

BY: Councilmember Luther
 FIRST READING: July 17, 2024
 SECOND READING: August 7, 2024

AN ORDINANCE AUTHORIZING THE CITY OF BRIDGETON, MISSOURI, TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS (11974 & 11978 PAUL MAYER AVENUE PROJECT), SERIES 2024, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$23,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF ACQUIRING AND CONSTRUCTING AN INDUSTRIAL DEVELOPMENT PROJECT IN THE CITY; APPROVING A PLAN FOR THE PROJECT; AND AUTHORIZING THE MAYOR TO ENTER INTO CERTAIN AGREEMENTS AND TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

WHEREAS, the City of Bridgeton, Missouri, a constitutional charter city and political subdivision of the State of Missouri (the "City"), is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri (collectively, the "Act") and the City Charter to purchase, construct, extend and improve certain projects (as defined in the Act), to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, research and development, office industry, warehousing and industrial development purposes upon such terms and conditions as the City deems advisable; and

WHEREAS, the Act requires the City to prepare a plan in connection with any industrial development project undertaken pursuant to the Act; and

WHEREAS, a Plan for an Industrial Development Project and Cost/Benefit Analysis (the "Plan") has been prepared and is set forth as **Exhibit A**; and

WHEREAS, notice of the City's consideration of the Plan has been given in the manner required by the Act, and the City Council has fairly and duly considered all comments submitted to the City Council regarding the proposed Plan; and

WHEREAS, the City Council hereby finds and determines that it is desirable for the improvement of the economic welfare and development of the City and within the public purposes of the Act that the City (1) approve the Plan pursuant to the Act, (2) issue its Taxable Industrial Revenue Bonds (11974 & 11978 Paul Mayer Avenue Project), Series 2024, in an aggregate principal amount not to exceed \$23,000,000 (the "Bonds"), for the purpose of (a) acquiring a leasehold interest in an approximately 8.86-acre tract of land known and numbered as 11974 and 11978 Paul Mayer Avenue in the City (the "Project Site"), which formerly housed a K-Mart retail store, (b) renovating, reconstructing and improving the building located thereon to accommodate approximately 78,000 square feet of commercial space, (c) repairing, renovating and improving related parking areas,

landscaping and utilities, and (d) at the Developer's option, constructing a new, approximately 6,000 square foot outlot commercial building (collectively, the "Project Improvements") and (3) lease or otherwise dispose of the Project Site and the Project Improvements (together, the "Project") to Clayton Maryland, LLC (the "Developer"), all in accordance with and pursuant to the Act; and

WHEREAS, the City Council further finds and determines that it is necessary and desirable in connection with the issuance of the Bonds that the City approve and enter into certain documents and take certain other actions as herein provided; and

WHEREAS, a copy of the proposed Ordinance was made available for public inspection prior to its consideration by the City Council.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BRIDGETON, MISSOURI, AS FOLLOWS:

SECTION 1. APPROVAL OF THE PLAN. The City Council hereby approves the Plan.

SECTION 2. AUTHORIZATION FOR THE PROJECT. The City is hereby authorized to provide for the acquisition and construction of the Project in the manner and as more particularly described in the Indenture and the Lease hereinafter authorized.

SECTION 3. AUTHORIZATION OF THE BONDS. The City is hereby authorized to issue and sell the Bonds as described in the recitals hereto for the purpose of providing funds to pay the costs of the Project. The Bonds shall be issued and secured pursuant to the Indenture and shall have such terms, provisions, covenants and agreements as are set forth in the Indenture.

SECTION 4. LIMITATION ON LIABILITY. The Bonds and the interest thereon shall be limited obligations of the City, payable solely out of certain payments, revenues and receipts derived by the City from the Lease. Such payments, revenues and receipts shall be pledged and assigned to the bond trustee named in the Indenture (the "Trustee") as security for the payment of the Bonds as provided in the Indenture. The Bonds and the interest thereon shall not constitute general obligations of the City, the State of Missouri (the "State") or any political subdivision thereof, and neither the City nor the State shall be liable thereon. The Bonds shall not constitute an indebtedness within the meaning of any constitutional, charter or statutory debt limitation or restriction and are not payable in any manner by taxation.

SECTION 5. AUTHORIZATION OF DOCUMENTS. The City is hereby authorized to enter into the following documents (collectively, and including any documents authorized by **Section 6** below, the "City Documents"), in substantially the forms presented to and approved by the City Council and attached to this Ordinance, with such changes therein as

shall be approved by the officials of the City executing the documents, such officials' signatures thereon being conclusive evidence of their approval thereof:

(a) Base Lease between the City and the Developer, in substantially the form of **Exhibit B**, under which the City will acquire a leasehold interest in the Project Site in consideration of the City's agreement to issue the Bonds.

(b) Trust Indenture (the "Indenture") between the City and the Trustee, in substantially the form of **Exhibit C**, pursuant to which the Bonds will be issued and the City will pledge the Project and assign certain of the payments, revenues and receipts received pursuant to the Lease to the Trustee for the benefit and security of the owners of the Bonds upon the terms and conditions set forth in the Indenture.

(c) Lease Agreement (the "Lease") between the City and the Developer, in substantially the form of **Exhibit D**, under which the City will lease the Project to the Developer pursuant to the terms and conditions in the Lease in consideration of rental payments by the Developer that will be sufficient to pay the principal of and interest on the Bonds.

(d) Bond Purchase Agreement between the City and the Developer, in substantially the form of **Exhibit E**, pursuant to which the City will sell, and the Developer will purchase, the Bonds.

SECTION 6. MULTIPLE SERIES OF BONDS AND CITY DOCUMENTS. Notwithstanding anything to the contrary contained herein, at the written request of the Developer, separate series of Bonds may be issued for specific portions of the overall Project and separate City Documents may be entered into with the Developer for each portion of the Project subject to a separate series of Bonds so long as the aggregate amount of all Bonds issued under the authority of this Ordinance does not exceed \$23,000,000. Any City Documents that are executed for a specific portion of the Project shall be in substantially the form of the City Documents attached to this Ordinance, revised to reflect (a) the principal amount of the applicable series of Bonds and (b) the description of the applicable portion of the Project.

SECTION 7. APPROVAL OF TRANSFER. The City Council hereby approves the transfer of a leasehold interest in the Project to the City and hereby further approves any subsequent transfer of the City's leasehold interest in the Project to the Developer or its designee upon payment in full of the Bonds.

SECTION 8. EXECUTION OF DOCUMENTS. The Mayor is hereby authorized to execute the Bonds and to deliver the Bonds to the Trustee for authentication, for and on behalf of and as the act and deed of the City, in the manner provided in the Indenture. The Mayor is hereby authorized to execute 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, for and on behalf of and as the act and deed of the City. The City Clerk is

hereby authorized to attest to and affix the seal of the City to the Bonds and 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 9. FURTHER AUTHORITY. The City shall, and the officials, agents and employees of the City are hereby authorized to, take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents. The Mayor and the City Administrator are hereby authorized, through the term of the Lease, to execute all documents on behalf of the City (including documents pertaining to the transfer of property or the financing or refinancing of the Project by the Developer, including but not limited to subordination and non-disturbance agreements, and such easements, licenses, rights-of-way, plats and similar documents as may be requested by the Developer) as may be required to carry out and comply with the intent of this Ordinance, the Indenture and the Lease. The Mayor and the City Administrator are further authorized, on behalf of the City, to grant such consents, estoppels and waivers relating to the Bonds, the Indenture or the Lease as may be requested by the Developer during the term thereof; provided, such consents, estoppels and/or waivers shall not increase the principal amount of the Bonds, increase the term of the Lease, waive an Event of Default (as defined in the Indenture) or materially change the nature of the transaction unless approved by ordinance of the City Council.

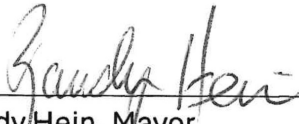
SECTION 10. EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after its passage as provided by law.

BILL NO. 6446

ORDINANCE NO. 24-34

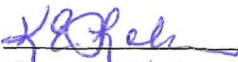
PASSED THIS 7th DAY OF AUGUST, 2024

APPROVED THIS 7th DAY OF AUGUST, 2024



Randy Hein, Mayor

ATTEST:



Karen E. Robinson, MRCC-S/CMC
City Clerk

EXHIBIT A

**PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT
AND COST/BENEFIT ANALYSIS**

[On file in the office of the City Clerk]

EXHIBIT B

BASE LEASE

[On file in the office of the City Clerk]

EXHIBIT C

TRUST INDENTURE

[On file in the office of the City Clerk]

EXHIBIT D

LEASE AGREEMENT

[On file in the office of the City Clerk]

EXHIBIT E

BOND PURCHASE AGREEMENT

[On file in the office of the City Clerk]