Council hereby finds and declares that an emergency exists
49 in that this ordinance relates to the immediate preservation of the public peace, health,
50 safety and welfare; therefore, this ordinance shall be in full force and effect from and
51 after passage.

52
53
54 Passed at meeting: January 11, 2010

55
56 James E. O'Neal
57 Mayor

58
59 Attest: Brend M. Lutz, City Clerk

60
61
62 Filed as Ordinance January 11, 2010

63
64
65 Approved as to form: Mary K. Yendes Assistant City Attorney

66
67
68 Approved for Council action: Greg Burt, City Manager

Affected Agency Notified: Yes
Emergency Required: Yes
Budget Adjust. Required: No
Board Rec. Required: No
Public Hearing: January 11, 2010
Sponsor:
Date: December 28, 2009

EXPLANATION TO COUNCIL BILL NO. 2010- 003

ORIGINATING DEPARTMENT: Planning and Development

PURPOSE: To adopt an ordinance amending the 2009 Consolidated Plan Action Plan to provide for two additional projects and amend an existing one. (Staff recommends approval.)

BACKGROUND: The 2009 Action Plan is required for Department of Housing and Urban Development (HUD) and Community Development Block Grant (CDBG) funding. An amendment is required if a new project is created or there is a substantial change in an existing project. This amendment will:

- (1) provide a Homeless Services grant of \$51,000 to The Kitchen, Inc. to assist the additional homeless population created by the current economic calamity;
- (2) create an IDEA Commons Disposition Project for assigning staff costs created by the disposition activities; and
- (3) allow the existing microenterprise loan program known as the Business Incentive Program to serve appropriate home-based business operated by low- and moderate-income people.

STAFF COMMENTS: (1) The Homeless Services program arose through discussions within the Homeless Task Force as it was recognized that additional resources are needed to address the growing homeless population. Federal funds for this project will be reallocated from the Comprehensive Housing Assistance Program. The main goal of the project will be to ensure emergency shelter placement for individuals and families who become homeless. It is estimated that at least 75 individuals and families will be served this year. The project will also follow several of the HUD goals for Continuum of Care projects. The project will focus on increasing individual's self-determination by linking clients to service providers, life skill opportunities and mentoring. The project will also focus on accessing mainstream resources for clients. This will be done by assisting with application for public housing, cash and non-cash benefits and publicly funded health care.

(2) The IDEA Commons Disposition Project is comprised of staff time necessary for HUD compliance regarding property disposition. Several years ago, the City assembled property in the area of the former MFA mill. Recently, the property was sold to Missouri

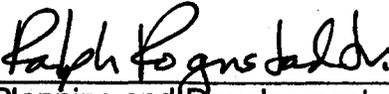
State University for use in the IDEA Commons. The City purchased the property with HUD Economic Development Initiative funds provided through Congressional appropriation. In order to dispose of this property, extensive HUD compliance was required. This amendment is a housekeeping action to have an appropriate project for charging documented staff costs. No funds need to be transferred.

(3) The City currently operates a loan program known as the Business Incentive Program whereby eligible businesses may borrow funds for operating capital, equipment purchase, and infill activities. The program is only available in the three urban districts of Downtown, Commercial Street, and Walnut Street. This amendment will allow low- and moderate-income, home-based business owners to participate in the Business Incentive Program that are located within the CDBG boundaries. This amendment was initiated by the Citizens Advisory Committee for Community Development (CACCD). No funds need to be transferred.

RECOMMENDATION: Staff recommends approval.

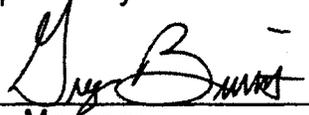
The Citizen Participation Plan requires that the CACCD have an opportunity to comment on proposed amendments. Since the CACCD initiated the expansion of the Business Incentive Program, they have reviewed this proposed amendment. The other two proposed amendments are currently being reviewed by the CACCD. Their comments will be provided prior to the Council meeting.

Submitted by:



Planning and Development

Approved by:



City Manager

N:\SHARE\Explanations\2010 Council Meeting Explanations\01-11 Meeting\ConplanAmendment_exp.doc

COMMERCIAL LOAN APPLICATION
City of Springfield

BACKGROUND INFORMATION

Company Name:			
Contact Person:	Year Established:	Federal ID No.:	Phone:
Date Financing Needed:		Referred By:	

OWNER INFORMATION

Name of owner:	Percentage Owned:

COMPANY INFORMATION

Is the company a?	Corporation:	Partnership:	Proprietorship:
Who is borrowing in this prop.?	Corporation:	Partnership:	Individuals:
Name of borrower, if other than company:			

CONVENTIONAL FINANCING INFORMATION

	Organization	Contact Person	Phone Number
Participating Bank			
Bank of Account (if different)			
Accountant			
Realtor			
Appraiser			
Lawyer			
Title Co.			

COMPANY INFORMATION

	Currently	After City Loan
Street Address:		
Municipality, State Zip		
No. Of Business Locations		
Building Space (sq. ft.)		
Land (acres or sq. ft.)		

SIGNATURE

Signature:	Date:
------------	-------

COMMERCIAL LOAN APPLICATION		
City of Springfield		
FINANCIAL INFORMATION		
Project Costs		Financing Methods
Acquisition (round to 100's)		Bank or private loan
Purchase of building & land		
Rehab		SFDC loan
Construction Contingencies		
Equipment		Borrower Injection
Furniture and Fixtures		
Professional Fees		
Other (specify)		
TOTAL cost (round to 100's)		TOTAL (must be equal)
FEES		
Fees include mortgagee's title insurance and recording fees. I wish to:		
Add this fee to the SFDC loan		
Pay it at closing		
OFFICER SALARIES		
Indicate office salaries and number of officers for the last 3 fiscal years:		
Fiscal Year	Officers' salaries	Number of officers
FY:		
FY:		
FY:		
List Corporate Officers:		
JOB CREATION INFORMATION		
Number presently employed	Full Time	Part Time
How many new jobs do you expect to create within the next 2 years?	Full Time	Part Time
MISCELLANEOUS INFORMATION		
Has your company or any of its 20%-or-more owners ever had any government financing?		
Yes		No
SIGNATURE		
Signature:		Date:

COMMERCIAL LOAN APPLICATION
City of Springfield

ATTACHMENTS

Please enclose the following. Indicate if attached (X) or not applicable (NA).

Financial

Historical. Balance sheet, profit & loss statement, and company tax returns for last 3 fiscal years. Include accountant's opinion letter and any schedules and notes to financial statements.

Current. If most recent statement is over sixty days old, attach current balance sheet and profit and loss statements.

Future. Cash Flow projections for the next two fiscal years. You may use the enclosed form (Exhibit A).

Notes and Mortgages Payable. Fill out enclosed schedule.

Personal

Personal Financial Statements from each 20%-or-more owner. (Use enclosed form).

Tax Returns from each 20%-or-more owner for the last two years.

Resume from each 20%-or-more owner and any other key people. A paragraph or two is sufficient.

Other

Appraisal on an as completed basis by a City-approved appraiser.

Brief History and Description of Business. Suggested maximum: 1-2 pages.

Sales Contract, Bids, and/or Cost Estimates.

Certificate of Incorporation. Enclose copy.

Warranty Deed. Enclose copy.

Prior Deeds of Trust. Enclose copy.

Insurance policy or binder. Enclose copy.

Mortgage verification form. Enclose copy.

Photographs of property.

Does the company or any of its 20%-or-more owners own 50% or more of any other companies? If yes, enclose a list of companies and financial statements or tax returns from 2 previous years.	YES	NO
---	-----	----

If adding or expanding a new unit (e.g. a third store), enclose P&L's by unit for the most recent year, and provide P&L projections both for the new unit and the company as a whole.

SIGNATURE

In the lower right hand corner, please sign and date the first page of each exhibit (except the appraisal, and pages 1-3 or this application.

Signature:

Date:

Department of Planning and Development
Division of Housing and Redevelopment
840 Boonville, 2nd Floor, Springfield, MO 65801 (417)864-1038

COMMERCIAL LOAN APPLICATION City of Springfield			
EXHIBIT A CASH FLOW PROJECTIONS			
Company Name:			
		For Fiscal Year Ending	
Net Sales			
Cost of Goods Sold			
Gross Profit			
Operating Expenses			
Depreciation ²			
Interest ²			
Officer Salaries			
Rent ²			
Salaries ²			
⁴			
⁴			
⁴			
Other Expenses			
TOTAL			
Profit before taxes			
Other income, expenses (net)			
Income Tax			
Profit after tax			
¹ Use remainder of current year and next two fiscal years.			
² If a separate entity is borrowing and leasing to the company, this should be shown here as rent, not as interest or depreciation.			
³ Make sure figures reflect new employment projections.			
⁴ List next three largest categories.			
Please attach any key assumptions. For instance, if sales are going to increase at a higher rate than they have historically, or if gross profit is going to increase, indicate why.			
SIGNATURE			
Signature:		Date:	

COMMERCIAL LOAN APPLICATION
City of Springfield

EXHIBIT B
BUSINESS PLAN
ITEMS TO CONSIDER

Following are several questions concerning the history and nature of the business and the rationale for the proposed project. The applicant is not obligated to answer each question and at the same time, should not feel limited to only these questions:

Has there been any expansion or change of ownership?

What has been the reason for the company's growth?

Has there been any change in the company's activities, new products, etc.?

What advantages do your company/products have over your competitors and how does your volume compare to theirs?

What are your major suppliers?

Who are your major customers?

How many customers do you service?

What percentage of business is done with your five largest customers?

Is your product seasonal?

What are your industry's trends?

If expanding to a new location, why did the company choose that particular site?

Explain what data the company used to determine the increase in customers, revenues and projects, as present in the pro forma operating statements and cash flow projections.

What are the trends in employment in the area in which the company is moving (start-up or expansion)?

Is the economic base of the surround area large enough to support the company's move (start-up or expansion)?

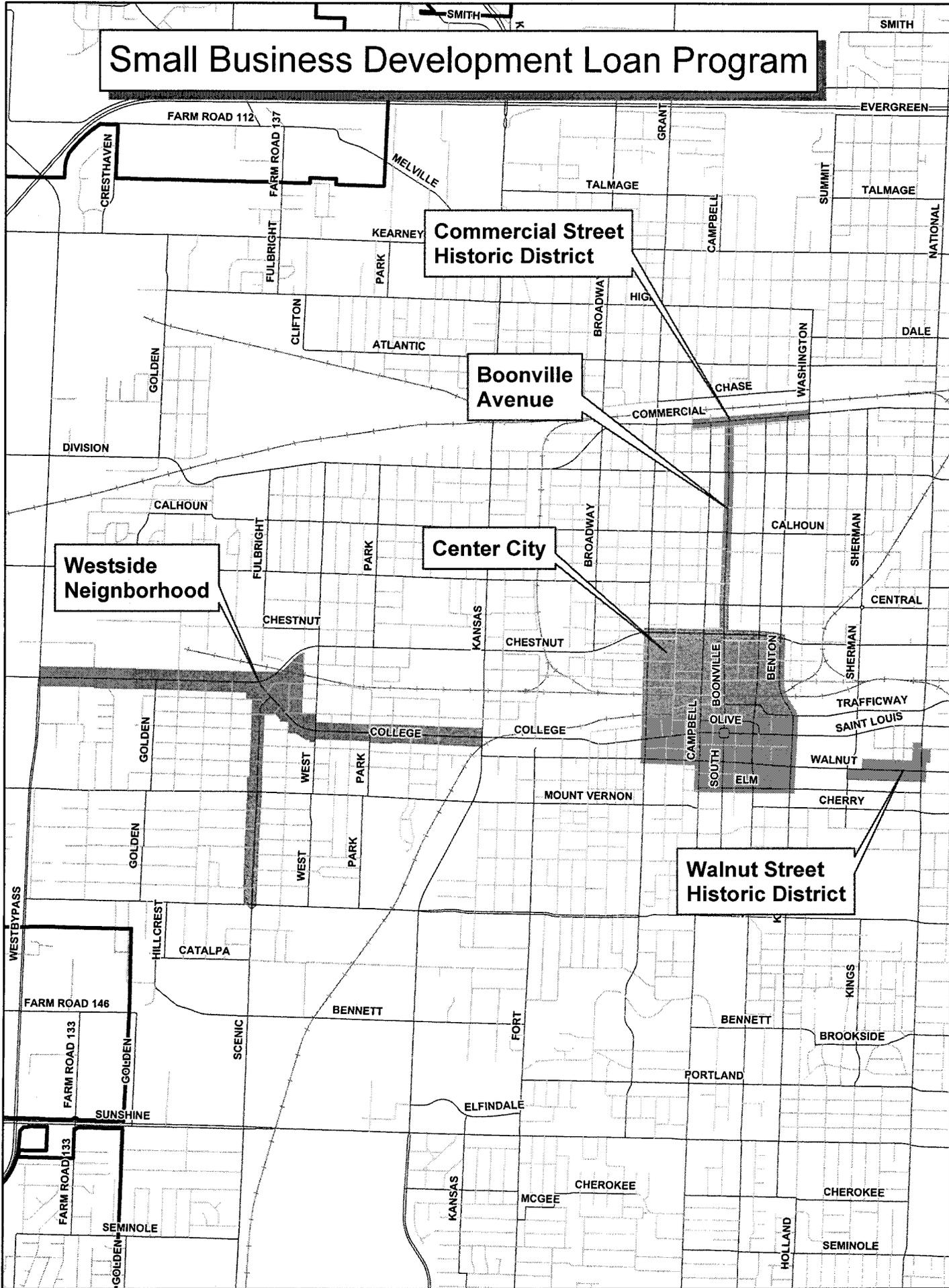
Has the effect of the existing competition been carefully evaluated?

Have other population characteristics of the market (including family size, age trends, median income, education levels) been evaluated?

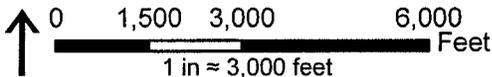
Please provide a brief resume.

COMMERCIAL LOAN APPLICATION City of Springfield	
SIGNATURE AND ACKNOWLEDGMENT	
By signing below, you acknowledge and agree to the following:	
1. With regards to this application form and any other information to be provided, to your knowledge and belief, all information is true and complete; there are no undisclosed financial or legal liabilities, either business or personal, actual or contingent; there is no undisclosed litigation, either current or pending, involving any of the parties to this application.	
2. The City has the right to verify the accuracy of the information provided in this application and relating to this loan request.	
3. The City is authorized to check each owner's and/or other guarantor's credit rating.	
4. You are authorized to apply for this loan on behalf of the business.	
5. All supporting documentation related to this application remains the property of the City of Springfield.	
6. All information provided will be kept confidential by the City and will be used only for the purposes of considering this loan request. If the City provides you with a loan, it is authorized to provide others with information concerning any applicant or guarantor.	
SIGNATURE	
Signature:	Date:
Print Name:	Title:
SIGNATURE	
Signature:	Date:
Print Name:	Title:

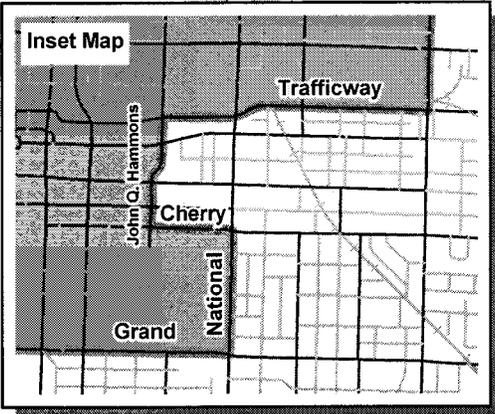
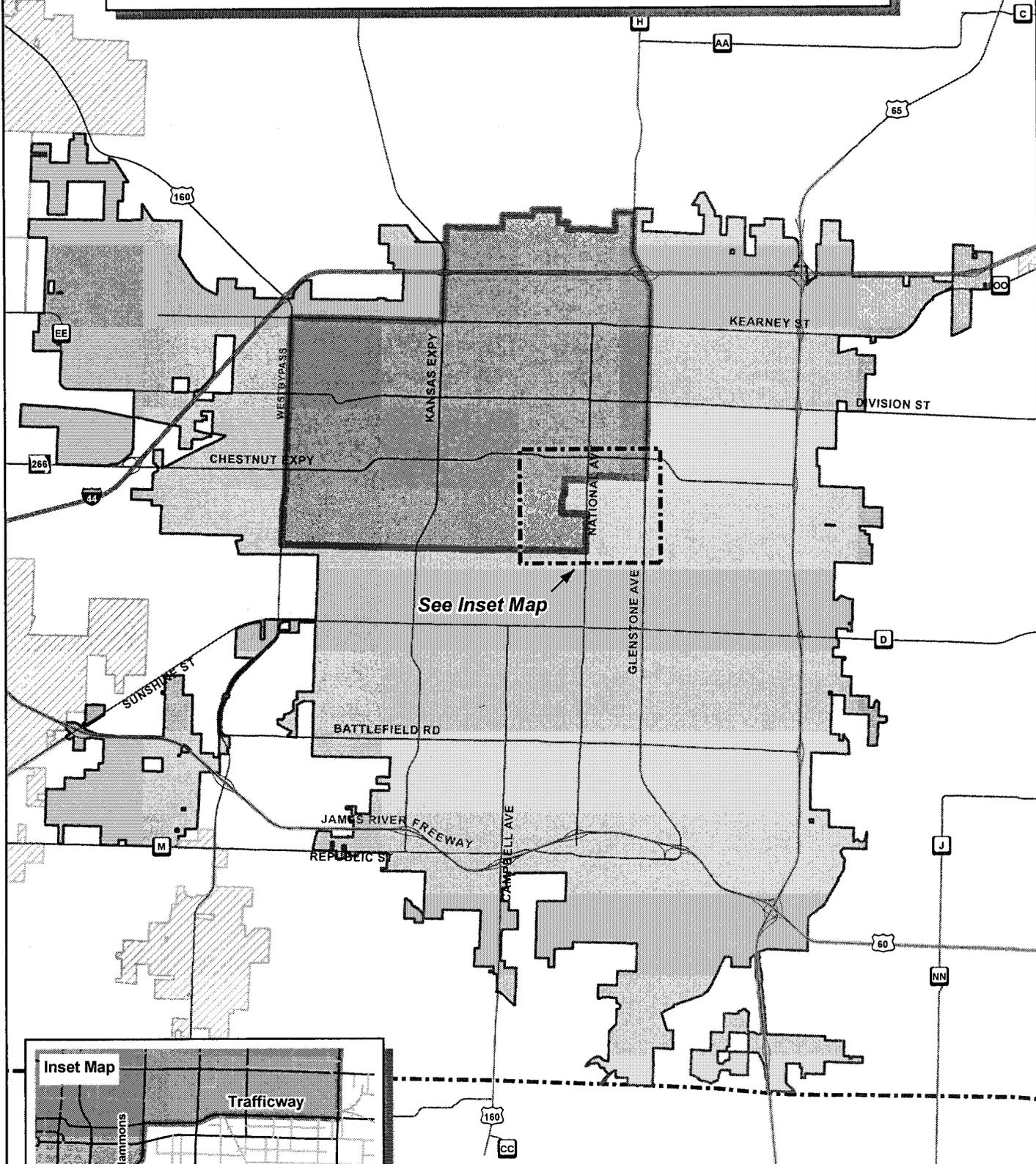
Small Business Development Loan Program



Eligible Areas
 City Limits



Small Business Development Loan Program - Job Creation Projects



 Eligible Area	 City of Springfield
	 Neighboring Municipalities

0 1 2 4
↑ Miles
1 in ≈ 2 miles

A. **PROJECT COSTS:**

1.	Facade Costs (Attach Estimate)	\$
2.	Professional Fees (Architect)	\$
3.	Appraisal (If Necessary)	\$
TOTAL LOAN REQUEST (ESTIMATE)		\$ _____

B. **SOURCE OF FUNDS FOR PROJECT:**

1.	City Loan (Maximum: \$40,000)	\$
2.	Bank or Private Loan	\$
3.	Borrower Injection	\$
TOTAL FINANCING (ESTIMATE)		\$ _____

C. Fees include: Mortgagee's title insurance & recording fees
I wish to: _____ add these fees to the City loan
_____ pay fees at closing

D. Corporate Officers:

<u>Name</u>	<u>Title</u>
_____	_____
_____	_____
_____	_____

E. Number presently employed by your company: _____

SIGNATURE

REQUIRED ATTACHMENTS TO LOAN APPLICATION

Please enclose the following. Indicate if attached (X) or not applicable (NA).

FINANCIAL

_____ Historical. Balance sheet, profit & loss statement, and company tax returns for last three (3) fiscal years.

_____ Current. If most recent statement is over 60 days old, attach current balance sheet and profit & loss statements.

_____ Future. If new business, include profit & loss projections for next two (2) fiscal years.

_____ Notes and mortgages payable. Fill out enclosed schedule.

PERSONAL

_____ Personal financial statement from each 20%-or-more owner (Attached)

_____ Tax returns from each 20%-or-more owner for last three years

OTHER

_____ Copy of appraisal of property, if available

_____ Brief history & description of business (1-2 pages).

_____ Bids and/or cost estimates for facade

_____ Certificate of incorporation

_____ Copy of warranty deed

_____ Copy of title policy

_____ Copies of any prior deeds of trust

_____ Insurance policy or binder

_____ Facade plan sketch

_____ Photographs of existing facade (3-5 photos)

_____ Partnership or LLC agreement, or Articles of Incorporation, if applicable

Signature of Applicant

Date

NOTES AND MORTGAGES PAYABLE

For each debt owed by the applicant (whether individual or business), please provide the following information:

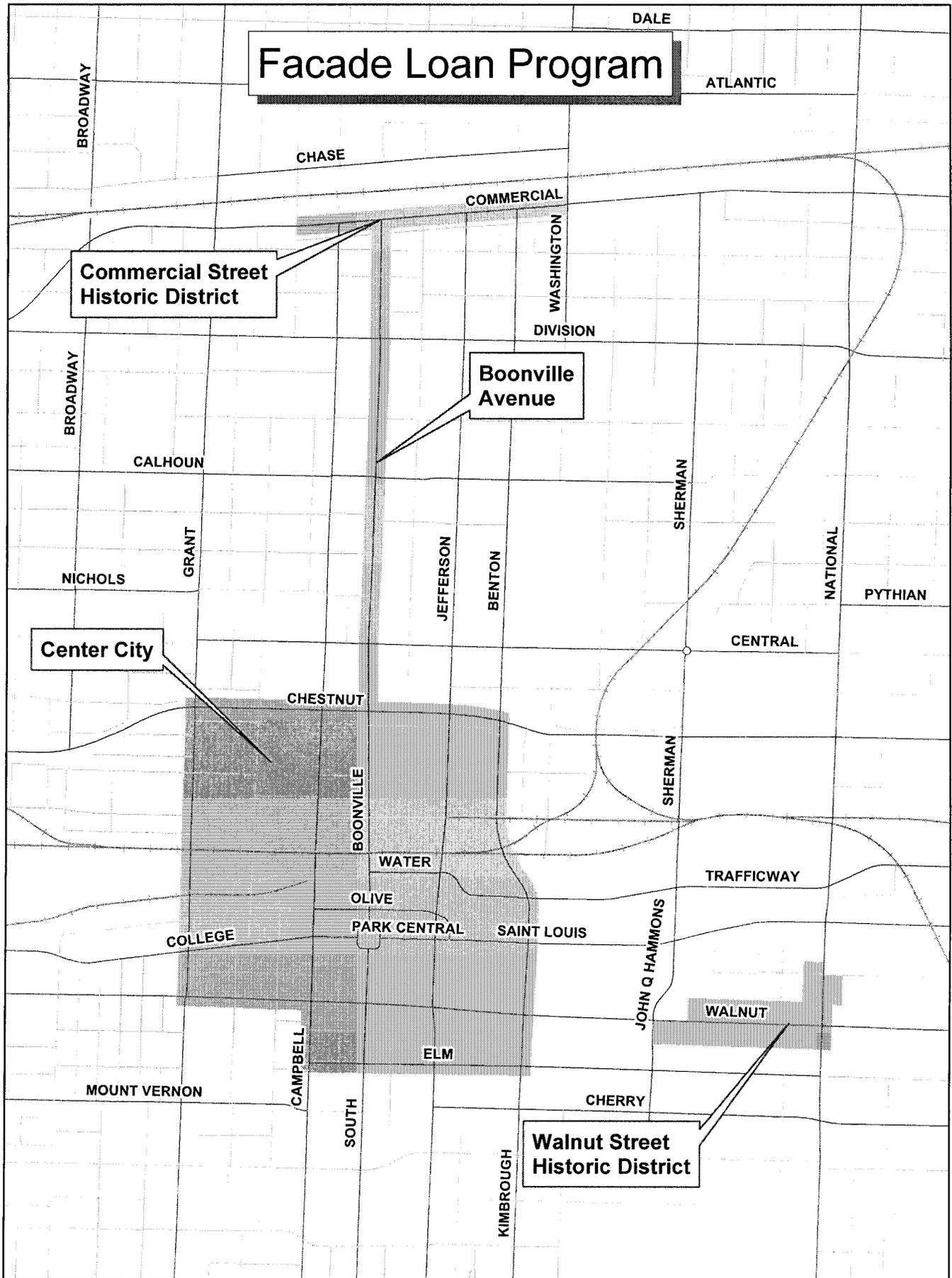
<u>Payable To</u>	<u>Original Date</u>	<u>Original Amount</u>	<u>Maturity Date</u>	<u>Present Balance</u>	<u>Monthly Payment</u>	<u>Security for Loan</u>
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

TOTALS \$ _____

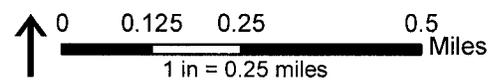
Signature of Applicant

Date

Facade Loan Program



 Eligible Areas



BUSINESS INCENTIVE LOAN PROGRAM APPLICATION

CITY OF SPRINGFIELD

BACKGROUND INFORMATION

Company Name: _____
Contact Person: _____ Year Established _____ Fed ID _____
Phone(Office): _____ Phone (Cell): _____ Phone (Home): _____
E-Mail _____ Website: _____
Date Financing Needed: _____ Referred By: _____

OWNER INFORMATION

Name of Owner: _____ Percentage Owned: _____
Name of Owner: _____ Percentage Owned: _____
Name of Owner: _____ Percentage Owned: _____
Name of Owner: _____ Percentage Owned: _____

COMPANY INFORMATION

Is the company a ? ___ Corporation ___ Partnership ___ LLC ___ Proprietorship ___ S-Corporation
Who is borrowing: ___ Corporation ___ Partnership ___ LLC ___ S-Corporation ___ Individuals

CONVENTIONAL FINANCING INFORMATION

	<u>NAME</u>	<u>CONTACT PERSON</u>	<u>PHONE NO</u>
Participating Bank	_____	_____	_____
Bank of Account (if different)	_____	_____	_____
Accountant	_____	_____	_____
Realtor	_____	_____	_____
Attorney	_____	_____	_____
Title Company	_____	_____	_____
Appraiser	_____	_____	_____
Landlord	_____	_____	_____

SIGNATURE

Signature: _____ Date: _____

COMPANY INFORMATION

Currently

After City Loan

Street Address

City, State, Zip

of Business Locations

Building Space (sq ft)

Land (Acres or sq ft)

Existing Facility:

If Owned:

Purchase Price

\$ _____

Date Purchased

Existing Mortgage Balance

\$ _____

Appraised Value

\$ _____

Monthly Mortgage Payment

\$ _____

If Leased:

Area Size (sq ft)

Monthly Rent

\$ _____

Lease Term

Expiration date of lease

New Facility:

If Owned:

Area Size (sq ft)

Purchase Price

\$ _____

Appraised Value

\$ _____

If Leased:

Area Size (sq ft)

Monthly Rent

\$ _____

Lease Term (attach copy)

Expiration date of lease

SIGNATURE

Signature:

Date:

PARTICIPATING LENDER INFORMATION

(Attach copies of notes & deeds of trust where applicable)

Name of Financial Institution _____
Contact Person _____
Phone Number and/or E-Mail _____
Amount of Participation \$ _____
Purpose of Loan _____
Term/Rate _____
Collateral _____

COLLATERAL FOR CITY LOAN

1. _____ Prior Liens: _____
2. _____ Prior Liens: _____
3. _____ Prior Liens: _____

OTHER OBLIGATIONS

What other major obligations does the business have?

Payee _____ Payee _____
Monthly Debt Service \$ _____ Monthly Debt Service: \$ _____

OFFICERS/MEMBERS

List Corporate Officers & Titles/LLC Members/Partners

FEES OF CITY LOAN

Fees may include title insurance, UCC filings, appraisals and/or recording fees.

I wish to: ___ Add to city loan ___ Pay at closing

SIGNATURE

Signature: _____ Date: _____

PROJECT FINANCIAL INFORMATION

	<u>Project Costs (Uses)</u>		<u>Financing Methods (Sources)</u>
Property Acquisition	\$ _____		Bank Loan \$ _____
Rehabilitation	\$ _____		Private Loan \$ _____
New Construction	\$ _____		City Loan \$ _____
Infill Costs	\$ _____		Other Loan \$ _____
Construction Contingencies	\$ _____		Borrower Injection \$ _____
Equipment	\$ _____		
Furniture & Fixtures	\$ _____		
Inventory	\$ _____		
Start-Up Costs (attach list)	\$ _____		
Professional Fees	\$ _____		
Working Capital	\$ _____		
Total	\$ _____	=	Total \$ _____

JOB CREATION

Number Presently Employed Full Time _____ Part-Time _____
How many jobs do you expect to create within 2 years? Full Time _____ Part-Time _____

PREVIOUS BUSINESS FINANCING

<u>NAME OF LENDER</u>	<u>AMOUNT</u>	<u>DATE OF REQUEST</u>	<u>APPROVED/DECLINED</u>	<u>STATUS</u>
_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	_____	_____

SIGNATURE

Signature: _____ Date: _____

DEPARTMENT OF PLANNING & DEVELOPMENT

840 BOONVILLE PO BOX 8368

SPRINGFIELD MO 65801

417-864-1031

ATTACHMENTS

Please enclose the following. If attached, mark X or if not applicable, mark N/A

- _____ **Historical.** Balance sheet, profit & loss statement, business tax returns for last two years
- _____ **Current.** If most recent statement is over 60 days old, attach current balance sheet, profit & loss statement
- _____ **Future.** Cash flow projections for next two fiscal years (month-by-month). Include key assumptions.
- _____ **Notes & Mortgages Payable.** Attach list of business debt.
- _____ **Personal Financial Statements** from each 20% or more owner (enclosed form)
- _____ **Tax Returns** from each 20% or more owner for last two years
- _____ **Resume** from each 20% or more owner and any other key personnel
- _____ **Business Plan,** if new business
- _____ **Appraisal of Property,** if applicable
- _____ **Brief history & description of business**
- _____ **Real Estate Sales Contract,** if applicable
- _____ **Cost Estimates or Bids** for rehabilitation/infill, if applicable
- _____ **Warranty Deed.** Enclose copy if applicable
- _____ **Prior Deeds of Trust.** Enclose copies, if applicable
- _____ **Insurance Policy or Binder.** Enclose copy
- _____ **City License.** Copy of, if available
- _____ **Photographs** of proposed business location
- _____ **Closing statements, title insurance,** if applicable.
- _____ **Lease Agreement,** if applicable. Enclose copy.
- _____ **Business Structure.** Enclose copies of Articles of Incorporation & By-Laws (if Corporation), Articles of Organization & Operating Agreement (if LLC), or Partnership Agreement
- _____ Does company or any of its owners own 50% or more of any other companies? If yes, enclose list of companies and financial statements or tax returns from two previous years.

SIGNATURE

Signature: _____

Date: _____

City of Springfield Loan Application

Signature & Acknowledgment

By signing below, you acknowledge and agree to the following:

1. With regards to this application form and any other information to be provided, to your knowledge and belief, all information is true and complete; there are no undisclosed financial or legal liabilities, either business or personal, actual or contingent; there is no undisclosed litigation, either current or pending, involving any of the parties to this application.
2. The City has the right to verify the accuracy of the information provided in this application and relating to this loan request.
3. The City is authorized to check each owner's and/or other guarantor's credit rating.
4. You are authorized to apply for this loan on behalf of the business.
5. All supporting documentation related to this application remains the property of the City of Springfield.
6. All information provided will be kept confidential by the City and will be used only for the purposes of considering this loan request. If the City provides you with a loan, it is authorized to provide others with information concerning any applicant or guarantor.

Signature: _____
Print Name: _____

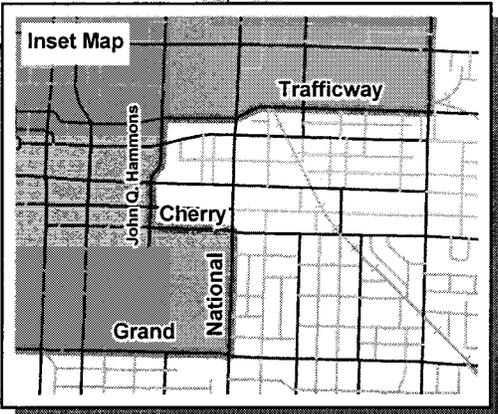
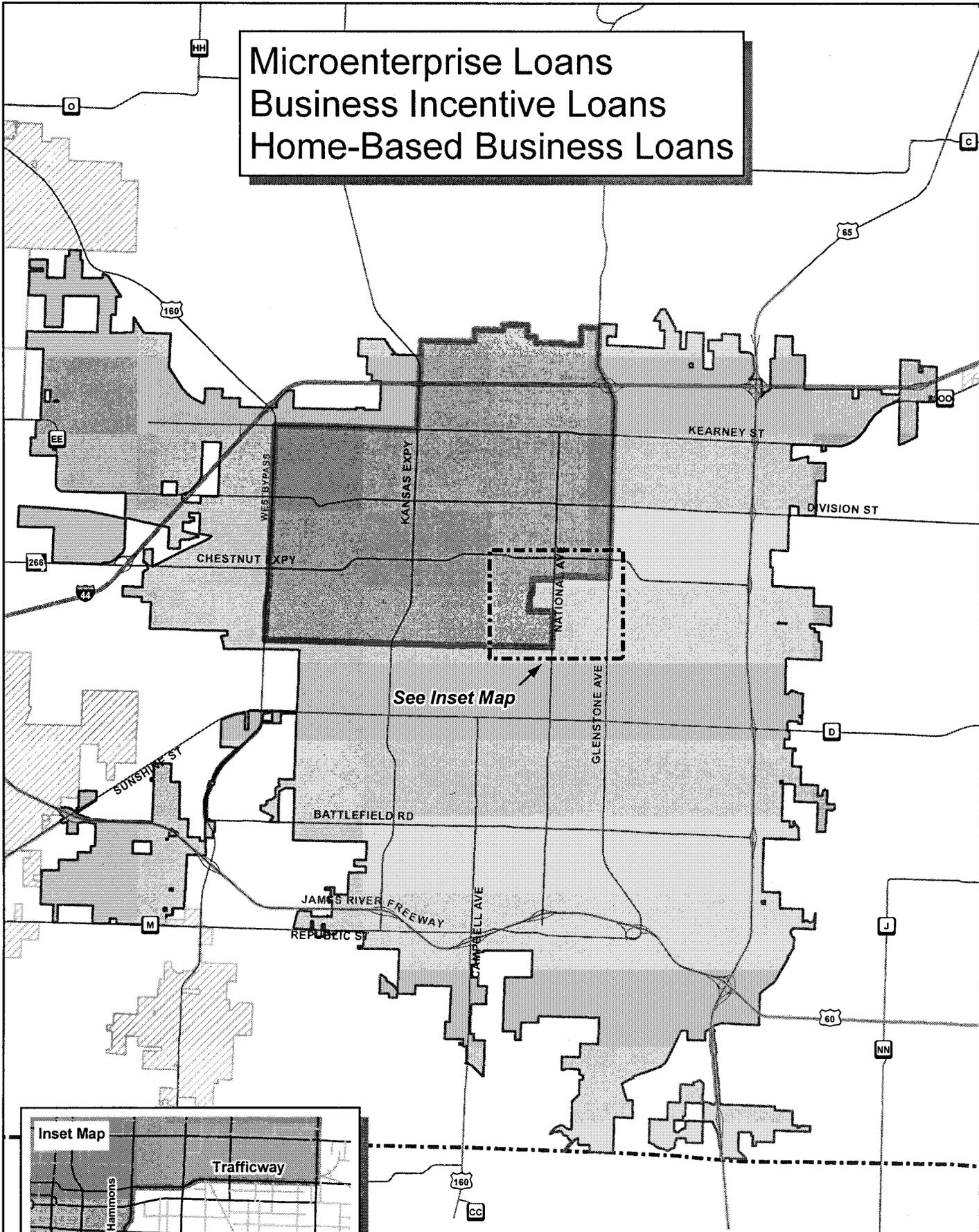
Date: _____
Title: _____

Signature: _____
Print Name: _____

Date: _____
Title: _____

**DEPARTMENT OF PLANNING & DEVELOPMENT
840 BOONVILLE PO BOX 8368
SPRINGFIELD MO 65801-8368
417-864-1031**

Microenterprise Loans
 Business Incentive Loans
 Home-Based Business Loans



	Eligible Area		City of Springfield
			Neighboring Municipalities

0 1 2 4 Miles
 1 in ≈ 2 miles

Application for Brownfields Assessment Funding

Name _____

Mailing Address _____

Phone Number _____

Cell _____

E-mail Address _____

Property Address _____

How long have you owned this property? _____

What is the historical ownership and use of the property?

What are your proposed plans for the property?

Date _____

Signature _____

Redevelopment Cost? _____

**AGREEMENT TO ALLOW ENTRY TO PROPERTY
FOR ENVIRONMENTAL ASSESSMENT**

1. Right of entry to premises: Grantor, as legal owner of, or holder of authority to permit access, to the below described property/premises, within the city limits of Springfield, Missouri, hereby consents to and authorizes, pursuant to the terms of this agreement, representatives, employees, agents and contractors for the City of Springfield, Missouri, the United States Environmental Protection Agency, and the Missouri Department of Natural Resources, collectively Grantee, to enter upon such property, and perform Phase I and II Environmental Assessments.

2. Description: The property that is the subject of this agreement is located in the City of Springfield, Missouri, located at _____.

3. Entry: Permission is granted to perform and carry out investigative activities pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), 42 U.S.C. Sections 9601-9675. The initial activity is scheduled to begin on or about _____.

4. Agreements:
 - A. Grantor grants the representatives, employees, agents and contractors for the City of Springfield, Missouri, the United States Environmental Protection Agency, and the Missouri Department of Natural Resources access to the above described property for the purpose of performing environmental assessments, including obtaining samples (soil, subsurface soil, air, water, groundwater and other substances) during the term of this agreement.

 - B. Grantor agrees not take any actions with respect to the property that might endanger the quality of the samples or the health and safety of any person taking such samples.

 - C. Grantee agrees to take reasonable measures to avoid interference with normal activity on the property.

 - D. Grantee's contractor shall locate utilities on the premises prior to sample taking.

 - E. Grantee shall give the Grantor at least forty-eight hours notice of the necessity to take any follow up samples. Grantor will not unreasonably withhold consent for such additional sampling.

F. Grantee agrees that all material and equipment utilized by the Grantee shall be removed from the property upon the completion of the environmental assessment authorized hereunder and that the property will be restored as nearly as reasonable to its original state and condition existing immediately preceding the beginning of activities authorized by this agreement, provided that if any monitoring wells are required they may be left on the property until the need for the same no longer exists, whereupon Grantee may abandon the monitoring wells by capping or other approved methods. Grantor grants to Grantee the right of access to such monitoring wells beyond the term of this agreement as necessary to take additional samples and to maintain the monitoring wells.

5. Term of agreement: This Agreement and consent shall terminate within one year of the execution by all parties of this agreement.

The undersigned have read this agreement and understand that it grants permission to the City of Springfield, Missouri, the United States Environmental Protection Agency, and the Missouri Department of Natural Resources to enter the above-described property for purposes of conducting the environmental assessments and agree to its terms and conditions.

_____ Dated: _____

_____ Dated: _____

_____ Dated: _____

City of Springfield, Missouri

City of Springfield, Missouri, Brownfields Program Criteria for Use of Assessment Funds

The City of Springfield Brownfields Program is made possible through EPA funded grants to perform assessments and cleanup planning on properties that may have been contaminated with either hazardous substances or petroleum. The program works to assess, clean up, and facilitate the redevelopment / reuse of potentially contaminated properties known as "brownfields" within the city of Springfield. The program is coordinated through the Economic Development Office in the Department of Planning and Development and works in cooperation with Region 7 of the United States Environmental Protection Agency (EPA) and the Missouri Department of Natural Resources.

The following criteria will be used to evaluate eligible brownfields sites for use of EPA grant funds managed through the City's Brownfields Program. Eligible sites must meet one or more of the following criteria, all of which will be considered by the Brownfields Committee prior to authorization of use of funds. All sites must have EPA and/or DNR eligibility approval and the party requesting brownfields assistance must retain and prove site control or have been granted written permission by the property owner to use the results of the environmental assessment and/ or cleanup planning.

1. Site Location

The site must be located within the city limits of Springfield to be eligible for Brownfields funding. Evaluation of the site location will include how the location relates to the Vision 20/20 goals for the City of Springfield and to City Council priorities? Has the site been targeted through an inventory or study as a priority? Sites strategically located in an area that furthers these goals, such as Center City, the Jordan Valley Planning Area, the CDBG boundary, the Jordan Creek CORPS Study, City acquisition, and neighborhoods will be given higher priority.

2. Environmental Need

Is there a high probability that the site has contamination from hazardous substances and/or petroleum contaminants?

3. Redevelopment Potential

What is the potential for redevelopment based on the property condition, surrounding area, location, market conditions, commitment of the developer. What are the plans for redevelopment and are plans consistent with the highest and best use of the property.

4. Community Benefit

How will the community benefit from use of funds at this site? What will the impact of eliminating this brownfield property have and what level of benefit will the redevelopment bring in the form of economic, health, and/or environmental improvement.

5. Cost Benefit

What is the cost benefit of the project relative to the use of brownfields funds? Consider the amount of grant funds remaining and other pending projects. Property targeted for City acquisition or City owned property will receive priority over private property.

Project Site: _____

Approved by Brownfields Committee: _____

Approver Signature

Date

City of Springfield, Missouri
Brownfields Program

REVOLVING LOAN FUND

Policies and Procedures

Adopted by City Council on January 26, 2009

For information, please contact:
Department of Planning and Development
840 Boonville Ave. 2nd Floor
Springfield, MO 65801
417-864-1031
www.springfieldmogov.org/brownfields

FORWARD

The Springfield Brownfields Revolving Loan Fund (RLF), administered by the Springfield Department of Planning and Development through the Brownfields Committee, provides loans and subgrants for environmental cleanup of brownfields property.

In October 2007, the City of Springfield was awarded a grant from EPA for \$1,000,000 to establish a Revolving Loan Fund. The purpose of the RLF is to provide loans to public and private property owners and sub-grants for eligible organizations to facilitate environmental cleanup. The RLF expands the Brownfields Program that has been operating since 1999 providing environmental assessments for both public and private property to help facilitate redevelopment.

This document contains the RLF policies and procedures that have been adopted by the City Council on January 26, 2009 to govern the RLF program. For further information, please contact the Brownfields Coordinator in the Department of Planning and Development, at (417) 864-1031.

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CHAPTER I DESCRIPTION OF THE CITY OF SPRINGFIELD REVOLVING LOAN FUND

1. Introduction and Purpose

The Brownfields Revolving Loan Fund (RLF) is designed to provide financial assistance as an economic incentive to encourage eligible entities to cleanup environmental contamination on brownfields sites within the city limits of Springfield. The fund is primarily focused on providing low interest loans, and (under special circumstances) grants may be awarded to eligible non profits.

The purpose of this Policy and Procedures document is to provide a system for uniform administration of the RLF program by the Brownfields Committee will adhere to the details specified in this document.

The City Council of Springfield Missouri has approved these Policies and Procedures. The Brownfields Committee appointed by the Director of Planning and Development will administer the RLF by following the guidelines provided within this document.

2. Mission

The City of Springfield is a municipal corporation under the laws of the State of Missouri. The mission statement of the Brownfields Revolving Loan Fund is:

The Brownfields Revolving Loan Fund is a financial tool to assist and encourage environmental cleanup and sustainable reuse of brownfields property within the City of Springfield thus improving the quality of life for the community.

3. Definitions

When used in context with the Brownfields Revolving Loan Fund (RLF) the following definitions shall apply:

APPLICANT means any individual, firm, corporation, association or partnership including non-for-profit organizations, desiring to obtain financial assistance under the RLF by providing the appropriate information and by signing loan documents as required.

ARBITRATION means a hearing and determination of a case in controversy by a person chosen by the parties or under statutory authority.

BORROWER means an eligible loan applicant entering into an agreement with the City of Springfield to borrow RLF funds for environmental cleanup.

BROWNFIELDS means "real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or

contaminant.” - Public Law 107-118 (H.R. 2869) - "Small Business Liability Relief and Brownfields Revitalization Act", January 11, 2002.

BROWNFIELDS COMMITTEE is the committee appointed by the Director of Planning and Development charged with administering the RLF in accordance with the Policies and Procedures contained within this document. In general committee members shall include the Brownfields Coordinator, City Attorney, Loan Fund Manger/City Grants Administrator, Environmental Engineer, and Development Economist.

BROWNFIELDS COORDINATOR means the staff person assigned to the daily oversight and administration of the Brownfields Program including all EPA grants, environmental assessments and the RLF program.

CITY means the City of Springfield, Missouri, a Municipal Corporation.

CONTRACTOR: means the environmental consultant retained to perform environmental remediation including cleanup of the contaminated site.

ECONOMIC DEVELOPMENT means the acquisition, construction, reconstruction, or installation of commercial, industrial or residential buildings, structures, and other real property equipment or improvements which are directed to and may result in the creation or retention of jobs principally to benefit low and moderate-income persons.

ELIGIBLE ENTITY means any entity determined to be eligible for either an RLF loan or subgrant based on the criteria contained within this document and as defined by the EPA RLF Administrative Manual.

ELIGIBLE AND ALLOWABLE COST mean the cost that are eligible uses of the RLF loan or subgrant as described within this document and as defined by the EPA RLF Administrative Manual.

EPA means the United States Environmental Protection Agency.

EPA PROJECT OFFICER means the EPA staff person assigned to oversee the Springfield Missouri RLF.

FUND MANAGER means the person responsible for the financial management of the RLF. The fund manager assists the City in carrying out its responsibilities on a site-specific basis, and works on behalf of the City.

GAP FINANCING means the difference between the amount of financing provided by a lending institution and the amount of financing provided by the Owner.

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY (LCRA) means that political subdivision headed by a Board of Commissioners appointed by the City Council and charged with certain responsibilities for the administration of the Small Business Development Loan Program.

LOAN means the financial transaction between the borrower and the lender (City of Springfield) whereby the two parties enter into an agreement for the lender to provide temporary financing to the borrower for the project to be repaid per the Terms and Conditions of the agreement.

MDNR means the Missouri Department of Natural Resources

MBVCP means the Missouri Brownfields Voluntary Cleanup Program

OWNER means the person or persons named on the recorded property deed; or owner of record.

PLANS AND SPECIFICATIONS means a description of the construction to be performed which is acceptable to the Loan Committee. This generally will be staff work write-up or architectural plans.

PROJECT AREA means a designated area or district approved by the City Council that is eligible to receive business assistance.

PROJECT means a business property which is being assisted under the Brownfields RLF.

SUBGRANT means the financing (grant) awarded to the subgrantee by the City of Springfield through the EPA funded Brownfields RLF Program for the project per the Terms and Conditions of the subgrant agreement.

SUBGRANTEE means the eligible entity that is the recipient of an EPA funded RLF subgrant awarded by the City of Springfield per the Terms and Conditions of the subgrant agreement.

4. Confidentiality and Conflicts of Interest

Personal and business financial information will be held in confidence to be reviewed only by the Brownfields Committee and City Attorneys Office for use exclusively in the evaluation of the RLF application. EPA staff shall also review this information when requested.

No person who is an employee, agent, consultant, officer or elected official or appointed official of the City of Springfield or the LCRA who exercises or has exercised any functions or responsibilities with respect to activities assisted under this program or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from such activities, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

CHAPTER II ELIGIBILITY

The City of Springfield will only provide loans and subgrants to eligible borrowers and subgrantees for sites with eligible and allowable cleanup activities as described in this chapter. In addition to the eligibility described in this document, recipients must meet and will be reviewed based on the EPA criteria for eligible use of funds.

1. Eligible Applicants

Eligible borrowers can be any public and private entity with control over or access to a brownfields site. Eligible subgrantees are limited to political subdivisions and non-profit organizations that own the site they intend to clean up. Applicants must not be suspended, debarred or otherwise declared ineligible from receiving federal funds. If the property was obtained by involuntary means, this must be documented.

Prior to funding approval, all eligible applicants will be evaluated based on additional criteria specified within the application documents and must meet Brownfields Committee approval for eligibility. Borrowers and subgrantees must assert:

- Bona fide prospective purchaser (BFPP),
- Contiguous property owners (CPO), or
- Innocent landowners (ILO) have performed "all appropriate inquiry" as found in CERCLA 101 (35)(B), on or before acquiring the property and are not liable for cleanup cost.
- Proof that they performed "all appropriate inquiry" into the property prior to obtaining it and meet all other CERCLA liability exemptions/defense requirements.

Subgrantee Eligibility Restrictions

In addition to the restrictions identified above, the following must be taken into consideration and documented for the extent to which a subgrant will:

- Facilitate the creation or preservation of greenspace (e.g. a park, recreation area);
- Benefit the needs of low income communities who have limited sources of funding for environmental remediation and redevelopment;
- Facilitate the use of existing infrastructure; and
- Promote the long-term availability of RLF funds.
- The subgrant recipient must retain ownership of the site until the cleanup is completed and through-out the period of performance of the subgrant.

2. Ineligible Applicants

- Borrowers and subgrantees potentially liable under CERCLA
- Applicants that are potentially liable, or affiliated with any other person that is potentially liable, for cleanup cost through: (a) any direct or indirect familial relationship, or (b) any contractual, corporate, or financial relationships;
- A recognized business entity that was potentially liable;
- Anyone otherwise liable under CERCLA 107 (a) as a prior owner/operator or generator or transporter of hazardous substances to the facility.

- An entity that is currently suspended, debarred from receiving federal funding, or otherwise declared ineligible.

3. Eligible Sites

The RLF can be used for cleanup on eligible brownfields sites as defined by the brownfields law which includes sites where the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. The Brownfields law also specifies that RLF funds can be used at sites that are contaminated by petroleum or petroleum product, controlled substance, or mine-scarred lands. RLF funds may only be used at sites that are:

- Contaminated by a hazardous substance, pollutant, or contaminant;
- Contaminated by petroleum or a petroleum product, and is determined by the State to be relatively low risk with no liable and viable party and not subject to any order issued under section 9003(h) of the Solid Waste Disposal Act
- Contaminated by controlled substances; or
- Mine-scarred lands.

4. Ineligible Sites

- Sites listed or proposed for listing on the National Priorities List (NPL);
- Sites subject to unilateral administrative order, a court order, an administrative order on consent or judicial consent decree issued or entered into by parties under CERCLA; and
- Sites subject to the jurisdiction, custody, or control of the United States government, *except* for land held in trust by the United States for an Indian tribe.

The following petroleum-contaminated sites are not eligible for RLF funding:

- Sites subject to a corrective action order under RCRA § 9003(h); or
- Sites that have received specific cleanup assistance under the Subtitle I of RCRA from the Leaking Underground Storage Tank (LUST) trust fund are excluded from receiving financial assistance, unless a property-specific funding determination from EPA is obtained (See Section 3.4, Sites that may be Eligible for a Property-Specific Funding Determination, for more information on property-specific determinations).

Certain sites that are excluded from funding eligibility could still qualify for funds if the recipient can provide documentation for EPA to make a property-specific determination that the site meets the goals and criteria of the brownfields program and the criteria set forth in the Brownfields Law. Eligibility approval from EPA must be received prior to conducting work at these sites.

5. Eligible Activities

RLF funds are designated for eligible cleanup activities by eligible entities at eligible brownfields sites. Funds must be used on cleanup activities only. These activities include:

- Removing, mitigating, or preventing the release or threat of a release of a hazardous substance, pollutant, contaminant, petroleum product, or controlled substance into the environment;
- Site assessment or site monitoring activities that are reasonable, necessary, and incidental to the cleanup process;
- Costs associated with meeting public participation, worker health and safety, and program management requirements related to managing the RLF; and
- Compliance with state and federal laws applicable to the cleanup.

Direct programmatic costs may be eligible and allowable. However, the Brownfields Law makes administrative costs ineligible. Please see EPA Prohibitions on Use of Funds, of the 2007 Proposal Guidelines Revolving Loan Fund for discussion of the administrative cost prohibition

Actions associated with cleanup include, but are not limited to:

- Documentation of the Analysis of Brownfields Cleanup Alternatives (ABCA);
- Development and implementation of RLF marketing strategy;
- Oversight of cleanup activities;
- Installation of fences, warning signs, or other security or site control precautions;
- Installation of drainage controls;
- Stabilization of berms, dikes, or impoundments; or drainage or closing of lagoons;
- Capping of contaminated soils;
- Using chemicals and other materials to retard the spread of the release or mitigate its effects;
- Excavation, consolidation, or removal of contaminated soils;
- Removal of drums, barrels, tanks, or other bulk containers that contain or may contain hazardous substances, pollutants, or contaminants, including petroleum;
- Removal of source materials, including free product recovery; and
- Containment, treatment, or disposal of hazardous materials and petroleum contamination.

The Brownfields Law also provides that RLF funds can be used for:

- Site monitoring activities, including sampling and analysis, that are reasonable and necessary during the cleanup process, including determination of the effectiveness of a cleanup;
- Site assessment activities that are reasonable, necessary, and incidental to the cleanup process, such as confirmation sampling; and
- Costs associated with meeting public participation, worker health and safety, and programmatic management requirements.

6. Ineligible Activities

RLF funds may NOT be used for the following activities:

- Pre-cleanup environmental assessment activities, such as site assessment, identification, and characterization with the exception of site monitoring activities as described above;
- Public or private drinking water supplies that have deteriorated through ordinary use;
- A cleanup cost at a brownfields site for which the recipient of the grant or loan is potentially liable under CERCLA § 107;
- Monitoring and data collection necessary to apply for, or comply with, environmental permits under other federal and state laws, unless such a permit is required as a component of the cleanup action;

- Construction, demolition, and development activities that are not cleanup actions (e.g., marketing of property or construction of a new non-cleanup facility);
- Construction, demolition, and cost sharing or matching requirement for another federal grant (absent statutory authorization);
- Support of job training;
- Support of lobbying efforts of the recipient; and
- In addition, the Brownfields Law includes the administrative cost prohibition which prohibits the use of any “part of a grant or loan” for the payment of an administrative cost.

7. Eligible Fund Uses

RLF funds can be used for eligible “programmatic” costs, but are not allowed for administrative costs. (Please see Prohibitions on Use of Funds in the 2007 Proposal Guidelines for Brownfields Revolving Loan Funds.)

Statutory Exceptions to the Administrative Cost Prohibition

The following administrative costs are eligible for RLF funds. The Brownfields Law provides that the administrative cost prohibition does not apply to:

- Investigation and identification of the extent of the contamination;
- Design and performance of a cleanup action; or
- Monitoring of a natural resource (e.g., soil, groundwater) for contamination.

Eligible programmatic costs are expenses incurred for activities that are integral to achieving the purpose of the program. For example, programmatic costs could include the costs of loan processing, legal fees, and professional services, or overseeing the borrower’s activities to ensure compliance with relevant and appropriate requirements of the NCP (see 40 C.F.R. § 300.700 et seq.). RLF funds may be used for (but are not limited to) the following programmatic activities:

- Site cleanup activities;
- Site remediation activities;
- VCP or State response program fees associated with the cleanup (see the RLF Grant Proposal Guidelines)
- Cost required to purchase insurance;
- Expenses for making and managing loans and/or subgrants, operating the revolving fund, and financial management expenses;
- Expenses for site cleanup activities, as in the case of subgrants to eligible entities and nonprofit organizations in remediation of brownfield sites under CERCLA § 104(k)(3)(A)(ii);
- Costs incurred for complying with procurement provisions of 40 C.F.R. Part 30 (Institutions of Higher Education, Hospitals and other Non-Profit Organizations) and 40 C.F.R. Part 31 (State, local and Indian tribal governments) otherwise referred to as the Uniform Administrative Rules for Federal grant and cooperative agreement and subawards.

- Costs for performance and programmatic financial reporting required under 40 C.F.R. 30.51 and 30.52, and 40 C.F.R. 31.40 and 31.41 are eligible programmatic costs. Performance and financial reporting are essential programmatic tools for both the recipient and EPA to ensure that grants are carried out in accordance with statutory and regulatory requirements;
- Costs associated with monitoring the health of populations exposed to hazardous substances from a brownfields site. In addition, costs associated with monitoring and enforcing institutional controls used to prevent human exposure to hazardous substances at a brownfields site are considered eligible administrative costs. These costs cannot exceed 10% of the grant funds, and are only eligible to local government recipients; and Expenses for travel, training, equipment, supplies, reference materials, and contractual support, if those costs are reasonable and can be allocated to tasks specified in an approved scope of work for carrying out the activities specified in statutory exceptions to the administrative cost prohibition (e.g., investigation and identification of the extent of the contamination; design and performance of a cleanup action; or monitoring a natural re-source for contamination) or other eligible programmatic costs described in this section. For example, costs for training recipient personnel are eligible and allowable if the costs are for training employees who perform work under the RLF grant.

8. Ineligible Fund Uses

Direct administrative costs are prohibited costs, as are indirect costs. The Brownfields law prohibits the use of any “part of a grant or loan” for the payment of an administrative cost. Prohibited direct administrative costs or indirect charges include but are not limited to:

- Salaries;
- Benefits;
- Contractual cost;
- Supplies; or
- Data processing charges incurred to comply with most provisions of the Uniform Administrative Requirements for Grants contained in 40 C.F.R. Part 30 or 40 C.F.R. Part 31.

Prohibited administrative costs also are all indirect costs under OMB Circulars A-21, A-87, and A-122, and Subpart 31.2 of the Federal Acquisition Regulation. In addition to direct administrative costs, RLF funds may not be used for the payment of:

- A penalty or fine;
- A federal cost-share requirement (i.e., a cost-share required by other federal funds);
- A cleanup cost at a brownfields site for which the recipient of the grant or loan is potentially liable under CERCLA § 107;
- A cost of compliance with any federal law, excluding the cost of compliance with laws applicable to the cleanup; and
- Unallowable costs (e.g., lobbying and fund raising) under OMB Circulars A-21 (universities), A-87 (state, tribal, and local governments), or A-122 (non-profit organizations), and Subpart 31.2 of the Federal Acquisition Regulation (commercial organizations), as applicable.

CHAPTER III UNDERWRITING AND APPROVAL

1. Underwriting Guidelines for Loans

- Evaluate credit – must have satisfactory credit
- Evaluate security – loans must be adequately secured by real estate (either cleanup property or other)
- Demonstrate repayment ability
- Require a personal guarantee on loans
- The City may take a subordinate collateral position

2. Criteria for Approval

A successful applicant for a City of Springfield Brownfields RLF Loan must meet all criteria outlined below as well as the requirements of the EPA RLF Administrative Manual.

1. Be an eligible applicant;
2. Be the fee simple title owner of an eligible brownfields site at the time subgrant funding is awarded, or for borrowers, have control over or access to the eligible brownfields site;
3. Request funds for an eligible activity;
4. Propose a project that supports EPA's Mission "To Protect Human Health and the Environment" and meets at least one EPA's Goals;
 - a) Clean Air and Global Climate Change
 - b) Clean and Safe Water
 - c) Land Preservation and Restoration
 - d) Healthy Communities and Ecosystems
 - e) Compliance and Environmental Stewardship
5. Comply with all applicable Federal and EPA regulations;
6. Comply with Environmental Cleanup Responsibilities as stated in the EPA RLF Administrative Manual, October 2004 as amended;
7. Complete all application forms and provide all information required by the Brownfields Committee;
8. Demonstrate reasonable ability to repay the loan through project cash flow, business income, or financial capacity;
9. Provide sufficient collateral;
10. Demonstrate satisfactory credit history;
11. Demonstrate reasonableness of cleanup cost through a competitive procurement process.

In addition to the criteria listed above, eligible sites must meet one or more of the following criteria, all of which will be considered by the Brownfields Committee prior to approval:

1. Site Location The site must be located within the city limits of Springfield to be eligible for a loan or subgrant. Evaluation of the site location will include its relationship to the Vision 20/20 Comprehensive Planning goals for the City of Springfield as amended and to City Council priorities. Priority will be given to sites that have been targeted through an inventory or study. For example, sites strategically located in a target planning or redevelopment area, such as Center City, the Jordan Valley Planning Area, the CDBG boundary, the Jordan Creek CORPS Study area, neighborhoods, or a City acquisition for public use will be given highest priority.

2. Environmental Need Demonstrated contamination from hazardous substances, pollutants or contaminants, petroleum or petroleum products, controlled substances, or mine scarred lands must be documented.
3. Redevelopment Potential: Potential for redevelopment based on the property condition, surrounding area, location, market conditions, and/or commitment of the developer community, or not-for-profit must be clearly delineated. Plans for redevelopment must be consistent with the highest and best use of the property.
4. Community Benefit Community benefit from use of funds for the site must be linked to the impact of eliminating the brownfield property. Level of benefit from redevelopment should be in the form of economic, health, and/or environmental improvement.
5. Cost Benefit Cost benefit of the project relative to the use of brownfields funds must be documented and consideration will be given to the amount of grant funds remaining and other pending projects. Property targeted for City acquisition or City owned property will receive priority over private property.

The loan request must be approved by the Brownfields Committee.

3. Approval Process

Loan or Subgrant Pre Application

The Applicant shall submit a Pre-Application for an RLF Loan of Subgrant on the Pre-Application Form approved by the Brownfields Committee. The Brownfields Committee will review the pre-application to determine property, recipient and project eligibility as specified in Chapter II of this document. On certain projects EPA may provide an eligibility determination. The Brownfields Committee or Brownfields Coordinator will discuss the terms and grant Terms and Conditions of the Loan/Subgrant with the applicant and notify eligible applicants of the Committee's decision.

Full Application

Once the project has been determined to be eligible, applicants may then submit a full application. The full application is a comprehensive project description that is used to evaluate projects for consideration of loan or subgrant awards. A credit analysis and financial evaluation will be carried out for each project application.

Application Review

The Brownfields Committee shall review the RLF Application for use before and after the cleanup project. Brownfields Committee will review each application, and evaluate it based on the information provided by the applicant for the project and the Criteria for Approval listed in this section, and meet jointly to make a funding determination. The Committee may request the Applicant to submit cleanup bids from a Contractor/Contract approval by the Brownfields Committee. An appraisal may also be required. Based upon information submitted, the Brownfields Committee shall review the Application and shall either approve or disapprove the loan or subgrant. If the loan or subgrant is disapproved, the Committee shall inform the Applicant and state the reasons for denial in writing.

Application Approval

Successful loan and subgrant applications will require that all loan or subgrant documents be executed prior to funding. The applicant may be required to enroll the property in the Missouri

Brownfields Voluntary Cleanup Program. The Brownfields Coordinator and Fund Manager will meet with the applicant to discuss approval, next steps in the cleanup process, and drawdown procedures.

4. Appeal Process

Any Applicant aggrieved by a decision of the Brownfields Committee relating to loan or subgrant approval, cancellation, or determination of loan or subgrant amount, may appeal said decision by filing a written notice of appeal with the Secretary of the Land Clearance for Redevelopment Board (LCRA) within thirty (30) days of receiving written notice of the Brownfields Committee's decision. The request for appeal shall be placed on the LCRA Board agenda. The LCRA Board may affirm or reverse or modify the decision of the Brownfields Committee and notify the Committee and the Applicant in writing of its decision and the reasons therefore. The LCRA Board decision shall be final.

Resolution of Disputes

Ultimately, the Property Owner and the Contractor are responsible for discussing and resolving their differences. However, in those cases where agreement is not reached initially, and the project is likely to remain stagnant for an unreasonable period of time, the Property Owner and Contractor must submit their differences to the City for mediation and arbitration.

If the City's informal assistance does not succeed in resolving the dispute, the Property Owner and Contractor may either submit the case jointly to formal, binding arbitration or seek the advice of their own legal counsel.

For the purposes of these Policies and Procedures, a "dispute" shall be defined as a continuing claim, submitted in writing, which is raised by either the Property Owner or the Contractor, alleging that the letter or the spirit of the written contract has not been carried out by the other party. Such disputes generally involve interpretation of such issues as quality of workmanship, required scope of work, contract price adjustments and mutual cooperation between the Property Owner and the Contractor.

This definition also covers those occasions when one party to the contract claims that the other party has defaulted on his contractual obligations and wishes to halt further work under contract.

Informal Mediation by the City

It is common for the City's Brownfields Coordinator to be asked to make clarifications of contract requirements or performance evaluations in response to minor difficulties that arise in every project on a day-to-day basis. However, if any such field judgments are not acceptable to both parties, the aggrieved party may ask for informal mediation by the Brownfields Committee. The request must be submitted in writing within five days after the other party has received the Brownfields Coordinator's field judgment.

If both parties agree, the Brownfields Coordinator will convene a meeting before the Brownfields Committee at the Department of Planning and Development offices within five days of receiving the first written notice of dispute. The Brownfields Committee will hear the dispute and advise the Brownfields Coordinator in the formulation of resolution of dispute.

After listening to both sides of the issue, unless further investigation is warranted, the Brownfields Coordinator will propose a resolution to the dispute he or she considers to be fair to both parties while being consistent with the contract documents and the brownfields RLF program policies and procedures.

If both parties accept the Brownfields Coordinator's proposal, a simple statement of acceptance may be drafted on the spot, signed by all parties and witnessed by a member of the Planning and Development staff. This does not necessarily mean that both parties now see eye-to-eye on the issue, only that they have accepted the Program Administrator's proposal on practical terms and are willing to resolve the dispute. Copies of the statement will be made for each party to the contract and for the project file.

While this informal mediation process cannot be considered legally binding, its purpose is to give both parties a fair and open hearing and thereby neutralize conflicts that could jeopardize the project.

When the meeting is the result of a request by either party to terminate the contract, the Brownfields Coordinator will, after reviewing the evidence presented, take the matter under advisement and within five days render a written decision for or against termination.

Formal, Binding Arbitration

If either party declines to sign a statement accepting the Program Administrator's proposed resolution, the Program Administrator will advise them this mediation meeting has exhausted the avenue of appeal as far as the City is concerned.

The Program Administrator will also provide both parties with information about arbitration services that are available for a fee through the Better Business Bureau of Southwest Missouri. (The General Contractor and Property Owner shall be responsible for all fees associated with the binding arbitration procedure).

The Bureau's arbitration services call for both parties in a dispute to jointly submit a signed request for arbitration, stating the nature of the dispute and agreeing beforehand to abide by the arbitrator's decision.

The facts of their case are reviewed at a scheduled hearing before the arbitrator, who is a disinterested community volunteer acceptable to both parties. If additional information is needed, the arbitrator may visit the job site before delivering a written decision.

The decision of the arbitrator and any award made by the arbitrator generally are not subject to appeal in a court of law.

CHAPTER IV ROLES, REPORTS AND MONITORING

The Role of the City of Springfield

Servicing

The City must report to EPA quarterly on the RLF performance, in compliance with the terms and conditions.

1. Submits quarterly reports within 30 days of the end of each federal fiscal quarter. Items included in 40 C.F.R.. 31.40 must be included in quarterly reports. Examples include: Documentation of progress at meeting the performance objectives, project narrative and project time line; an update on project milestones; a property profile; a budget recap summary page with the following headings: Current Approved Budget; Costs Incurred this Quarter; Costs Incurred to Date; and Total Remaining Funds; and if applicable, quarterly reports must specify costs incurred at petroleum-only brownfields sites; clearly identifies in quarterly reports which activities performed during the reporting period were undertaken with EPA funds, and will relate EPA-funded activities to the objectives and milestones agreed upon in the work plan including a list of sites where cleanup (either through loans or subgrants) activities were completed.
2. Determines site eligibility for projects.
3. The Environmental Engineer with the assistance of the Brownfields Committee conducts cleanup oversight of contractors work for all projects.
4. Maintains adequate accounting records and source documentation to substantiate the amount and percentage of program income expended for eligible programmatic costs.
5. Complies with applicable Office of Management and Budget (OMB) cost principles when charging costs against program income.
6. Maintains RLF records for three years after the submission of the financial status report, closeout of the cooperative agreement, or completion of an ongoing loan, whichever is the longest retention period.
7. Receives written approval from EPA before destroying any records.
8. Ensures that periodic audits of their programs are conducted by an outside auditor in accordance with General Accounting Office (GAO) accounting standards or generally accepted government auditing standards.

Applicant Reports to the City of Springfield: Content and Frequency

The borrower or subgrantee must show that they have:

- a) Documented and used funds only for eligible activities at eligible sites.
- b) Demonstrate adequate collateral and has repaid funds within the terms of the loan agreement.
- c) Provided financial records to the City on a regular basis.
- d) Kept records of compliance with the terms and conditions of the loan including applicable federal and state requirements.
- e) Complied with all applicable federal and state requirements.
- f) Maintained records and provided access to records for three years after the submission of the financial status report, closeout of the cooperative agreement, completion of an ongoing audit, or completion of an ongoing loan, whichever is the longest retention period.**

CHAPTER V PROTECTION OF SECURITY INTEREST

This Chapter outlines the basic procedures and policies of the City regarding protection of its financial interest in real property.

In order to meet program objectives and achieve goals, and to provide financial assistance where needed, the Brownfields Committee may approve loans for environmental cleanup on properties which require the City to assume a subordinate position to existing liens on the property being assisted. As a result thereof, it may be necessary from time to time for the City to provide funds for legal assistance to acquire a permanent interest in, or to obtain temporary control of, the assisted property in order to protect the financial interest of the City when foreclosure is pending by a lienholder on the property as a result of nonpayment by the mortgagor. RLF funds may not be used to purchase the property.

The Director of Planning and Development, upon recommendation of the Brownfields Committee, is authorized to expend funds from the Revolving Loan Fund, or from other sources as may be appropriate, on legal fees to acquire a permanent interest in or to obtain temporary control of the assisted property in order to protect the financial interest of the RLF Program upon general default of the borrower or when foreclosing by a lienholder would seriously affect the investment of the RLF in the property and RLF loan program.

The City Manager, upon recommendation of the Director of Planning and Development, may sell, lease, convey or otherwise transfer any real estate acquired by the City pursuant to a foreclosure of a deed of trust securing a loan under the RLF Program. Notwithstanding any other ordinance to the contrary, any such sale, lease, conveyance, transfer or other disposition of real estate thus acquired by the City shall conform to the following procedure:

- a. The Brownfields Committee shall, with the approval of the Director of Planning and Development, advertise for the sale, lease, conveyance, transfer or other disposition of the real estate in a newspaper, magazine or other publication generally recognized in the Community as a real estate marketing medium.
- b. The Brownfields Committee shall receive and evaluate offers, and may negotiate such further terms and conditions as advance the purposes of the RLF program. Where public knowledge might adversely affect the legal consideration, offers, negotiations and related documents shall remain closed records where permitted by law until completion of the lease or sale of the real estate.
- c. The Brownfields Committee may, with the approval of the Director of Planning and Development, enter into a contract for the sale, lease, conveyance, transfer or other disposition of the real estate, with actual closure of the transaction contingent upon the approval of the City Manager.

- d. The City Manager is authorized to execute all deeds, leases or other instruments necessary to close the sale, lease, conveyance, transfer or other disposition of the real estate

The Director of the Planning and Development is authorized, upon recommendation of the Brownfields Committee, and with EPA approval, to write off a debtor's liability for the portion of indebtedness, which is in excess of the property's fair market value when the property is sold under the following circumstances. Nothing contained herein shall be deemed to allow the forgiveness of any debt in contravention of Article 3, Section 39 of the Missouri Constitution.

1. Bankruptcy
2. Foreclosure
3. Conveyance by deed in lieu of foreclosure
4. The property was liquidated to help pay debtor's uninsured medical or nursing home expenses.

APPENDICES

Prudent Lending Practices

Process

Checklist for Loans and Subgrants

Pre-Application

Full-Application

Example Promissory Note

Example Deed of Trust

City of Springfield, Missouri
Brownfields Program

REVOLVING LOAN FUND

Prudent Lending Practices

Overview

The City of Springfield is the recipient for the United State Environmental Protection Agency (EPA) of a brownfields Revolving Loan Fund in the amount to \$1,000,000 which requires a match of 20% or \$200,000 in local funds. Of the available funds \$790,000 is allocated towards cleanup activities. Funding may be provided for the cleanup of hazardous substances on eligible sites. The City will offer both loans and subgrants. No more than \$200,000 (the maximum principal amount of a subgrant) may be awarded per applicant and total subgrants may not exceed 40% of the overall fund or the total amount of funds available to subgrant at the time of application. Subgrants may only be made to entities which would be eligible recipients of an EPA Brownfields Grant which own fee simple title to the properties which meet the definition of a Brownfields (or excluded but receive a property-specific funding determination) to be cleaned up/remediated including political subdivisions, Indian tribes, and qualifying non-profit organizations. There is no maximum principal amount for loans and eligible borrowers may include for-profit enterprises that meet the Brownfields Law criteria.

Loan/Subgrant Application and Approval Process

Applicants will complete a Pre-Application to be reviewed by the Brownfields Committee for eligibility determination of the applicant, site, and project. Successful Pre-Applications that meet program eligibility requirements must complete the Full-Application to be approved for funding. The Brownfields Committee will grant approval subject to Terms and Conditions. Following approval by the Brownfields Committee of the Full-Application, the applicant and the City must agree to Terms and Conditions. The applicant will be advised of eligible cost, ineligible cost, and grant Terms and Conditions applicable to the agreement.

Credit Worthiness/Financial Evaluation Procedures

In light of the forgoing and for purposes of determining the financial need, credit worthiness and sufficiency of collateral security, each potential Participant shall submit

for review requested financial documentation. A credit analysis and financial evaluation will be carried out for each project application.

1. Brownfields Committee staff directed by the Fund Manager shall conduct analysis as is reasonably prudent to make an informed decision as to the potential Participant's ability to pay existing and anticipated debts (including the proposed financial assistance) as they become due.
2. Brownfields Committee staff may also perform analyses aimed at testing the potential Participants chances for long-run solvency.
3. Brownfields Committee staff shall also consider the Applicants equity interest in the Property and the proposed completed Project when considering the "loan to value" aspects of the proposed loan. The City does not adopt any specific "loan to value" target ratio. Rather, in consultation with the City attorney, or other resource professionals, the staff shall advise as to whether or not additional security above and beyond the subordinated deed of trust would be prudent and advisable.

Standard Repayment Terms and Conditions

Interest Rate

The interest rate for the loan shall be calculated on a sliding scale relative to the length of the repayment term as demonstrated below:

Interest Rate Schedule:

- ◆ 0-2 Years – 0% interest
- ◆ 2-5 Years – 3% interest
- ◆ 5-10 Years – 6% interest

Terms

The Brownfields Committee shall have the discretion to negotiate the terms of a loan with the Applicant.

Loan Amount

There shall be no maximum loan amount, except the loan shall not exceed the actual cost of the cleanup and directly related eligible cost of the project.

Security

All loans will be secured by a deed of trust, a personal guarantee, and may require additional collateral.

Loan Assumption and Subordination

The loans may be assumed and subordinated subject to prudent lending practices. When and if approved the borrower will cover direct cost.

Collection Procedures

Once a loan is delinquent in one or more payment or otherwise in default in the terms and conditions of the loan agreement the City will take action as deemed necessary by the City and the City Attorney to collect any overages and enforce the loan agreement.

Brownfields RLF Process

Section 1: Approval Phase

Loan or Subgrant Pre-Application

The RLF pre-application is designed to establish property, applicant and project eligibility. Upon receipt, the Brownfields Committee, review the pre-application to determine property, recipient and Project eligibility. The EPA Project Officer gives authorization to proceed on initial loan applications and all subgrant applications. The Brownfields Committee discusses standard terms and federal grant Terms & Conditions of Loan/Subgrant with the applicant recipient and notifies eligible recipients to proceed with the full application.

Applicant Eligibility Determination

RFL applicants must meet any applicable eligibility requirements. Subgrant applicants must own the property by Fee Simple Title at the time the subgrant is awarded and must maintain ownership of the site throughout the performance of the subgrant.

If the property was obtained by involuntary means, this must be documented. If the property was acquired through voluntary means, the applicant must provide proof that they performed "all appropriate inquiry" into the property prior to obtaining it and meet all other CERCLA liability exemptions/defense requirements.

Subgrant eligible applicants include states, political subdivisions, U.S. territories, Indian tribes, and non-profit organizations that own fee simple title to the site they intend to cleanup.

Eligible loan applicants can be any public or private entity with control over or access to a brownfields site, including individuals, corporations, limited liability corporations, or any other legal entity.

Applicants must not be suspended, debarred or otherwise declared ineligible from receiving federal funds. No applicant can be liable for the cleanup under CERCLA Section 107.

Property Eligibility Determination

In order for the applicant site to meet the definition of a brownfield, it must be:

- real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant; or
- mine scarred land
- a site contaminated by a controlled substance; or
- a site contaminated by petroleum or a petroleum product

If the site is included in the classes of sites not eligible for funding or that require a property-specific determination, the site will not be eligible if it is:

- Listed on the NPL
- Subject to a Unilateral Administration Order, Court Order, administrative order on consent or judicial consent decree under CERCLA.
- Subject to the jurisdiction, custody, or control of the US government

The site will not be eligible if it falls into one of the following categories unless EPA approves a property-specific determination allowing the site to be added back for funding. Such an add-back will be based on justification showing that the funding would protect human health and the environment and promote economic redevelopment, or create and preserve parks, greenways, undeveloped areas, recreational property or property used for nonprofit purposes:

- Planned or ongoing CERCLA removal action
- Subject to a Unilateral Administrative Order, Court Order, administrative order on consent or judicial consent decree to which a permit has been issued by the US or authorized state under RCRA, CWA (oil pollution), TSCA (PCBC's), or SDWA
- Subject to corrective action order under RCRA Sections 3004(u) or 3008(h) and to which a corrective action permit or order has been issued or modified to require the implementation of corrective measures
- Land disposal units that filed a closure notification under subtitle C of RCRA and to which closure requirements has been specified in a closure plan or permit
- Release of PBCs subject to TSCA remediation; or
- Used LUST fund money for site remediation.

Petroleum Eligibility Determination

If the site is being cleaned up for petroleum, there must be a federal or state determination that the site is relatively low-risk, has no viable responsible party, and the site will not be cleaned up by an entity who is potentially liable for cleaning up the site. Petroleum sites will not be considered eligible if:

- the site is currently being cleaned up or was cleaned up with LUST trust fund money
- the site is currently subject to a response under the Oil Pollution Control Act
- the site is currently subject to a corrective action order under RCRA 9003(h); or
- a viable responsible party has been identified for the site

Loan or Subgrant Full Application

Once the project has been determined to be eligible, applicants are invited to submit a full application. The full application is a comprehensive project description and is used to evaluate projects for consideration of loan or subgrant awards.

Application Review

Upon receipt of the full application, it is reviewed by the Brownfields Committee and for credit review and analysis. Committee members individually review each application, and meet to jointly make a funding recommendation. The recommendation may be to fully fund the request, partially fund the request, or not fund the request.

The Review Team considers the entire application and credit analysis when making a funding recommendation. Team members consider factors such as likelihood of environmental contamination, community need, likelihood of redevelopment, nature of redevelopment plans, and community involvement efforts.

The Brownfields Committee reserves the right to reject applications or limit the funds devoted to an applicant.

Application Approval

Loan and subgrant applications are placed on the Brownfields Committee agenda for approval. If approved, the committee authorizes staff to execute loan or subgrant documents. These documents may be subject to approval by EPA Region 7.

Documents Executed

Prior to full execution of funding documents, applicants may be required to apply to the Missouri Brownfields Voluntary Cleanup Program (BVCP). If the applicant does not apply to the BVCP EPA review and approval will be required.

Section 2: Cleanup Phase

Brownfields Voluntary Cleanup Program Enrollment

The BVCP then reviews, comments on and approves the application cleanup plan as appropriate. Applicants revised plans as needed to obtain BVCP approval if required.

Draft Cleanup Action Plan (CAP)

The Draft Cleanup Action Plan (CAP) must include Analysis of Brownfields Cleanup Alternatives per EPA's ABCA standards and must include development of a QAPP.

Community Input

Along with the Brownfields Committee, the recipient, among other items, develops and implements a Community Involvement Plan that will provide opportunities for the community to review the draft CAP and make comments thereon.

Final Cleanup Action Plan (CAP)

The Final Cleanup Action Plan (CAP) must be protective of human health and the environment. The Brownfields Committee, in consultation with MDNR, ensures that the plan is in compliance with federal and state laws and requirements.

Cleanup Begins

With technical oversight (either by City Environmental Engineer or BVCP staff) and with Brownfields Committee financial oversight, the recipient now expends funds approved for cleanup, documenting activity to the Brownfields Committee. The recipient commences repayment under the approved loan terms and maintains ongoing public notification.

Section 3: Loan/Subgrant Drawdown

Draw Request from Recipient

When the recipient submits a draw request, the Brownfields Committee reviews the request and if approved, instructs the financial institution to make payment.

Drawdown (Repayment)

For loans, payment can be on a schedule or reimbursement; for subgrants, expense reimbursement only. The Brownfields Committee approves payments, monitors activities and processes additional payment requests through project completion or maximum funding amount, whichever occurs first. The recipient commences repayment under the loan terms and the Brownfields Committee uses repayment funds to replenish the loan fund.

Cleanup Completed

When cleanup is complete, the recipient receives a NFA letter from MDNR (if enrolled in the BVCP) and submits it, along with a project completion form and a property profile form to the Brownfields Committee, which the Committee then submits to the EPA.

Failure to Perform Cleanup

Once a loan or subgrant recipient has failed to perform cleanup in a timely manner or for any other reason it has been determined that there has been a failure to perform cleanup the recipient will be in default of the terms and conditions of the loan or subgrant agreement and the City will take action as deemed necessary by the City and the City Attorney to enforce the loan or subgrant agreement. Recipients who exhibit signs of failure to perform cleanup are sent a letter by the City notifying them that they are in danger of default of their loan or subgrant. If cleanup has still not been completed after 90 days a second letter is sent to the recipient. Once it is determined by the Brownfields Committee that the recipient has failed to perform the cleanup, the matter is turned over to the City Legal Council for collection of all remaining loan payments or repayment of all subgrant funds.

Section 4: Loan Repayment

Repayment

Payment of loan proceeds continues in accordance with the Terms and Conditions until the loan is repaid.

Loan Default

Once a loan is delinquent in one or more payment or otherwise in default in the terms and conditions of the loan agreement the City will take action as deemed necessary by the City and the City Attorney to collect any overages and enforce the loan agreement. Borrowers who miss a payment and are 30 – 90 days late, are sent a letter by the City notifying them that they are in danger of default of their loan. If payment has still not been received after 90 days a second letter is sent to the Borrower. Once the loan is over 90 days delinquent, the matter is turned over to the City Legal Council for collection.



Brownfields Revolving Loan Fund

Loan/Subgrant Pre-Application to Determine Borrower Eligibility



City of Springfield
Brownfields Coordinator
Department of Planning & Development
840 Boonville Avenue
Springfield, MO 65802
Phone: 417-864-1031
Fax: 417-864-1030

Instructions:

Please submit completed application to the address listed on the right.

Project Name: _____

Project Address: _____

Applicant Information:

Applicant Name: _____

Legal Name of Applicant:
(if different) _____

Owner of Property: _____ Has the owner provided written access: Yes No
(if different)

Prior Owner of Property: _____
(for petroleum only sites)

Federal ID No.: _____

Contact Person: _____

Business Mailing Address: _____

E-Mail: _____ Phone: _____ Fax: _____

Company Information:	
Legal Form of Applicant: Check applicable box	
<input type="checkbox"/> Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> Proprietorship	<input type="checkbox"/> 501C3 Non-for-profit corporation
<input type="checkbox"/> Quasi-Governmental Agency	<input type="checkbox"/> Other (State, Indian Tribe, Redevelopment Agency, etc.)
Describe _____	Describe _____
RLF amount requested: \$ _____	
Check type of financing requested: <input type="checkbox"/> Loan <input type="checkbox"/> Subgrant	

Property Information:

Property
Address: _____

Parcel ID #:
(if applicable) _____

Acreage: _____

Description of existing conditions on the property (current use, previous uses, etc.)

Description of proposed project and estimated capital investment (proposed use, anticipated job creation/retention and other community benefits of the project).

Date you acquired fee simple title to the property
(or expect to acquire if you are not the current owner):

Method you acquired the property
(purchase, donation, (emminent domain, tax sale, etc.):

Environmental Information:

Indicate all environmental reports that have been completed and the date of the report.

Phase I: _____ Date: _____

Phase II: _____ Date: _____

Additional Phase I/II Reports or Updates: _____ Date: _____

Analysis of Brownfield Cleanup Alternatives: _____ Date: _____

Cleanup Planning Documents: _____ Date: _____

Is the project enrolled in the State of Missouri Brownfields Voluntary Cleanup Program?

Yes No If Yes Date of Enrollment: _____

DNR Closure Reports: _____ Date: _____

Any Other Environment Reports?: _____ Date: _____

General Description of nature and extent of contamination known:

--

To the extent you have such knowledge, describe in detail the dates (time period) and manner in which the property became contaminated:

--

Is the property contaminated by a hazardous substance, controlled substance, petroleum product, or is the property mine scarred land? If so, please describe generally the site/contamination of the property. If contamination includes a known Underground Storage Tank, include tank number if known, and any further specifics.

--

You must provide along with the Application true and accurate copies of any and all ASTM Phase I/II environmental site assessments, reports, studies, surveys and/or inspections relating to the property which are in your possession, custody and control.

To the best of your knowledge, information and/or belief, answer the following by checking the appropriate box:

Is the property currently listed, or proposed for listing on the National Priorities List?

Yes No Don't Know

Is the property subject to a unilateral administrative order, court order, administrative order on consent, or judicial consent decrees under CERCLA?

Yes No Don't Know

Is the property subject to the jurisdiction, custody or control of a federal governmental agency, except for the land held in trust for an Indian tribe?

Yes No Don't Know

Is the property subject to a planned or ongoing removal action under CERCLA?

Yes No Don't Know

Has the property been issued a permit or entered into a unilateral administrative order, court order, administrative order on consent or judicial consent decree under RCRA, CWA (oil pollution), TSCA (PCB's) or SDWA?

Yes No Don't Know

Is the property subject to RCRA corrective action (Sec. 3004(u) or 3008(h) to which a corrective action permit or order has been issued or modified to require the implementation of corrective measures?

Yes No Don't Know

Is the property a land disposal unit that has submitted a RCRA closure notification or is the Property subject to closure requirements specific in a closure plan or permit?

Yes No Don't Know

Has there been a release of PCB's and all or a portion of the Property is subject to TSCA remediation?

Yes No Don't Know

Has the property been the beneficiary of LUST trust fund money?

Yes No Don't Know

If the property is contaminated with petroleum or petroleum product, is the property subject to a response under the Oil Pollution Act (OPA)?

Yes No Don't Know

If the property is contaminated with a petroleum or petroleum product, has a viable responsible party been identified?

Yes No Don't Know

Is the applicant suspended, debarred or otherwise ineligible from receiving federal funds?

Yes No Don't Know

Potentially Responsible Party Status:

State whether you, or any of the persons or entities identified as owners/managers above, are or were affiliated with any previous owner, tenant, occupant or operator of the Property (if you were, you may be legally and financially responsible for cleanup). For purposes hereof, "affiliation" shall be given its broadest interpretation and shall include, but not limited to: contractual relationships, overlapping or common ownership or management; current or former employment; agency relationships, etc. (Describe in detail the nature of such affiliation, current or former):

Conditional CERCLA Liability Protection

The 2002 Brownfields Amendments to the Superfund law provide conditional CERCLA liability protection to landowners who qualify as bona-fide prospective purchasers, contiguous property owners or innocent landowners. CPO's and ILO's must perform all appropriate inquiry prior to purchase and must buy without knowing or having reason to know of contamination on the property. BFPP's must perform All Appropriate Inquiry and may know of contamination prior to purchase. To the best of your knowledge, information and/or belief, answer the following by checking the appropriate box:

Has the landowner complied with land use restrictions and not impeded the effectiveness or integrity of any institutional control employed in connection with a response action?

Yes No Don't Know

Has the landowner taken responsible steps to stop continuing releases, prevent any threatened release and prevent or limit human, environmental or natural resource exposure to any previously released hazardous substance, petroleum or petroleum product, controlled substances or mine scarred land?

Yes No Don't Know

Has the landowner provided full cooperation, assistance and access to persons that are authorized to conduct response actions or natural resource restorations?

Yes No Don't Know

Has the landowner complied with CERCLA information requests and administrative subpoenas?

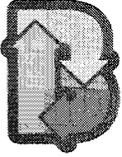
Yes No Don't Know

Has the landowner provided legally required notices related to the discovery or release of hazardous substances, petroleum or petroleum product, controlled substances or mine scarred land?

Yes No Don't Know

The Applicant hereby certifies, warrants and represents that the information provided herein is complete, true and correct to the best of your knowledge, information and belief. In responding to the questions and requests for information set forth in this document, the Applicant has consulted an environmental professional and reviewed all environmental reports relating to the Property available to the Applicant. Applicant understands and acknowledges that The City of Springfield and the United States Environmental Protection Agency are relying on the information contained herein in making eligibility determinations and financing decisions and have the right to so rely. Eligibility determinations and funding recommendations do not constitute a final award. Awards are not final until all documents are executed and all conditions precedent to the award are met.

Signature	
Signature:	Date:
Print Name:	Title:



Brownfields Revolving Loan Fund

Loan/Subgrant Full-Application for Credit Analysis and Financial Evaluation



City of Springfield
 Brownfields Coordinator
 Department of Planning & Development
 840 Boonville Avenue
 Springfield, MO 65802
 Phone: 417-864-1031
 Fax: 417-864-1030

Instructions:

Please complete this entire form and provide all requested documentation and information and sign where indicated. Attach additional pages if necessary to provide complete and full disclosure. Please submit the completed application to address listed on the right.

Project Name & Address: _____

Applicant Name: _____

Company Information:

Attach to this form true and accurate copies of Articles of Organization (if LLC), Articles of Incorporation (if corporation), Certificate of Limited Partnership (if a limited partnership), Tax Exempt Status Letter, etc.

Identify all Applicant Owners and Percentage Owned

Name of Owner/Title	Address	% of Ownership

Identify each and every Person with a Managerial Role with the Applicant

Name of Manager	Address	Title

Conventional Financing Information

	Organization	Contact Person	Phone
Participating Bank/Lender:			
Bank of Account: (if different)			
Accountant:			
Realtor:			
Lawyer:			
Title Company:			
Appraisers:			
Environmental Engineer/Consultant:			

Signature: _____ Date: _____

Company Information

	Currently	After City Loan
Company Name:		
Street Address:		
Municipality/State/ Zip:		
Number of Business Locations:		
Building Space: (Square Ft)		
Land: (Acres or Square Ft)		

Financial Information

Project Cost		Financing Methods	
Environmental Cleanup:		Brownfield Tax Credits, Other:	
Other Development Costs:			
TOTAL Project Cost: (Round to 100's)		TOTAL: (Must be equal)	

Job Creation Information

	Full Time	Part Time
Number Presently Employed:		
How many new jobs do you expect to create within the next two (2) years?:		

Previous Business Financing

Name of Agency	Amount	Date of Request	Approved or Declined	Status

Signature: _____

Date: _____

1. Describe any substantive changes in the information applicant provided in response to the "Loan Pre-Application to Determine Borrower & Site Eligibility"

2. Describe the proposed project including, but not limited to: The nature of the proposed land use(s) (i.e., retail, office, residential, etc.), size and layout of all buildings and improvements proposed to be constructed, the nature of the building materials to be incorporated into the improvements (i.e., brick, wood, tilt-up concrete, etc.) and incorporation of green design elements. List any and all leases that are in place. Also describe methods for reducing stormwater runoff and the inclusion of greenspace. **Attach any and all available site layouts and architectural renderings.**

3. Provide a general description of the proposed cleanup activities for the Project that will use EPA Revolving Loan Funds. **Note that Loan Funds may not be used for administrative cost, pre-cleanup assessment cost, and redevelopment.**

4. Describe the economic impact as a result of the project. Include job creation/retention (temporary, permanent, full-time and construction), and additional investment dollars leveraged. Provide information on projected wages/salary for each job type. **Note that Loan Funds carry terms and conditions, one of which is Davis Bacon, Fair Labor Practices.**

Signature: _____

Date: _____

5. Describe the projects community benefits (health risks eliminated, economic revitalization, use of existing infrastructure, increased use of open space, historic preservation, non-profit use, the extent to which the project addresses environmental justice or other community social, economic or health goals, etc.) and community involvement efforts.

6. List all real estate development projects which you have undertaken within the past five (5) years with a similar scope as the proposed project.

7. Identify in detail all real estate development projects which you have undertaken within the past five (5) years involving substantial environmental remediation.

8. Insert legal description for the project property.

Signature:

Date:

Please enclose the following attachments. Indicate if attached (x) or not applicable (n/a)

Financial	
	Historical- Balance sheet, profit loss statement, and copy of tax returns for last 3 fiscal years. Include accountant's opinion letter and any schedules and notes to financial statements.
	Current- If most recent statement is over sixty days old, attach current balance sheet and profit loss statements.
	Future- Cash Flow projections for the next two fiscal years. You may use the enclosed form (Exhibit A).
	Notes and Mortgages Payable- Fill out enclosed schedule.
Personal	
	Personal Financial Statements from each 20%-or-more owner. (Use enclosed form).
	Tax Returns from each 20%-or-more owner for the last two years.
	Resume from each 20%-or-more owner and any other key people. A paragraph or two is sufficient.
Environmental	
	Environmental Site Assessments and/or reports, studies, surveys, and inspections.
Other	
	Appraisal on an as complete basis by a City-approved appraiser.
	Operating Pro Forma for project
	Brief history and description of business. Suggested maximum: 1-2 pages.
	Sales Contract, Bids, and/or Cost Estimates.
	Certificate of Incorporation. Enclose copy.
	Warranty deed. Enclose copy.
	Prior deeds of trust. Enclose copy.
	Insurance policy or binder. Enclose copy
	Mortgage verification. Enclose copy
	Photographs of property.

Signature: _____

Date: _____

Signature and Acknowledgement

By signing you acknowledge and agree to the following:

- | | |
|----|---|
| 1. | With regards to this application form and any other information to be provided, to your knowledge and belief, all information is true and complete; there are no undisclosed financial or legal liabilities, either business or personal, actual or contingent; there is no undisclosed litigation, either current or pending, involving any of the parties to this application. |
| 2. | The City has the right to verify the accuracy of the information provided in this application and relating to this loan request. |
| 3. | The City is authorized to check each owner's and/or other guarantor's credit rating. |
| 4. | You are authorized to apply for the loan on behalf of the business. |
| 5. | All supporting documentation related to this application remains the property of the City of Springfield. |
| 6. | All information provided will be kept confidential by the City and will be used only for the purpose of considering this loan request. If the City provides you with a loan or subgrant, it is authorized to provide others with information concerning any applicant or guarantor. |
| 7. | The Applicant gives assurances of compliance with: <ul style="list-style-type: none"> a. The Title VII of the Civil Rights Act of 1964, as amended. The Act prohibits discrimination on grounds of race, sex, color, religion, marital status, handicap, age or national origin; b. Applicable Federal and State air and water regulations. All necessary permits and certificates for all environmental requirements will be obtained; c. All laws insuring accessibility for the disabled on construction projects to which the public will have access. d. Davis-Bacon Act (40 U.S.C. 276) requirements regarding the payment of wages, and; e. All other Federal statutory and regulatory requirements that apply. |

Signature

Signature:	Date:
Print Name:	Title:

Signature

Signature:	Date:
Print Name:	Title: