

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE APPROVING THE ISSUANCE OF TAX INCREMENT AND SPECIAL DISTRICTS REVENUE BONDS (HUB DRIVE REDEVELOPMENT PROJECT), SERIES 2023, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$16,000,000, BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF INDEPENDENCE, MISSOURI AND AUTHORIZING CERTAIN OTHER ACTIONS AND DOCUMENTS IN CONNECTION THEREWITH.

WHEREAS, the City of Independence, Missouri (the “City”), is a constitutional charter city and political subdivision of the State of Missouri duly created, organized and existing under the constitution and laws of the State of Missouri; and

WHEREAS, the City has approved the HUB Drive Tax Increment Financing Redevelopment Plan (the “Redevelopment Plan”) and entered into a Redevelopment Agreement dated as of August 8, 2023 (the “Redevelopment Agreement”) with T-L Hub LLC (the “Developer”), that provides for the issuance of bonds for the purpose of financing the costs of constructing certain projects described in the Redevelopment Agreement (the “Project”); and

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the “CID Act”), the City has approved by ordinance the formation of the HUB Drive Community Improvement District (the “CID”) for the purpose of financing a portion of the Project; and

WHEREAS, pursuant to the Transportation Development District Act, Sections 238.200 to 238.280, inclusive, of the Revised Statutes of Missouri, as amended (the “TDD Act”) and a judgment of the Circuit Court of Jackson County, Missouri, the court approved the formation of the HUB Drive Transportation Development District (the “TDD”) for the purpose of financing a portion of the Project; and

WHEREAS, The Industrial Development Authority of The City of Independence, Missouri (the “Authority”) is authorized and empowered under Chapter 349 of the Revised Statutes of Missouri (the “Act”), among other things, to (a) acquire, whether by purchase, exchange, gift, lease or otherwise, and improve, maintain, equip and furnish one or more projects, including all real and personal properties, and (b) loan the proceeds of bonds or temporary notes to provide for the purchase, construction, extension, and improvements of projects, which projects may include the construction, extension, and improvement of public roads as well as the purchase, construction, extension and improvement of plants, buildings, structures, or facilities, whether or not now in existence, including the real estate, used or to be used as a public facility or commercial facility; and

WHEREAS, it is in the best interest of the City for the Authority to issue its Tax Increment and Special Districts Revenue Bonds (HUB Drive Redevelopment Project), Series 2023 (the “Series 2023 Bonds”) for the purpose of providing funds to (i) pay certain costs of the Project, (ii) pay capitalized interest on the Series 2023 Bonds, (iii) fund a debt service reserve deposit to secure the Series 2023 Bonds, and (iv) pay the costs of issuance of the Series 2023 Bonds;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, AS FOLLOWS:

SECTION 1. Definitions of Words and Terms. All capitalized terms not elsewhere defined herein shall have the meanings set forth in Section 101 of the herein-authorized Indenture (the “Indenture”).

SECTION 2. Authorization for the Bonds. The Authority is hereby authorized to issue and sell the Series 2023 Bonds described in the recitals hereto. The Series 2023 Bonds shall be sold to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) at the price to be specified in the herein-authorized Bond Purchase Agreement. The Series 2023 Bonds shall bear such dates, shall mature at such times, shall be in such forms, shall be subject to redemption, shall have such other terms and provisions, shall be issued, executed and delivered in such manner subject to the provisions, covenants and agreements and shall be secured as provided in the Indenture; *provided that*

- (a) the aggregate principal amount of the Series 2023 Bonds shall not exceed \$16,000,000;
- (b) the true interest cost for the Series 2023 Bonds shall not exceed 8.00%;
- (c) the underwriter’s discount for the Series 2023 Bonds shall not exceed 2.75% of the principal amount of the Series 2023 Bonds;
- (d) the Series 2023 Bonds shall have a final maturity not later than 2054; and
- (e) the Series 2023 Bonds shall be subject to optional redemption not later than 2034.

SECTION 3. Approval of Indenture. The City hereby approves the execution and delivery of the Trust Indenture (the “Indenture”) between the Authority and UMB Bank, N.A., as trustee (the “Trustee”) for the above-stated purposes.

SECTION 4. Authorization of Documents. In connection with the Series 2023 Bonds the City is hereby authorized to execute and deliver the following documents:

- (a) Financing Agreement (the “Financing Agreement”), by and among the Authority, the City, the CID, the TDD and the Developer;
- (b) Tax Compliance Agreement (the “Tax Compliance Agreement”), by and among the Authority, the City, the CID, the TDD and the Trustee; and
- (c) Cooperative Agreement (the “Cooperative Agreement”), by and among the City, the CID, the TDD and the Developer

(the “City Documents”) in substantially the form presented to and reviewed by the City Council (copies of which documents shall be filed in the records of the City), with such changes therein as shall be approved by the officers executing such documents, such officers’ signatures thereon being conclusive evidence of their approval thereof.

SECTION 5. Limited Obligations. The monetary obligation of the City in connection with the Series 2023 Bonds shall be strictly limited to the transfer of Pledged Revenues to the Trustee. Under no circumstances shall the City be asked to make any payment from a source other than the Pledged Revenues consisting of PILOTS, EATS, CID Revenues and TDD Revenues (to the extent held or controlled by the City) and no general funds or other funds of the City shall be payable with respect to the Financing Agreement or the Series 2023 Bonds.

SECTION 6. Execution of Documents. The City Manager, Finance Director and the City Clerk are hereby authorized and directed to execute and deliver the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

SECTION 7. Preliminary and Final Official Statement. The proper officials of the City are hereby authorized to execute and deliver one or more certificates pertaining to the preliminary and final official statements relating to the Series 2023 Bonds, confirming the accuracy and/or declaring the finality of basic historical, demographic, employment, economic and housing information relating to the City.

SECTION 8. Further Authority. The officers of the City, including the City Manager, Finance Director and the City Clerk, are hereby authorized and directed to execute all documents, and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance and to make any changes or additions the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they determine to be in the City's best interest, and the execution or taking of such action shall be conclusive evidence of such determination.

SECTION 9. Severability. If any section or other part of this Ordinance, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

SECTION 10. Governing Law. This Ordinance shall be governed exclusively by and constructed in accordance with the applicable laws of the State.

SECTION 11. Effective Date. This Ordinance shall take effect and be in full force as set forth in the City Charter.

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PASSED ON THIS _____ DAY OF _____, 2023, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

City Manager