

AN ORDINANCE OF THE CITY OF WARRENTON, MISSOURI APPROVING A PETITION FOR THE CREATION OF THE WARRENTON COMMONS COMMUNITY IMPROVEMENT DISTRICT; ESTABLISHING THE DISTRICT AS A POLITICAL SUBDIVISION OF THE STATE OF MISSOURI; APPROVING THE APPOINTMENT OF THE INITIAL BOARD OF DIRECTORS OF THE DISTRICT; AND DIRECTING THE CITY CLERK TO NOTIFY THE MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT OF THE CREATION OF THE DISTRICT

WHEREAS, the City of Warrenton, Missouri (the "**City**") is authorized and empowered pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "**Act**"), to adopt an ordinance to establish a community improvement district upon receipt of a proper petition requesting the formation of such district and after a public hearing on such petition; and

WHEREAS, as of October 3, 2017, the City entered into a development agreement, authorized by Ordinance No. 2373 passed by the City's Board of Aldermen (the "**Board of Aldermen**") and approved by the City's Mayor on October 3, 2017, that provided the terms and conditions upon which the City shall consider, among other things, authorizing a petition filed by, or on behalf of, the developer for the establishment of the Warrenton Commons Community Improvement District (the "**District**") within the City; and

WHEREAS, on or about December 15, 2017, a Petition for the Creation of a Community Improvement District (the "**Petition**") was filed with the City Clerk of the City (the "**City Clerk**"), a copy of which is set forth as **Exhibit A**, attached hereto and incorporated herein by reference, which requested the formation of the District, the boundaries of which would include approximately 15.02 acres of contiguous real property located within the City; and

WHEREAS, the Petition requests that the District be created for the purpose of levying a community improvement district sales and use tax at a rate of up to one percent (1%) on all eligible retail sales made in the District in accordance with Section 67.1545 of the Act, for the purpose of financing various public improvements within the District's boundaries as set forth in the Petition (as further described and defined in the Petition, the "**CID Project**"); and

WHEREAS, the Petition identified the individuals proposed to serve as the initial Board of Directors of the District, which individuals shall be appointed by the City's Mayor with the consent of the Board of Aldermen in accordance with Section 67.1451.5 of the Act; and

WHEREAS, the City Clerk has verified that the Petition complied with the Act and set a public hearing with all proper notice being given in accordance with the Act and Section 67.2725 of the Revised Statutes of Missouri, as amended; and

WHEREAS, on January 16, 2018, the Board of Aldermen held a public hearing at which all persons interested in the formation of the District were allowed an opportunity to be heard and at which time the Board of Aldermen heard all reasonable protests, objections and endorsements; and

WHEREAS, the Board of Aldermen finds that notice of the establishment of the District has been properly given and the public hearing thereon has been held in which all reasonable protests, objections and endorsements have been heard, all in accordance with Section 67.1431 of the Act; and

WHEREAS, the Board of Aldermen finds that the Petition to establish the District is proper in that it meets all the requirements of the Act and that the creation of the District is in the best interest of the City and its citizens.

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

SECTION 1. Establishment of District. Pursuant to Section 67.1411.3 of the Act, the Warrenton Commons Community Improvement District is hereby established within the City as a political subdivision of the State of Missouri having the powers and purposes set forth in the Petition. The District shall include the contiguous parcels of real estate described in the Petition.

SECTION 2. Board of Directors. The District shall be governed by a Board of Directors consisting of five individuals appointed by the Mayor of the City with the consent of the Board of Aldermen. Pursuant to Section 67.1451.5 of the Act, the Mayor hereby appoints and the Board of Aldermen hereby consents to the appointment of the following individuals to the District's initial Board of Directors:

<u>Name</u>	<u>Initial Term</u>
Steve Heitz	4 years from date of appointment
Franklin Sears	4 years from date of appointment
Brian Brink	2 years from date of appointment
Brandie Walters	2 years from date of appointment
Gabrielle Currie	2 years from date of appointment

The date of appointment of each of the initial directors shall be the date of passage of this Ordinance. No further action by the Mayor of the City or the Board of Aldermen is required for the appointment of the District's initial Board of Directors. The District's Board of Directors shall hold its initial meeting on such date and at such time as a quorum of directors is available.

SECTION 3. Term. Pursuant to Section 67.1481.1 of the Act, the District's Board of Directors shall commence the procedures provided in the Act for the termination of the proposed District upon the earlier to occur of (i) all of the proposed District's obligations used to finance and reimburse all of the eligible CID Project costs incurred within the boundaries of the proposed District having been fully redeemed in accordance with the terms of the Act, or (b) 25 years from the effective date of the City's ordinance approving the creation of the proposed District.


SECTION 4. Report to Missouri Department of Economic Development. The City Clerk is hereby directed to prepare and file with the Missouri Department of Economic Development the report specified in Section 67.1421.6 of the Act.

SECTION 5. Further Actions Authorized. The City shall and the officials, officers, agents and employees of the City are hereby authorized and directed 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.

SECTION 6. Severability Clause. It is hereby declared to be the intention of the Board of Aldermen that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Aldermen intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accord with the legislative intent.


SECTION 7. Effective Date. This Ordinance shall be in full force and effect immediately following its passage and approval by the Board of Aldermen and its execution as provided by law.

READ TWO TIMES AND PASSED by the Board of Aldermen of the City of Warrenton, Missouri, this 16th day of January, 2018.



President of the Board of Aldermen

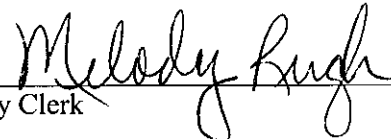
APPROVED BY THE MAYOR of the City of Warrenton, Missouri, this 16th day of January, 2018.



Mayor

(SEAL)

ATTEST:



City Clerk

EXHIBIT A

PETITION

(Attached hereto.)

**PETITION FOR THE CREATION OF A
COMMUNITY IMPROVEMENT DISTRICT**

To the City of Warrenton, Missouri:

The undersigned petitioner ("**Petitioner**") is the owner or representative of the owner of record of more than fifty percent (50%) (a) by assessed value of all real property within the hereinafter described community improvement district, and (b) per capita of all owners of real property within the hereinafter described community improvement district. Petitioner hereby petitions and requests that the City of Warrenton, Missouri (the "**City**"), create a community improvement district as described herein, to be known as the **WARRENTON COMMONS COMMUNITY IMPROVEMENT DISTRICT** (the "**District**"), pursuant to the authority of the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "**CID Act**").

1. The proposed District is contiguous and located entirely within the City.
2. A legal description of the proposed District is set forth as **Exhibit A**, attached hereto and incorporated herein by reference. A map illustrating the boundaries of the proposed District is set forth as **Exhibit B**, attached hereto and incorporated herein by reference.
3. The name of the proposed District is the Warrenton Commons Community Improvement District.
4. The proposed District consists of approximately 15.02 acres and all real property located within the proposed District has a total current assessed value of approximately \$75,961.
5. Petitioner represents 100% per capita of all owners of the real property located within the boundaries of the proposed District, and 100% of all real property within the boundaries of the proposed District by assessed value, as more particularly described in the Petitioner's signature block to this Petition for the Creation of a Community Improvement District (this "**Petition**") and as set forth in the table below.

Owner	Situs Address	PIN	Acres	Assessed Value
Schnuck Markets, Inc.	Veterans Memorial Parkway East	05-21.0-3-00-006.002.000	14.78	\$65,926
Schnuck Markets, Inc.	North Highway 47	05-21.0-3-00-008.000.000	0.24	\$10,035
Totals:			15.02 Acres	\$75,961

6. The proposed District shall be formed as a political subdivision governed by a board of directors composed of five (5) directors appointed by the Mayor of the City, with the consent of the City's Board of Aldermen. Each director shall, during his or her term, meet the qualifications of Section 67.1451.2(1)-(2) of the CID Act and shall be an authorized representative of an owner of property in the proposed District. In addition, at the City's discretion, for so long as the proposed District is in existence, two of the five directors on the proposed District's board of directors will be individuals selected by the City. In addition, at Petitioner's discretion, so long as Petitioner or Petitioner's affiliates, successors and/or assigns have any interest in real property within the proposed District, at least three of the five directors shall be legally authorized representatives of

Petitioner or Petitioner's affiliates, successors and/or assigns, as applicable. Successor directors shall be appointed in the same manner. Successor directors shall serve for a term of four years.

7. The initial directors and their respective terms of office shall be as follows:

Name	Initial Term
Steve Heitz	4 years
Franklin Sears	4 years
Brian Brink	2 years
Brandie Walters	2 years
Gabrielle Currie	2 years

8. Petitioner is not seeking a determination that the proposed District, or any legally described portion thereof, is a blighted area.
9. The proposed District shall not be permitted to issue any tax-exempt debt obligations without the prior written consent of the City. Petitioner does not seek any other limitations on the borrowing capacity of the proposed District. Notwithstanding anything in this Petition to the contrary, obligations issued by or on behalf of the proposed District to finance the costs of the CID Project (as defined herein) may be issued in one or more phases.
10. Petitioner does not seek limitations on the revenue generation of the proposed District, except as otherwise provided in this Petition.
11. The proposed District shall have all powers provided in the CID Act, except as otherwise provided in this Petition.
12. The proposed District shall be authorized, upon approval by the qualified voters of the proposed District, to impose a sales and use tax (the "**CID Sales Tax**") at a rate of up to one percent (1%) on all eligible retail sales made in the proposed District in accordance with Section 67.1545 of the CID Act, for the duration permitted by the CID Act.
13. Notwithstanding anything in the CID Act or this Petition to the contrary, the proposed District shall have no power to levy special assessments and, therefore, the maximum rates of special assessments proposed in this Petition are zero.
14. Notwithstanding anything in the CID Act or this Petition to the contrary, the proposed District shall have no power to levy real property taxes or business license taxes and, therefore, the maximum rates of real property taxes and business license taxes proposed in this Petition are zero.
15. A five-year plan stating a description of the purposes of the proposed District, the services it will provide, the improvements it will make and an estimate of costs of these services and improvements to be incurred (collectively, the "**CID Project**"), is set forth in **Exhibit C**, attached hereto and incorporated herein by reference. It is anticipated that the proposed District will use the moneys received from the imposition of the CID Sales Tax to finance and reimburse those eligible CID Project costs incurred on its behalf.

16. The estimated cost of the CID Project is \$2,500,000 (excluding Costs of Issuance¹, if any, and the proposed District's administrative fees and expenses including, but not limited to, fees and costs related to the proposed District's formation, planning consultants, advisors, auditors and legal counsel), as more particularly described in **Exhibit C**, attached hereto and incorporated herein by reference.
17. The proposed District's Board of Directors shall commence the procedures provided in the CID Act for the termination of the proposed District upon the earlier to occur of (i) all of the proposed District's obligations used to finance and reimburse all of the eligible CID Project costs incurred within the boundaries of the proposed District having been fully redeemed in accordance with the terms of the CID Act, or (b) 25 years from the effective date of the City's ordinance approving the creation of the proposed District. For the purposes of the CID Act, this paragraph constitutes the proposed length or time for the existence of the proposed District.
18. The signature of the signer of this Petition may not be withdrawn later than seven days after this Petition is filed with the City Clerk of the City.
19. Petitioner respectfully requests that the proposed District be established pursuant to the CID Act.

Dated this 14th day of December, 2017.

¹ *"Costs of Issuance"* shall mean all costs reasonably incurred by the proposed District in furtherance of the issuance of any bonds or notes, singly or in series, issued by or on behalf of the proposed District pursuant to the CID Act, if any, including but not limited to the fees and expenses of financial advisors, municipal advisors and consultants, the proposed District's attorneys (including issuer's counsel and special tax counsel), underwriters' discounts and fees, the costs of printing any obligations of the proposed District and any official statements relating thereto, the costs, if any, of credit enhancement, capitalized interest, debt service reserves and the fees of any rating agency rating any obligations of the proposed District.

PETITIONER:

NAME OF OWNER: Schnuck Markets, Inc.

TELEPHONE NUMBER: (314) 994-9900

MAILING ADDRESS: 11420 Lackland Road
St. Louis, Missouri 63146

NAME OF SIGNER AND BASIS OF
LEGAL AUTHORITY TO SIGN: Todd R. Schnuck, Chairman and CEO

SIGNER'S TELEPHONE NUMBER: (314) 994-9900

SIGNER'S MAILING ADDRESS: 11420 Lackland Road
St. Louis, Missouri 63146

TYPE OF ENTITY: Missouri corporation

MAP: See Exhibit B

PARCEL IDENTIFICATION NUMBERS: 05-21.0-3-00-006.002.000; 05-21.0-3-00-008.000.000

ASSESSED VALUE: \$75,961

[SIGNATURE PAGE OF PETITIONER FOLLOWS]

Exhibit A

Legal Description of Proposed District

PARCEL 1:

Lot 2 of Newmark Subdivision, as per plat thereof recorded in Plat Cabinet C, Slide C-347-348 of the Warren County Records.

PARCEL 2:

Lot 3B of the Boundary Adjustment Plat of Lot 3 of Newmark Subdivision, as per plat thereof recorded in Plat Cabinet D, Slide D-130 of the Warren County Records.

Exhibit B

Boundary Map of the Proposed District

The boundaries of the proposed District are outlined as shown on the map below.

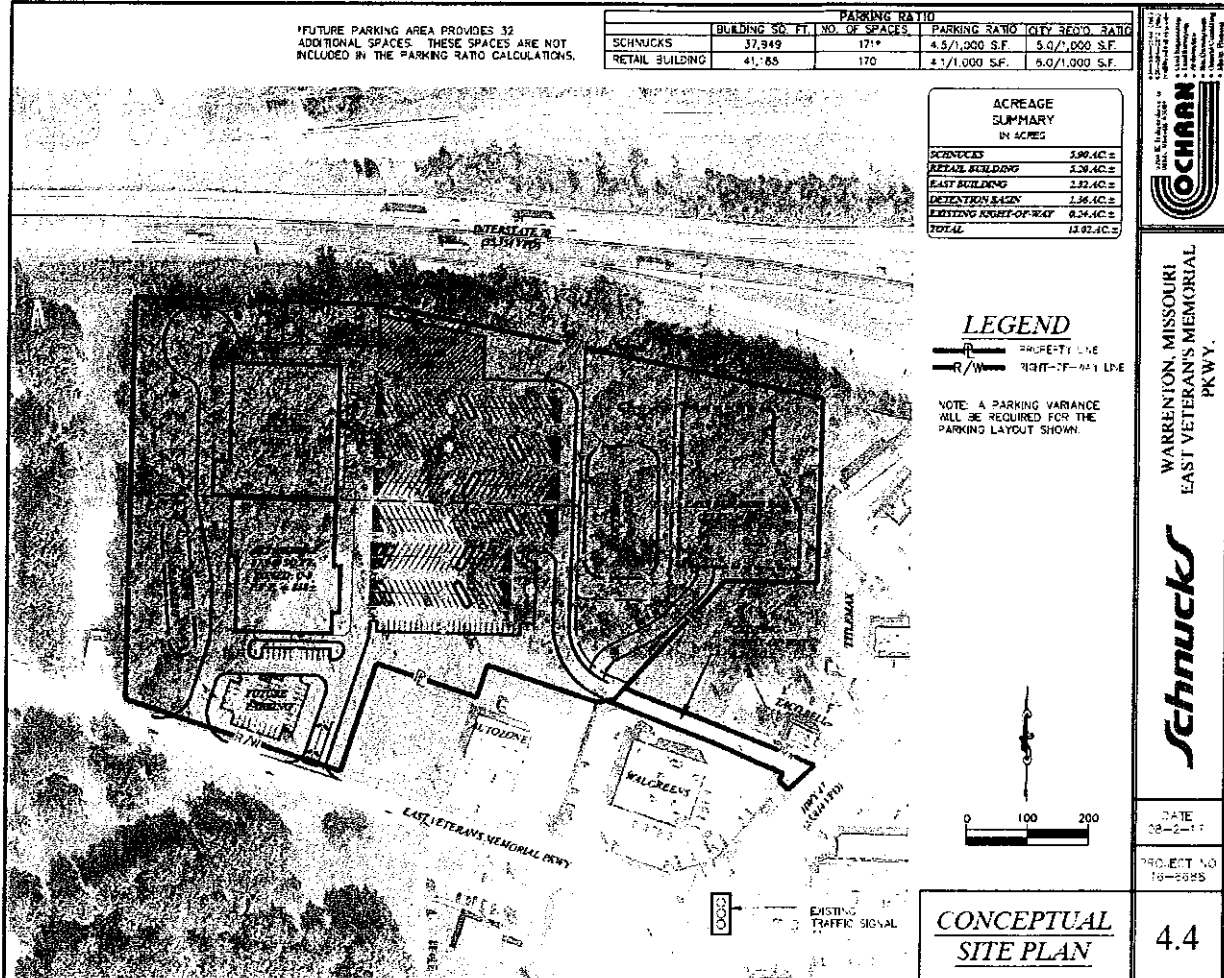


Exhibit C

FIVE-YEAR PLAN

WARRENTON COMMONS COMMUNITY IMPROVEMENT DISTRICT

DATED: December 14, 2017

Introduction

Schnuck Markets, Inc. (the "*Petitioner*") proposes to create the Warrenton Commons Community Improvement District (the "*District*") pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended, (the "*CID Act*"). Section 67.1421 of the CID Act requires that the petition for the creation of the proposed District be accompanied by a five-year plan, which includes a description of the purposes of the proposed District, the services it will provide, the improvements it will make and an estimate of the costs of these services and improvements to be incurred. This Five-Year Plan (the "*Plan*") is presented in order to comply with the statutory requirement referenced above.

Generally, a community improvement district is a statutory tool a municipality may implement in order to allow a specific area or section of the municipality to fund (either in part or in whole) certain improvements and services within certain defined boundaries by securing a portion of the area's own economic activity.

This Plan contains the following: (A) a description of the location and formation of the proposed District; (B) a description of the anticipated proposed District revenues over a five-year period; (C) a summary of the improvements and services to be provided by the proposed District over a five-year period; (D) an estimate of costs of the services and improvements to be incurred over a five-year period; and (E) an anticipated schedule for the proposed District's improvements, activities and services over a five-year period. This Plan is an integral and composite part of the Petition for the Creation of a Community Improvement District (the "*Petition*") to which it is attached and incorporated therein by reference.

A. District Location and Formation

The proposed District consists of two tax parcels totaling approximately 15.02 acres generally bounded by and adjacent to Interstate 70 to the north, State Highway 47 and certain commercial retail outlots to the east, East Veterans Memorial Parkway and certain commercial retail outlots to the south and certain real property to the west in the City of Warrenton, Missouri (the "*City*"). The proposed District is contiguous.

The District is proposed to be a political subdivision of the State of Missouri. The proposed District, pursuant to the CID Act, is empowered to provide a variety of public services and to finance a number of different public improvements within its boundaries, which services and improvements will be paid for from revenues from taxes imposed within its boundaries.

B. District Revenues

The proposed District is being formed to raise revenues by imposing an additional community improvement district sales and use tax (the "*CID Sales Tax*") at the rate of up to one percent (1%) on all taxable retail sales within its boundaries which are subject to taxation pursuant to Sections 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, except sales of motor vehicles, trailers, boats or

outboard motors and sales to or by public utilities and providers of communications, cable or video services.

The imposition of the CID Sales Tax is subject to approval by the qualified voters within the proposed District. To the extent that there are no registered voters within the proposed District, the CID Act provides that the qualified voters are the owners of one or more parcels of real property located within the proposed District per the tax records of Warren County, Missouri ("*County*") as of the thirtieth day before the date of the applicable election. Once the proposed District is established by ordinance of the City, the proposed District's Board of Directors will submit the question of whether it shall be authorized to impose the CID Sales Tax to the qualified voters for approval in accordance with this Plan.

Notwithstanding anything in the CID Act or the Petition to the contrary, the proposed District shall have no power to levy real property taxes or business license taxes.

C. Summary of Improvements and Services to be Provided

The purpose of the proposed District is to provide assistance to or to construct, reconstruct, install, repair, maintain, and equip certain public improvements within its boundaries, and to support business activity and economic development in the proposed District and to provide services and activities as allowed under Section 67.1461 of the CID Act. The proposed District will impose the CID Sales Tax to finance and administer these improvements and services as provided under the CID Act.

In general, the proposed District may undertake any of the public improvements or provide for any of the activities or services set forth in the CID Act. Pursuant to Section 67.1461 of the CID Act the proposed District may acquire by purchase, lease, gift, grant, bequest, devise or otherwise, any real property within its boundaries, personal property, or any interest in such property. The proposed District may also sell, lease, exchange, transfer, assign, mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real or personal property or any interest in such property. The proposed District may dedicate to the City, with the City's consent, streets, sidewalks, parks, and other real property and improvements located within its boundaries for public use. In addition, the proposed District may enter into one or more agreements with the City for the purpose of abating any public nuisance within the boundaries of the proposed District including, but not limited to, the stabilization, repair or maintenance or demolition and removal of buildings or structures, provided that the City has declared the existence of a public nuisance.

To fund any or all of its activities in connection with the exercise of any of the above or any other powers of the proposed District under Section 67.1461 of the CID Act, the proposed District may borrow money from any public or private source and issue obligations or cause obligations to be issued on its behalf, in one or more phases, and provide security for repayment of the same as provided in the CID Act.

Specifically, the District is proposed to provide funding for those powers of a district provided under Section 67.1461.1 of the CID Act and various public improvements (as further described below) within the proposed District's boundaries, which public improvements are anticipated to be made in connection with the development, operation and maintenance of a new commercial retail development anchored by a supermarket within the proposed District (together with any public improvements, activities or services outlined in this Section C, the "*CID Project*") as allowed under the CID Act. The estimated cost of the CID Project is \$2,500,000, as described in the chart on the following page.

CATEGORY	ESTIMATED COST*
Land Acquisition	
Land	\$ 397,373
<i>Sub Total – Land Acquisition</i>	<i>\$ 397,373</i>
Site Preparation and Improvements	
Landscaping	\$ 55,000
Sidewalks	\$ 41,400
Streets	\$ 60,000
Traffic signs	\$ 15,000
Domestic/Fire Water	\$ 234,300
Gas	\$ 12,500
Electric	\$ 5,000
Cable	\$ 10,000
Phone	\$ 17,500
Storm water system	\$ 225,200
Sanitary system	\$ 51,800
Parking lots	\$ 832,053
Lighting	\$ 90,000
Benches	\$ 2,500
Trash receptacles	\$ 3,000
Grading	\$ 397,374
Environmental cleanup	\$ 50,000
<i>Sub Total – Site Preparation and Improvements</i>	<i>\$2,102,627</i>
TOTAL**	\$2,500,000

* The amount in each budget category is an estimate. Savings in one budget category may be applied to additional costs incurred in other budget categories.

** Excludes Costs of Issuance as defined in the Petition, if any, the proposed District's administrative fees and expenses including, but not limited to, fees and costs related to the proposed District's formation, planning consultants, advisors, auditors and legal counsel, and reimbursement to the City for the City's third-party professional costs directly related to the City's consideration of the proposed District including, without limitation, legal and planning expenses incurred in relation to the City's establishment of the proposed District, and the City's participation and responsibilities with regard to the ongoing operation, functions and administration of the proposed District.

The proposed District may fund any portion of the costs of acquisition, design, construction, operation and maintenance of the CID Project. CID Sales Tax revenues may be used to fund in part either direct costs of the CID Project or financing costs of the CID Project, or both.

On an annual basis, the CID Sales Tax revenues and will be applied as follows: (a) first, to fund the on-going administrative costs of the proposed District, the amount of which will be determined by the proposed District's Board of Directors in connection with the adoption of the annual budget of the proposed District, and (b) second, to fund the costs of the CID Project or any obligations issued by or on

behalf of the proposed District to finance the costs of the CID Project. This formula will be applied throughout the term of the proposed District.

The CID Act mandates that existing City services will continue to be provided within a proposed district at the same level as before the proposed district was created (unless services are decreased throughout the City) and that any proposed district services shall be in addition to existing City services. The Petitioner anticipates that City services will continue to be provided within the proposed District at the same level as before the proposed District was created, and the proposed District will not cause the level of City services within the proposed District to diminish. Without the additional funding provided by the proposed District, the Petitioner would not be able to adequately develop, operate and maintain the CID Project.

D. Estimate of Costs of Services and Improvements to be Incurred

The total estimated cost of the CID Project over the initial five-year period is approximately \$2,500,000. As stated above, CID Sales Tax revenues and may be used to fund in part either direct costs of the CID Project or financing costs of the CID Project, or both.

E. Anticipated Schedule

On the next page is a summary of the improvements, activities and services anticipated to be provided by the proposed District over the initial five-year period.

[The remainder of this page was intentionally left blank, see next page.]

Year **Improvements, Activities and Services**

- 2018**
- Establish District
 - District's Board of Directors authorizes imposition of CID Sales Tax
 - District holds mail-in election to impose CID Sales Tax
 - Phase one of CID Project commences and is completed
 - Issuance of District obligations, if any, related to phase one of CID Project
 - Provide financing for a portion of the costs of the CID Project
 - Provide for collection of CID Sales Tax
 - District provides for its on-going administration
- 2019**
- Phase two of CID Project commences and is completed
 - Issuance of District obligations, if any, related to phase two of CID Project
 - Provide financing for a portion of the costs of the CID Project
 - Provide for collection of CID Sales Tax
 - District provides for its on-going administration
- 2020**
- Provide financing for a portion of the costs of the CID Project
 - Provide for collection of CID Sales Tax
 - District provides for its on-going administration
- 2021**
- Provide financing for a portion of the costs of the CID Project
 - Provide for collection of CID Sales Tax
 - District provides for its on-going administration
- 2022**
- Provide financing for a portion of the costs of the CID Project
 - Provide for collection of CID Sales Tax
 - District provides for its on-going administration