



Upstream from ordinary.

**BOARD OF ALDERMEN SPECIAL MEETING**

RIVERSIDE CITY HALL  
2950 NW VIVION ROAD  
RIVERSIDE, MISSOURI 64150

**TENTATIVE AGENDA**

**MARCH 31, 2015**

**Closed Session – 6:15 p.m.**

**Regular Meeting - 6:30 p.m.**

Call to Order  
Roll Call

**CLOSED SESSION**

**(6:15 p.m.)**

**Motion** to enter into **CLOSED SESSION** for the following matters:

610.021(1) Legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys

610.021 (2) Leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore

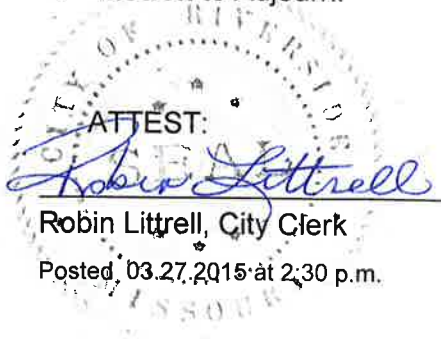

**Motion** to adjourn Closed Session.

**LEGISLATIVE SESSION**

**(6:30 p.m.)**

1. First Reading: Bill No. 2015-021: **AN ORDINANCE AUTHORIZING AND APPROVING CHANGE ORDER 13 TO THE AGREEMENT BETWEEN BRIARCLIFF REALTY, LLC AND GEORGE J. SHAW CONSTRUCTION CO.** Point of Contact: Community Development Director Mike Duffy.
2. First Reading: Bill No. 2015-022: **AN ORDINANCE AUTHORIZING THE FINANCING OF NOT TO EXCEED \$28,000,000 FROM THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF RIVERSIDE, MISSOURI, IN CONNECTION WITH THE REFUNDING OF CERTAIN BONDS ISSUED TO FUND CERTAIN REDEVELOPMENT COSTS AND TO FUND CERTAIN NEW REDEVELOPMENT COSTS, EACH DESCRIBED IN A TAX INCREMENT FINANCING PLAN PREVIOUSLY APPROVED BY THE CITY; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A FINANCING AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF RIVERSIDE, MISSOURI; PROVIDING FOR THE ADMINISTRATION OF THE SPECIAL ALLOCATION FUND PREVIOUSLY CREATED BY THE CITY; AND PROVIDING FOR THE EXECUTION OF CERTAIN DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.** Point of Contact: Community Development Director Mike Duffy.
3. **Motion** to Adjourn.

  
Gregory P. Mills, City Administrator

  
ATTEST:  
  
Robin Littrell, City Clerk  
Posted 03.27.2015 at 2:30 p.m.

**AN ORDINANCE AUTHORIZING THE FINANCING OF NOT TO EXCEED \$28,000,000 FROM THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF RIVERSIDE, MISSOURI, IN CONNECTION WITH THE REFUNDING OF CERTAIN BONDS ISSUED TO FUND CERTAIN REDEVELOPMENT COSTS AND TO FUND CERTAIN NEW REDEVELOPMENT COSTS, EACH DESCRIBED IN A TAX INCREMENT FINANCING PLAN PREVIOUSLY APPROVED BY THE CITY; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A FINANCING AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF RIVERSIDE, MISSOURI; PROVIDING FOR THE ADMINISTRATION OF THE SPECIAL ALLOCATION FUND PREVIOUSLY CREATED BY THE CITY; AND PROVIDING FOR THE EXECUTION OF CERTAIN DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.**

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**WHEREAS**, the City of Riverside, Missouri (the “City”), is a fourth class 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 Industrial Development Authority of the City of Riverside, Missouri (the “Authority”) has previously issued its (i) Industrial Development Revenue Bonds (Riverside Horizons Infrastructure Project – City of Riverside, Missouri), Series 2007A, issued in the original principal amount of \$30,265,000 and currently outstanding in the amount of \$18,140,000, and (ii) Industrial Development Revenue Bonds (Riverside Horizons Infrastructure Project – City of Riverside, Missouri), Series 2007B, issued in the original principal amount of \$10,000,000 and currently outstanding in the amount of \$6,480,000 (collectively, the “Refunded Bonds”); and

**WHEREAS**, the City approved the issuance of the Refunded Bonds by the Authority pursuant to Ordinance No. 2007-005, passed on April 26, 2007; and

**WHEREAS**, the City has determined that it is necessary and desirable, to consider and pass this Ordinance in order to provide for the refunding of the Refunded Bonds and financing certain redevelopment project costs in accordance with the Act by obtaining financing from the Authority in the principal amount of not to exceed \$28,000,000 (the “Financing”), pursuant to the terms of the hereinafter defined Financing Agreement; and

**WHEREAS**, the proceeds of the Financing will be applied to (1) refund and redeem the Refunded Bonds, (2) finance certain redevelopment project costs, and (3) pay the costs of incurring the financing and issuing the Bonds; and

**WHEREAS**, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants that the City obtain the Financing from the Authority in the form and manner as hereinafter provided to provide funds for the above-described purpose and to provide for the repayment of said Financing all as more fully described herein;

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

## ARTICLE I

### DEFINITIONS

**Section 101. Definitions of Words and Terms.** In addition to words and terms defined elsewhere in this Ordinance, the following capitalized words and terms as used in this Ordinance shall have the following meanings:

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

“**Additional Payments**” shall have the meaning set forth in the Financing Agreement.

“**Bonds**” means not to exceed \$28,000,000 aggregate principal amount of Industrial Development Refunding and Improvement Revenue Bonds (Riverside Horizons Infrastructure Project – City of Riverside, Missouri), Series 2015, to be issued by the Authority.

“**Cooperation Agreement**” means the Cooperation Agreement dated as of June 1, 2011, among the City, the Authority, UMB Bank, N.A., as trustee, Platte County, Missouri and the Riverside-Quindaro Bend Levee District of Platte County, Missouri, as amended from time to time in accordance with the provisions thereof.

“**Economic Activity Tax Account**” means the Economic Activity Tax Account in the Special Allocation Fund described in **Section 401** hereof.

“**Economic Activity Tax Revenues**” means fifty percent (50%) of the total additional revenue from sales taxes which are imposed by the City or other taxing districts, and which are generated by economic activities within the Redevelopment Area on a lot, block, tract or parcel over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year prior to the adoption of tax increment financing related to the applicable lot, block, tract or parcel, while tax increment financing remains in effect, but excluding (i) taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments and (ii) personal property taxes, other than Payments in Lieu of Taxes, all as determined in accordance with the Act.

“**Financing Agreement**” means the Financing Agreement dated as of the date set forth therein, between the Authority and the City, pursuant to which the Authority will loan the proceeds of the Bonds to the City.

“**Financing Payments**” shall have the meaning set forth in the Financing Agreement.

“**Incremental Tax Revenues**” means, collectively, New State Revenues, Payments in Lieu of Taxes and, subject to annual appropriation as provided herein, the Economic Activity Tax Revenues.

“**New State Revenues**” means revenue appropriated each year by the General Assembly of the State of Missouri pursuant to the State Supplemental Tax Increment Financing Program Amended Certificate of Approval.

“**New State Revenues Account**” means the New State Revenues Account in the Special Allocation Fund described in **Section 401** hereof.

“**Payments in Lieu of Taxes**” means, when collected by the City, the payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the Redevelopment Area over and above the certified total initial equalized assessed value of each such unit of property in the Redevelopment Area on the date that tax increment financing was adopted for such lot, block tract or parcel, all as determined in accordance with the Act.

“**PILOTS Account**” means the PILOTS Account in the Special Allocation Fund described in **Section 401** hereof.

“**Redevelopment Area**” means the area described as such in the Cooperation Agreement.

“**Series 2006 Levee District Bonds**” means the Levee District Improvement Refunding Revenue Bonds (L-385 Project), Series 2006.

“**Series 2011A Bonds**” means the Authority’s Tax Increment Refunding Revenue Bonds (L-385 Levee Project), Series 2011A.

“**Series 2014 Bonds**” means the Authority’s Tax Increment Refunding Revenue Bonds (L-385 Project), Series 2014.

“**Special Allocation Fund**” means the fund by that name ratified and confirmed by **Section 401** hereof.

## ARTICLE II

### AUTHORIZATION FOR FINANCING

**Section 201. Authorization for Financing.** The City is hereby authorized to finance with the Authority a sum of not to exceed \$28,000,000 in order to provide for (1) the refunding of the Refunded Bonds, and (2) the payment of certain costs of incurring the Financing and issuing the Bonds.

**Section 202. Authorization of Documents.** In connection with the Financing, the City is hereby authorized to execute and deliver the following documents:

- (a) Financing Agreement;
- (b) Tax Compliance Agreement dated as of the date set forth therein (the “Tax Compliance Agreement”), among the Authority, the City and the bond trustee for the Bonds named therein (the “Trustee”);
- (c) Continuing Disclosure Agreement dated as of the date set forth therein (the “Continuing Disclosure Agreement”), between the City and the Trustee, as Dissemination Agent;
- (d) Bond Purchase Agreement dated the date set forth therein (the “Purchase Agreement”), among the City, the Authority and Underwriter (as defined in Section 207);
- (e) Escrow Trust Agreement dated as of the date set forth therein (the “Escrow Agreement”), among the City, the Authority and UMB Bank, N.A., as trustee and paying agent for the Refunded Bonds; and

- (f) Official Statement related to the offering for sale of the Bonds, in substantially form of the Preliminary Official Statement presented to the Board of Aldermen;

(the foregoing collectively referred to herein as the “City Documents”) in substantially the forms presented to and reviewed by the Board of Aldermen (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 203. Limited Obligations.** Except as provided herein in **Article III** hereof, the City’s obligation to make Financing Payments and Additional Payments under the Financing Agreement shall be subject to annual appropriation and shall not constitute a debt, liability or indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction, all as more fully provided in the Financing Agreement. Notwithstanding any schedule of payments upon the Financing set forth in the Financing Agreement or the Bond Trust Indenture under which the Bonds are issued (the “Indenture”), the City shall make payments upon the Financing and shall be liable therefor at the times and in the amounts (including interest, principal, and redemption premium, if any) equal to the amounts to be paid as interest, principal and redemption premium, if any, whether at maturity or by optional or mandatory redemption upon all Bonds from time to time outstanding under the Indenture, as further provided in the Financing Agreement.

**Section 204. Approval of Issuance of Bonds.** The City hereby approves the issuance of the Bonds by the Authority, subject to the following restrictions:

- (a) The maximum principal amount of the Bonds shall not exceed \$28,000,000;
- (b) The True Interest Cost of the Bonds as computed by the City’s financial advisor shall not exceed 2.80%;
- (c) The weighted average maturity of the Bonds as computed by the Underwriter shall be between 5 years and 6.5 years;
- (d) The final maturity date of the Bonds shall be not later than May 1, 2026;
- (e) The Underwriters’ takedown and expenses shall not exceed 0.375% of the principal amount of the Bonds;
- (f) The portion of the Bonds issued for the purpose of refunding the Refunded Bonds, shall result in a net present value savings as computed by the City’s financial advisor of at least 3%; and
- (g) The Bonds shall be subject to optional redemption not later than May 1, 2025.

**Section 205. Execution of Documents.** The Mayor, City Administrator, 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 206. Refunding of Refunded Bonds.** The City hereby authorizes the refunding and redemption of the Refunded Bonds on the earliest practical date, and the officers of the City, including the

Mayor, City Administrator, Finance Director and the City Clerk, are hereby authorized to execute such documents and take such actions as are necessary to so redeem the Refunded Bonds.

**Section 207. Approval of Underwriter.** The City hereby approves the selection of Stern Brothers & Co. as lead underwriter and George K. Baum & Company as co-underwriter (collectively, the “Underwriter”) in accordance with the terms of their proposals.

### ARTICLE III

#### SECURITY FOR THE FINANCING

**Section 301. Security for the Financing.**

(a) Except as provided in the following paragraph, the City’s obligation to make Financing Payments and Additional Payments pursuant to the Financing Agreement shall be subject to annual appropriation as provided in **Section 3.5** of the Financing Agreement.

Notwithstanding the foregoing, Payments in Lieu of Taxes and New State Revenues deposited into the Special Allocation Fund are not subject to annual appropriation and are pledged, on a subordinate basis, by the City pursuant to **Section 302** of this Ordinance to secure the Financing Payments and Additional Payments, however any moneys and securities in the Special Allocation Fund not required to pay debt service on such bonds in any year may be used by the City for other reimbursable project costs pursuant to the Act. The pledge of the Payments in Lieu of Taxes and the New State Revenues is subordinate to the pledge of such revenues securing the Series 2011A Bonds, the Series 2014 Bonds, the Series 2006 Levee District Bonds and any additional bonds issued under the respective Trust Indentures related to such bonds.

(b) As additional security for the City’s obligation to make Financing Payments and Additional Payments pursuant to the Financing Agreement, such payments shall be payable from and secured as to the payment of principal and interest by (a) a pledge, on a subordinate basis as described herein, of the Payments in Lieu of Taxes deposited in the PILOTS Account of the Special Allocation Fund, (b) a pledge, on a subordinate basis as described herein, of the New State Revenues deposited in the New State Revenues Account of the Special Allocation Fund and (c) subject to annual appropriation by the Board of Aldermen as provided in **Section 303** hereof, a pledge, on a subordinate basis as described herein, of the Economic Activity Tax Revenues deposited in the Economic Activity Tax Account of the Special Allocation Fund. The taxing power of the City is not pledged to the payment of the Financing either as to principal or interest. The Financing shall not constitute a general obligation of the City, nor shall it constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction.

**Section 302. Pledge of Certain Funds.** The moneys and securities held in, and moneys and securities to be deposited in, the Special Allocation Fund are hereby pledged to the payment of the Financing, which pledge is subordinate to the pledge of such revenues securing the Series 2011A Bonds, the Series 2014 Bonds, the Series 2006 Levee District Bonds and any additional bonds issued under the respective Trust Indentures related to such bonds; provided, however, Economic Activity Taxes deposited therein shall remain subject to annual appropriation as described in **Section 303** hereof. Any moneys and securities in the Special Allocation Fund not required to pay debt service on such bonds in any year may be used by the City for other reimbursable project costs.

**Section 303. Annual Appropriation of Economic Activity Taxes.** The City currently intends to appropriate in each year the Economic Activity Tax Revenues in the Special Allocation Fund to the repayment of the Financing. In preparing the City's annual budget the City Administrator or such other office of the City at any time charged with the responsibility of formulating budget proposals shall include or cause to be included in each budget submitted to the Board of Aldermen such appropriation. Notwithstanding the foregoing, the decision of whether or not to appropriate is solely within the discretion of the Board of Aldermen. In the event the Board of Aldermen votes to not appropriate the Economic Activity Tax Revenues, the City shall immediately notify in writing the following persons of such Event of Nonappropriation: (i) the Authority, (ii) the Trustee, (iii) the Municipal Securities Rulemaking Board, via its EMMA portal, and (iv) each nationally recognized rating agency which currently maintains a rating on any of the City's bonds.

## ARTICLE IV

### SPECIAL ALLOCATION FUND

**Section 401. Ratification of Special Allocation Fund.** There is hereby ratified the Special Allocation Fund, and within the Special Allocation Fund, a PILOTS Account, an Economic Activity Tax Account and a New State Revenues Account, as previously created therein.

Said fund and accounts shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the City and shall not be commingled with any other moneys, revenues, funds and accounts of the City. The funds and accounts referred to above shall be maintained and administered by the City solely for the purposes and in the manner as provided in this Ordinance and in the Cooperation Agreement so long as any portion of the Financing remains Outstanding and unpaid.

**Section 402. Administration of Special Allocation Fund.** The moneys in the Special Allocation Fund shall be administered and applied solely for the purposes and in the manner provided in this Ordinance, the Financing Agreement, the Cooperation Agreement and the other documents related to the Bonds, the Series 2011A Bonds, the Series 2014 Bonds and the Series 2006 Levee District Bonds.

The City hereby agrees to deposit into the Special Allocation Fund as received all Incremental Tax Revenues. The Incremental Tax Revenues shall be determined, collected and applied in the manner provided by law. Payments in Lieu of Taxes shall be deposited into the PILOTS Account of the Special Allocation Fund; subject to annual appropriation, all Economic Activity Tax Revenues shall, as and when received by the City, be paid and deposited into the Economic Activity Tax Account of the Special Allocation Fund; and all New State Revenues shall, as and when received by the City, be paid and deposited into the New State Revenues Account of the Special Allocation Fund.

## ARTICLE V

### MISCELLANEOUS PROVISIONS

**Section 501. Further Authority.** The officers of the City, including the Mayor, City Administrator, 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 in this Ordinance and 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 502. 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 503. Governing Law.** This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

**Section 504. Repeal of Ordinance 1393.** Ordinance No. 1393 is hereby repealed..

**Section 505. Effective Date.** This Ordinance shall take effect and be in full force from and after its passage by the Board of Aldermen and approval by the Mayor.

**BE IT REMEMBERED** that the above was read two times by heading only, passed and approved by a majority of the Board of Aldermen and **APPROVED** by the Mayor of the City of Riverside, Missouri, this 31st day of March, 2015.

\_\_\_\_\_  
Kathleen L. Rose, Mayor

ATTEST:

\_\_\_\_\_  
Robin Littrell, City Clerk

APPROVED AS TO FORM:

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Paul Campo, City Attorney