

REDEVELOPMENT CONTRACT

BETWEEN

THE CITY OF LEE'S SUMMIT, MISSOURI

AND

1601 SE HAMBLEN ROAD, LLC

To implement the

**1601 SE HAMBLEN ROAD, LLC.
LCRA REDEVELOPMENT PLAN**

_____, 2026

Table of Contents

ARTICLE 1: RULES OF INTERPRETATION AND DEFINITIONS	Error! Bookmark not defined.
Section 1.01. Rules of Interpretation	Error! Bookmark not defined.
Section 1.02. Definitions	Error! Bookmark not defined.
ARTICLE 2: THE REDEVELOPMENT PROJECT	Error! Bookmark not defined.
Section 2.01. Redevelopment Area	Error! Bookmark not defined.
Section 2.02. Redevelopment Project Areas	Error! Bookmark not defined.
Section 2.03. Project Improvements	Error! Bookmark not defined.
Section 2.04. Lease Agreement and Sales Tax Exemption for Construction	Error! Bookmark not defined.
Section 2.05. Redevelopment Schedule	Error! Bookmark not defined.
Section 2.06. Reserved	Error! Bookmark not defined.
Section 2.07. Design Criteria and Review Procedures for Private Improvements	Error! Bookmark not defined.
Section 2.08. Construction and Maintenance of the Project	Error! Bookmark not defined.
Section 2.09. Permitted Uses	Error! Bookmark not defined.
Section 2.10. Certificate of Substantial Completion	Error! Bookmark not defined.
ARTICLE 3: TERMS OF TAX ABATMENT	10
Section 3.01. Completion of Redevelopment Project	10
Section 3.02. Duration of Tax Abatement and Termination	10
Section 3.03. Payment of Base Taxes	Error! Bookmark not defined.
Section 3.04. Annual Reporting and Compliance	Error! Bookmark not defined.
Section 3.05. Early Termination of Abatement	Error! Bookmark not defined.
Section 3.06. Obligation of the City to Effect Tax Abatement	Error! Bookmark not defined.
Section 3.07. No Abatement on Special Assessment, Licenses or Fees	Error! Bookmark not defined.
ARTICLE 4: PROJECT CONTROL AND OPERATIONS	...Error! Bookmark not defined.
Section 4.01. Tenant Approvals	Error! Bookmark not defined.
Section 4.02. Sale or Disposition of Leasehold Interest in Project Property	Error! Bookmark not defined.
Section 4.03. Compliance with Laws	Error! Bookmark not defined.
Section 4.04. Assignment of Developer’s Obligations	Error! Bookmark not defined.
Section 4.05. Transfer of Interests in Developer – City Approval.	Error! Bookmark not defined.
ARTICLE 5: GENERAL COVENANTS	Error! Bookmark not defined.
Section 5.01. Indemnification	Error! Bookmark not defined.
Section 5.02. Breach-Compliance	Error! Bookmark not defined.
Section 5.03. Excusable Delays	Error! Bookmark not defined.
Section 5.04. Notice	Error! Bookmark not defined.
Section 5.05. Modification	Error! Bookmark not defined.
Section 5.06. Effective Date	Error! Bookmark not defined.
Section 5.07. Recording	Error! Bookmark not defined.

Section 5.08. Applicable Law.....Error! Bookmark not defined.
Section 5.09. Covenant Running With the LandError! Bookmark not defined.
Section 5.10. Reserved.....Error! Bookmark not defined.
Section 5.11. Validity and SeverabilityError! Bookmark not defined.
Section 5.12. Time and Performance are of the Essence Error! Bookmark not defined.
Section 5.13. City’s Legislative PowersError! Bookmark not defined.
Section 5.14. Disputes between Private Parties and Affiliated Entities..... Error!
Bookmark not defined.
Section 5.15. Approvals by CityError! Bookmark not defined.
Section 5.16. Electronic Storage.....Error! Bookmark not defined.
Section 5.17. TerminationError! Bookmark not defined.

LIST OF EXHIBITS

<u>Exhibit A</u>	Legal Description of Redevelopment Area and Redevelopment Project Area
<u>Exhibit B</u>	Map of Redevelopment Area and Redevelopment Project Area
<u>Exhibit C</u>	Private Improvements
<u>Exhibit D</u>	Redevelopment Schedule
<u>Exhibit E</u>	Certificate of Substantial Completion
<u>Exhibit F</u>	LCRA Annual Compliance Report
<u>Exhibit G</u>	Form of Assignment Agreement
<u>Exhibit H</u>	Fixed PILOT Schedule

REDEVELOPMENT CONTRACT

THIS REDEVELOPMENT CONTRACT (the “**Contract**”) is made and entered into as of the ____ day of _____, 2026 (the “**Effective Date**”), by and between THE CITY OF LEE’S SUMMIT, MISSOURI (“**City**”), and 1601 SE Hamblen Road, LLC, a Missouri limited liability company, the developer selected by the City (“**Developer**”) to implement its plan of redevelopment as more fully described herein.

RECITALS

1. WHEREAS, in 1961, a ballot question was approved to form the LCRA pursuant to the Land Clearance for Redevelopment Authority Act set forth in Sections 99.300 to 99.715, RSMo (the “**LCRA Act**”); and

2. WHEREAS, the LCRA was formed for the purposes of redeveloping and rehabilitating property within the areas that have been found by the City Council to be blighted areas under the LCRA Act; and

3. WHEREAS, the LCRA took evidence and testimony and reviewed the Developer’s application at a meeting of the LCRA Board of Commissioners (the “**Board**”) that was held on January 22, 2025, and the Board thereafter recommended that the City Council approve the Application; and on February 25, 2025, the City Council of the City (the “**City Council**”) approved the Original LCRA Plan (defined below) through the adoption of Ordinance No. 10084 (the “**Original LCRA Plan**”) pursuant to the Land Clearance for Redevelopment Authority Act set forth in Sections 99.300 through 99.660 and Section 99.715 of the Revised Statutes of Missouri (the “**LCRA Act**”).

4. WHEREAS, at the request of Developer, the LCRA took evidence and testimony and reviewed the Developer’s amended application at a meeting of the Board that was held on March 25, 2026, and the Board thereafter recommended that the City Council approve the amended application; and on _____, 2026, the City Council approved the Amended LCRA Plan (defined below) through the adoption of Ordinance No. ____ (the “**Amended LCRA Plan**”, with the Amended LCRA Plan and Original LCRA Plan collectively referred to herein as the “**LCRA Plan**”) pursuant to the LCRA Act.

5. Pursuant to Ordinance Nos. ____ and _____, the City Council made several factual findings as it related to implementation of the LCRA Plan and that the LCRA Plan meets the other applicable requirements of the LCRA Act. Ordinance Nos. ____ and _____ also selected Developer as the developer of record to implement the LCRA Plan, and authorized City to enter into a contract with such party as the developer for the implementation of the LCRA Plan.

AGREEMENT

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

ARTICLE 1: RULES OF INTERPRETATION AND DEFINITIONS

Section 1.01. Rules of Interpretation. Unless the context clearly indicates to the contrary or unless otherwise provided herein, the following rules of interpretation shall apply to this Contract:

A. The terms defined in this Contract which refer to a particular agreement, instrument or document also refer to and include all renewals, extensions, modifications, amendments and restatements of such agreement, instrument or document; provided, that nothing contained in this sentence shall be construed to authorize any such renewal, extension, modification, amendment or restatement other than in accordance with **Section 5.05** of this Contract.

B. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Contract shall refer to this Contract as a whole and not to any particular provision of this Contract. Section, subsection and exhibit references are to this Contract unless otherwise specified. Whenever an item or items are listed after the words “including” and/or “include(s)”, such listing is not intended to be a listing that excludes items not listed.

C. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing person shall include individuals, corporations, limited liability companies, partnerships, joint ventures, associations, joint stock companies, trusts, unincorporated organizations and governments and any agency or political subdivision thereof.

D. The table of contents, captions and headings in this Contract are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Contract.

Section 1.02. Definitions. All capitalized words or terms used in this Contract that are not otherwise defined in this Contract but are defined in the LCRA Plan shall have the meaning ascribed to them in the LCRA Plan. In addition thereto and in addition to words and terms defined elsewhere in this Contract, the following words and terms shall have the meanings ascribed to them in this **Section 1.02** unless the context in which such words and terms are used clearly requires otherwise.

“**Act**” means the LCRA Act.

“**Action**” shall have the meaning set forth in **Section 5.01**.

“**Affiliate**” means any person, entity or group of persons or entities controlled by Developer or which Developer is controlled by, including T&W Steel Company, Inc., a Missouri corporation. As used herein, the term “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

“**Applicable Laws and Requirements**” means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, requirement or decision of or agreement with or by any governmental entity

“**Assignment Agreement**” shall have the meaning set forth in **Section 4.02**.

“**Blighted Area**” shall have the meaning set forth for such term in the LCRA Act.

“**Base Tax**” means the real property taxes that are due and payable during each year of tax abatement, which is attributable to the value of the Property prior to undertaking the Project, as reflected on the Jackson County tax bill for each calendar year.

“**Certificate of Qualification**” means the Certificate of Qualification for Tax Abatement issued by the LCRA for the Redevelopment Project pursuant to Sections 99.700 to 99.715, RSMo.

“**City**” means the City of Lee’s Summit, Missouri.

“**City Council**” means the governing body of Lee’s Summit, Missouri.

“**City Engineer**” means the city engineer of Lee’s Summit, Missouri.

“**City Manager**” means the City Manager of Lee’s Summit, Missouri.

“**City Treasurer**” means the Finance Director of Lee’s Summit, Missouri.

“**Construction Contract**” means each contract between the Developer or T&W Steel Company, Inc., a Missouri Corporation, and any Construction Contractor for the construction of any Private Improvements on behalf of the City.

“**Construction Contractor**” means the construction contractor selected by Developer to construct all or any portion of the Private Improvements.

“**Construction Period**” means the period of time from the date the Lease is signed to the date that the City issues the final certificate of occupancy for the Project.

“**County**” means Jackson County, Missouri.

“**County Assessor**” means the assessor of Jackson County, Missouri.

“**County Collector**” means the collector of Jackson County, Missouri.

“**Design and Construction Manual**” means the Lee’s Summit Design and Construction Manual which is adopted by ordinance (Ordinance No. 3719), as such document may be amended by the City.

“**Developer**” means 1601 SE Hamblen Road, LLC, its successors and assigns.

“**Developer Controlled Improvements**” shall have the meaning set forth in **Section 2.08**.

“**Excusable Delay**” shall have the meaning set forth in **Section 5.03**.

“**Indemnified Party**” or “**Indemnified Parties**” shall have the meaning set forth in **Section 5.01**.

“**Full-Time**” means, with respect to a person employed, thirty-five hours or more per week of employment, having wages that exceed the average annual average wage for Jackson County (\$69,603 for 2023), in the category of Total Wages for All Industries, Public and Private, as determined by the Missouri Economic Research and Information Center, Missouri Department of Economic Development, and normal full-time employee benefits.

“**Job**” means the number of Full-Time employees employed by the Developer at the Property.

“**Land Use Approvals**” means those approvals required pursuant to the UDO and those ordinances approving the Preliminary Development Plan and all other subsequent zoning approvals which are required for the construction of the Redevelopment Project.

“**LCRA**” means the City of Lee’s Summit Land Clearance for Redevelopment Authority, which exercises its powers and authority through its Board of Commissioners.

“**LCRA Plan**” shall have the meaning assigned in the Recitals on Page 1.

“**Lease**” or “**Lease Agreement**” means the lease agreement between the City, as “Lessor,” and Developer, as the “Developer” and lessee (as such terms are defined in such lease), to implement the LCRA Plan and the sales tax exemption and real property tax abatement incentives provided through the LCRA Plan.

“**Legal Requirements**” means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, city or otherwise), whether now or hereafter in existence and specifically including but not limited to all ordinances, rules and regulations of the City, such as zoning ordinances, subdivision ordinances, building codes, property maintenance codes, and City’s Design and Construction Manual (Ordinance No. 3719).

“**Lease Term**” shall have the meaning assigned to such term in the Lease.

“**Materials**” means construction materials and supplies necessary for and used in the construction of the Project Improvements and all fixtures and supplies necessary for the completion of and operation of the Project Improvements acquired during construction.

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

“**Phase**” shall have the meaning set forth in **Section 2.02**.

“**Preliminary Development Plan**” means the Preliminary Development Plan that was approved by Ordinance No. **XXXX** on **[DATE]**, and as such plan may be modified or amended pursuant to the requirements of the UDO.

“**Project**” means all of the development work contemplated to be undertaken by Developer within the Redevelopment Project Area pursuant to the LCRA Plan and this Contract.

“**Project Improvements**” means the Private Improvements which are constructed by or at the direction of Developer.

“**Property**” means all of the property within the Redevelopment Project Area.

“**Private Improvements**” shall mean those improvements set forth in **Exhibit C**.

“**Redevelopment Area**” means the approximate area that is legally described in **Exhibit A** and depicted in **Exhibit B**.

“**Redevelopment Project**” means the Project Improvements constructed within the Redevelopment Project Area.

“**Redevelopment Project Area**” means the approximate area that is legally described in **Exhibit A** and depicted in **Exhibit B**.

“**Redevelopment Schedule**” shall have the meaning set forth in **Section 2.05**.

“**Related Entity**” means T&W Steel Company, Inc., a Missouri Corporation, and any other entity in which the ownership or membership of such entity is controlled by Developer, T&W Steel Company, Inc., or the owners of a majority of the interests in Developer. For purposes of this definition, “control” shall mean the power to direct or cause the direction of the management or policies of such entity.

“**Site Development Permit**” means a permit issued by the City pursuant to [Division IV in Article 3](#) of the UDO.

“**Test Date**” means September 30 of each year.

“**UDO**” means the City’s Unified Development Ordinance as set forth in Chapter 33 of the City Code.

“**Work**” means all work, including, but not limited to, demolition, site preparation, development, design, engineering and construction, necessary to prepare the Property and to construct the Project.

ARTICLE 2: THE REDEVELOPMENT PROJECT

Section 2.01. Redevelopment Area. The LCRA Plan covers the entire Redevelopment Area, and Developer’s Work that will be undertaken pursuant to this Contract in the entire Redevelopment Project Area.

Section 2.02. Redevelopment Project Area. The Redevelopment Project Area will be developed by Developer in a single phase. The Redevelopment Project Area may only be changed, modified or amended in accordance with the LCRA Act. If the exterior boundary of the Redevelopment Project Area is changed, the parties acknowledge that a corresponding amendment to the LCRA Plan will be necessary to conform the actual boundaries with the legally described boundaries in the LCRA Plan.

Section 2.03. Project Improvements. In accordance with the LCRA Act and the terms and conditions of this Contract, to ameliorate or satisfy those conditions which are the basis for eligibility and designation of the Redevelopment Area as a Blighted Area and otherwise eligible as a redevelopment area under the LCRA Act, Developer shall construct, or cause to be constructed, all Project Improvements with private funds, which will be derived from a combination of Developer’s equity, assets contributed, or equity

investment provided by third parties, and debt incurred by Developer or third parties. The City's role in the funding for the project shall consist solely of providing the sales tax exemption and real property tax abatement through the LCRA Plan, the Lease, and this Contract.

Section 2.04. Lease Agreement and Sales Tax Exemption for Construction.

(a) Lease. Pursuant to the transactions contemplated by the Lease, this Contract and the LCRA Plan, Developer will transfer fee title to the Property to the City to implement the incentives set forth and contemplated by the LCRA Plan. The transfer of the Property to the City, and the execution of the Lease by Developer and the City, shall occur at such time as Developer may reasonably request upon reasonable advance notice to the City, and subject to the City's reasonable approval, it being the intent of the City and Developer that this transaction will occur at such time so as to maximize the benefit to Developer of the sales tax exemption on construction materials and the seventy five percent (75%) real property tax abatement for ten (10) years, with fixed PILOT payments for the duration to represent the twenty-five percent (25%) of taxes that would otherwise be due, as contemplated by the LCRA Plan and this Contract. Upon the conveyance of the Property to the City, the City and Developer will enter into the Lease which will provide the terms for acquisition of the Property by the City from Developer and the lease of the Property back to Developer for the term of the Lease, which term is anticipated to commence on the Commencement Date as defined in the Lease (which will be prior to the start of the Construction Period for the Project), and continue for the duration of the Construction Period from and after the Commencement Date, and end upon the filing of the Certificate of Substantial Completion with the Jackson County Recorder of Deeds.

(b) Rent. Under Article X, Section 6 of the Missouri Constitution and Section 137.100 of the Revised Statutes of Missouri, all property of any political subdivision is exempt from taxation. The "Basic Rent" and the "Additional Rent" (as those terms are defined in the Lease) payments shall be made and disbursed as required by the Lease.

(c) Construction Period. The Developer shall enter into all Construction Contracts with the Construction Contractors for the construction of the Project Improvements on behalf of the City and all contractors purchasing Materials for the Project on behalf of the City (the "**Purchasing Agents**"). The Developer shall cause each Construction Contract and contracts with Purchasing Agents to include provisions satisfactory to the City:

1. necessary to assure that the Construction Contractor and Purchasing Agent includes in contracts with the Suppliers that sell the Materials necessary for the construction of the Project Improvements: (a) a provision acknowledging that title to the Materials shall pass directly to the City from the Supplier, but only after the Materials have been inspected and accepted by the Construction Contractor or Developer, acting as the agents of the City; and (b) a provision that requires Suppliers to properly submit detailed invoices for Materials for review and approval to the Developer and the City or the City's designee;
2. stating that the invoices for Materials must reflect that the Developer or the Construction Contractor is purchasing the Materials on behalf of the City as the City's agent or subagent, respectively;
3. requiring that the Developer and the Construction Contractor keep full and complete records of the Materials purchased on behalf of the City, and providing that the Developer

and the City shall each have reasonable access to those records, as may be necessary or desirable to ascertain that the Materials are, in fact, being acquired in accordance with this Contract;

4. providing that all Work performed under such contracts shall be in accordance with the LCRA Plan and this Contract; and

5. providing that the Developer, Purchasing Agents and the Construction Contractor acknowledge and affirm that they are each buying the Materials on behalf of, and as agent or subagent, respectively, for the City, and that the Purchasing Agents and Construction Contractor further acknowledge and affirm that any such Materials purchased are the sole property of the City.

(d) Agent.

1. The City appoints and confirms the appointment of the Developer as its agent to purchase the Materials for and on behalf of the City pursuant to power and authority delegated to the City by the LCRA. The Developer has the right to make the Construction Contractor and each Purchasing Agent a subagent for the purchase of the Materials and, accordingly, Developer appoints the Construction Contractor and each Purchasing Agent as a subagent for the City for the limited purpose of purchasing the Materials.

2. The City and the Developer confirm that the Construction Contractor and each Purchasing Agent is authorized to appoint its subcontractors as subagents of the City for the limited purpose of purchasing Materials. The City will provide its sales tax exemption certificate to Developer, Purchasing Agents and Construction Contractor for purposes of purchasing the Materials. Promptly after execution of the Lease, the City will provide its sales tax exemption certificate to Developer and the City shall provide such other documentation as may be necessary from time-to-time to effect such sales tax exemption.

3. Developer shall use the sales tax exemption certificate only for the purchase of materials to be incorporated into the Project and shall not use the sales tax exemption certificate for any personal property other than materials that are to be affixed to or incorporated permanently into the Project.

4. Notwithstanding anything in this Contract to the contrary, the Developer acknowledges that the City makes no representation or warranty with respect to any sales tax exemption during the Construction Period. In the event that the City's tax exempt status is reduced or eliminated, or City is otherwise unable to effectively extend sales tax exemption due to: (i) a change in federal or State law as to the purchase of all or any Materials used for construction of the Project Improvements and/or operation of the Project Improvements; or (ii) a lawsuit or administrative proceeding challenging the validity or legality of the sales tax exemption granted by the City during the Construction Period and which results in a determination by a court of competent jurisdiction or by a federal, state or local governing body or agency or department thereof that the sales tax exemption is invalid or illegal which is not a result of City and/or LCRA's negligence or intentional action, then the Developer shall be fully responsible for payment of any sales or use taxes, interest, fees, charges, or penalties levied or imposed against the City or the LCRA.

5. Developer shall indemnify, protect, defend and hold the City and the LCRA and their respective officers, elected officials, commissioners, agents and employees harmless from and

against any and all sales or use taxes, interest, fees, charges, penalties, claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, resulting or arising from, or otherwise incurred in connection with, the loss of any sales tax exemption and/or any related lawsuit or administrative proceeding not resulting from any act or inaction of the City and/or LCRA.

(e) Enforcement of Warranties. The Developer, in its capacity as the agent of the City, is granted the right to make on behalf of the City, all warranty, indemnification or other claims to enforce any of the City's warranty rights related to the Materials. The Developer is assigned the benefits derived by the City from the actions of the Developer taken pursuant to this Section, insofar as such rights relate to the Materials.

Section 2.05. Redevelopment Schedule.

(a) It is the intention of the parties that development activities for Redevelopment Project Area will be substantially commenced and completed on or before the dates set forth in **Exhibit D** attached hereto and incorporated herein by reference (the "**Redevelopment Schedule**"). Developer shall construct or cause to be constructed all Private Improvements and shall complete all other development-related activities including, but not necessarily limited to design, land preparation, environmental evaluation and remediation, construction, management, maintenance and procurement of private financing in sufficient time to comply with the Redevelopment Schedule. Changes in the development program contemplated by the LCRA Plan that require an amendment under the Act, as reasonably determined by City, shall be processed in accordance with the Act, and changes in the development program contemplated by the LCRA Plan that do not require an amendment under the Act, as reasonably determined by City, may be made only by agreement of the parties hereto.

(b) The parties hereto recognize and agree that market and other conditions may affect the Redevelopment Schedule. Therefore, the Redevelopment Schedule is subject to change and/or modification, with the written approval of City, which shall not be unreasonably withheld, delayed or conditioned, upon a showing by Developer of changed market or other conditions.

(c) Any amendment to the LCRA Plan that is approved by City as provided herein may require an amendment to this Contract. City shall use reasonable efforts to expedite the approval of the Land Use Approvals; provided, however, that nothing herein shall constitute or be deemed to be a waiver by City or the City Council of its legislative authority.

(d) The development shall be completed according to the Redevelopment Schedule. Developer may request an amendment to the Redevelopment Schedule in accordance with the following:

1. Developer may request up to a one-year extension of time to commence and/or complete the development. Such request for an extension may be granted by the City Manager in accordance with **Section 5.15**.

2. After an extension has been granted pursuant to parts 1 of this subsection, Developer may appear before the City Council for any additional requests for an extension of time to commence and/or complete the development.

(e) If Developer does not comply with the Redevelopment Schedule as set forth above, including any extension as approved by the City according to paragraph D of this Section, then, unless Developer requests an additional amendment of such Redevelopment Schedule prior to such violation and any amendment of the Redevelopment Schedule is so approved by the City Council, the City may require Developer to appear before the City Council to show cause why this Contract and the LCRA Plan shall not be terminated in accordance with **Section 5.02** hereof.

Section 2.06. Reserved.

Section 2.07. Design Criteria and Review Procedures for Private Improvements.

(a) The land uses allowed on the Property and the design and configuration of the Redevelopment Project Area shall be controlled by the Preliminary Development Plan. The Preliminary Development Plan may be amended pursuant to the requirements of the UDO. It is the intention of the parties that the uses allowed by the City pursuant to approval of the Preliminary Development Plan, and the City's approval of any amendments thereto, shall control the land uses permitted in the Redevelopment Project Area pursuant to this Contract.

(b) Construction plans for the Private Improvements shall conform to the Preliminary Development Plan.

Section 2.08. Construction and Maintenance of the Project.

(a) Construction. Except as otherwise expressly provided in this Contract or in the Lease, Developer shall have complete and exclusive control over construction of the Project Improvements that it owns, leases or controls (the "**Developer Controlled Improvements**"), subject, however, to all Legal Requirements. Developer hereby grants to City, its agents and employees the right to enter the Redevelopment Project Area (but not private residential units unless otherwise allowed pursuant to applicable laws) at reasonable times for the purpose of inspecting the Redevelopment Project.

(b) Certificates of Occupancy. City shall not be obligated to issue any certificates of occupancy for the structure within the Redevelopment Project Area until the time required pursuant to the City's Code of Ordinances.

(c) Maintenance and Repair. Developer, at its sole cost and expense, at all times shall (1) maintain and operate Developer Controlled Improvements in a first class manner, (2) timely make all necessary repairs to and replacements and restorations of all parts of the Developer Controlled Improvements, (3) keep the Developer Controlled Improvements in good condition, repair and appearance, and (4) maintain casualty insurance on the Developer Controlled Improvements in an amount equal to the full replacement value thereof and provide City with evidence of such insurance upon demand.

Developer shall use its best efforts to contractually obligate any tenant, purchaser, transferee, developer, manager, contractor or subcontractor to comply with the provisions of this **Section 2.08.C** for all portions of the Private Improvements. Developer shall enforce the provisions of this **Section 2.08.C** to the maximum extent permitted by law.

(d) Prevailing Wages. The Developer shall comply with all laws regarding the payment of prevailing wages to contractors or subcontractors of the Developer, but only in the event, and then only to

the extent, applicable to Developer pursuant to applicable laws with respect to the portion of the Work associated with the construction of “public works” as defined in Section 290.210 of the Revised Statutes of Missouri, for which the prevailing wage requirements are imposed. Upon written request by the City, Developer shall provide or cause to be provided written proof that the requirements of this paragraph have been satisfied from and after the date that the Work has commenced (or written proof that the requirements of this paragraph are not applicable to Developer and the Work, or portion thereof, performed by Developer). Developer shall indemnify the City for any damage resulting to it from failure of either the Developer or any contractor or subcontractor to pay prevailing wages pursuant to applicable laws.

Section 2.09. Permitted Uses. Property within the Redevelopment Project Area may only be used as allowed by the Preliminary Development Plan.

Section 2.10. Certificate of Substantial Completion. Promptly after substantial completion of the Redevelopment Project in accordance with the provisions of this Contract, the Developer shall submit a Certificate of Substantial Completion to the City for such Redevelopment Project. The Certificate of Substantial Completion shall be in substantially the form attached as **Exhibit E**. The City agent or employee designated by the City to perform inspections shall, within thirty (30) days following City’s receipt of the Certificate of Substantial Completion, carry out such inspections necessary to verify to their reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. Upon acceptance of the Certificate of Substantial Completion, the Developer may record the Certificate of Substantial Completion with the Jackson County Recorder of Deeds, and the same shall constitute evidence of the satisfaction of the Developer’s agreements and covenants to construct the Redevelopment Project.

ARTICLE 3: TERMS OF TAX ABATEMENT

Section 3.01. Completion of Redevelopment Project. The City shall issue a Certificate of Qualification to initiate the commencement of tax abatement to last for a period of ten (10) years with the last year of abatement being the year 2036.

Section 3.02. Commencement of Abatement. Tax abatement will commence in the calendar year 2027. The Certificate of Qualification shall be issued to Developer, who shall be responsible for transmitting the Certificate of Qualification to Jackson County by the Developer, in compliance with the requirement set forth in Section 99.705 RSMo. Developer shall provide a copy of such transmission to the City. The Parties agree to cooperate in good faith to ensure that Jackson County recognizes the proper commencement date and the property Base Taxes when the Certificate of Qualification has been issued by the City.

Section 3.03. Duration of Tax Abatement and Termination.

(a) **Amount of Abatement.** Tax abatement has been approved by the City Council in an amount equal to seventy-five percent (75%) of the real property taxes attributable to the increased value of the Property, as determined by the Jackson County Assessor, above the base total assessed value of \$1910 assigned to the property in calendar year 2024 (the “**Abatement Amount**”). The tax abatement provided by this Agreement is anticipated to last for a period of ten years (the “**Abatement Period**”), which shall commence following the filing of the Certificate of Qualification, subject to the Company complying with the terms and conditions of this Agreement.

(b) **Payment in Lieu of Taxes for Project.** The Company shall be required to make a twenty-five percent (25%) payment in lieu of any portion of the abated taxes during the Abatement Period, in the form of a fixed PILOT schedule. The anticipated schedule of PILOT payments is attached hereto as **Exhibit H**. One hundred percent (100%) of the Redevelopment Project shall be complete before Payment in Lieu of Taxes shall begin. Payments in Lieu of Taxes may not be paid in full until the completion of the Redevelopment Project.

(c) **Limitation on Abatement.** The tax abatement provided by this Agreement shall last no longer than the Abatement Period. Abatement shall not begin until one hundred percent (100%) of the Redevelopment Project shall be complete. The tax abatement provided by this Agreement may be terminated before the end of the Abatement Period due to non-compliance with this Agreement as set forth in Section 3.06 of this Section.

Section 3.04 Payment of Base Taxes. Developer shall be responsible for paying the Base Taxes each year that tax abatement is in effect under this Agreement. In the event that Developer fails to pay the base taxes in accordance with Applicable Laws and Requirements, such failure may serve as the basis for the City to terminate tax abatement and this Agreement as set forth in Section 3.06 of this Section.

Section 3.05 Annual Reporting and Compliance.

(a) The tax abatement provided by this Agreement is contingent upon Developer maintaining not less than three (3) Jobs each year, subject to unforeseen business conditions as set forth in **Section 3.05(b)**. On or before the Test Date beginning in 2027 and through the remaining term of this Agreement, the Company shall file with the City an executed copy of the Annual Compliance Form in substantially the form attached hereto as **Exhibit F** to certify that the Company has maintained the required number of Jobs to maintain the tax abatement. The Company shall also promptly provide to the City such supporting documentation as may reasonably be requested by the City to verify the number of Jobs.

(b) If the Company certifies that unforeseeable business conditions have caused the Company to employ fewer Jobs than required by **Section 3.05(a)**, the City may waive the Jobs requirement, or any portion thereof, in the City's sole discretion.

Section 3.06. Early Termination of Abatement. The following events shall provide the LCRA with the right to terminate the tax abatement prior to the end of the Abatement Period after notice in writing is delivered to the Developer and the Developer is permitted sixty (60) days to cure or begin to pursue curing the event if such cure cannot reasonably be achieved within such cure period prior to the termination being effective:

(a) Failure of the Developer or an authorized purchaser to observe and perform any covenant, condition or agreement as provided in this Agreement.

(b) Failure to comply with the Redevelopment Schedule as set forth in **Exhibit D**.

(c) The filing by the Developer or an authorized purchaser of a petition in involuntary bankruptcy, or failure by the Developer to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the Developer to carry on its operation, or adjudication of the Developer as bankrupt, or assignment by the Developer for the benefit of creditors. To the extent that

Developer is a bank, then the placement of Developer in an involuntary receivership (or similar legal process) by its chartering authority.

(d) Failure to pay all Base Taxes which are assessed against the Property before they become delinquent.

(e) Failure of the Developer to pay any personal property or business license taxes which are attributable to the Property or any activities on the Property.

(f) Developer fails to cooperate with and permit, at a reasonable time and upon reasonable prior notice, authorized representative of the City or the LCRA to enter upon the Redevelopment Project during the period of any construction and after completion of the Improvements to determine whether the Redevelopment Project conforms to this Agreement.

(g) The failure of Company to comply with all Applicable Laws and Requirements.

(h) Failure to maintain the required number of Jobs as required by **Section 3.05(a)**.

(i) Foreclosure on the Property or any portion thereof by a lender and transfer of the Property or any portion thereof to the lender or a subsequent Company.

Section 3.07. Obligation of the City to Effect Tax Abatement. The City agrees to take all actions within its control to obtain and/or maintain in effect the abatement provided by this Agreement; provided, however, the City shall not be liable for any failure of Jackson County, Missouri or any other governmental taxing authority to recognize the abatement provided herein. The City covenants that it will not voluntarily take any action that may cause or induce the levy or assessment of ad valorem taxes on the Project that is not in compliance with this Agreement. In the event such a levy or assessment should occur, the City shall, at the Company's request and at the Company's expense, fully cooperate with Company in all reasonable ways to correct such levy or assessment against the Project that does not carry out the intended abatement.

Section 3.08. No Abatement on Special Assessments, Licenses or Fees. The City and the Company hereby agree that the property tax abatement provided in this Agreement shall not apply to special assessments and shall not serve to reduce or eliminate any other licenses or fees owing to the City or any other taxing jurisdiction with respect to the Project. Company hereby agrees to make payments with respect to all special assessments, licenses and fees that are otherwise due with respect to the Project.

ARTICLE 4: PROJECT CONTROL AND OPERATIONS

Section 4.01. Tenant Approvals. Subject to the provisions of **Section 2.09**, Developer shall have complete and exclusive control over the leasing of property which it owns or leases within the Redevelopment Project Area including, without limitation, the fixing of rentals and the selection or rejection of tenants.

Section 4.02. Sale or Disposition of Leasehold Interest in Project Property.

(a) Sale of Property. During the Lease Term, other than the sale of the Developer's leasehold interest in the Property to a Related Entity that is obligated to manage and operate the Project and that agrees that any subsequent change in the party granted the right to manage and operate such property may be made

only with the prior written approval of City, no sale, transfer or other conveyance of Developer's leasehold interest in the Property may be made except with the prior written approval of City, which approval will not be unreasonably withheld, delayed or conditioned. City's right of approval of any transferee shall be in force during the Lease Term. Without limiting the generality of the foregoing, City may require that any transferee demonstrate to City's reasonable satisfaction, that it has sufficient financial, management, property ownership and operation capabilities, and that it is interested in the long-term viability of the subject land use and the LCRA Plan as a whole. In addition, as a condition precedent to the transfer of Developer's leasehold interest in the Property to any transferee, Developer shall require the transferee to enter, and shall deliver to City an Assignment Agreement in the form attached as **Exhibit G** (the "**Assignment Agreement**"), with those modifications as requested by such transferee and acceptable to City. Upon execution of an Assignment Agreement, Developer shall be released from its obligations in this Contract relating to said transferred property. City shall exercise its right to approve or deny any proposed sale or transfer of Developer's leasehold interest in the Property within thirty (30) days from the date of receipt of written notice from Developer. In the event City fails to act within said thirty (30) days, the proposed sale or other transfer shall be deemed approved.

(b) Continuation of Rent Payments. Developer shall require the transferee to enter, and shall deliver to City, an assignment of lease agreement, in form and substance reasonably acceptable to Developer, City, and such transferee, assigning all of Developer's rights and obligations (with transferee assuming all such rights and obligations) under the Lease to the transferee ("**Assignment of Lease**"). Upon execution of the Assignment of Lease, Developer shall be released from its obligations in the Lease relating to said transferred property. In the event of the sale or other voluntary or involuntary disposition of Developer's leasehold interest in the Property, Basic Rent and Additional Rent payments due under the Lease with respect to the Property subject to the Assignment of Lease shall continue, and such obligations shall inure to and be binding upon Developer successors and assigns of Developer's leasehold interest in the Property as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable as if such purchaser, transferee or other possessor thereof were originally a party to and bound by this Contract.

(c) Obligation to Ameliorate Existing Conditions. Developer's obligations pursuant to **Section 2.03** hereof, shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable against purchasers or other transferees as if such purchaser or transferee were originally a party to and bound by this Contract.

(d) Incorporation. The obligations and restrictions set forth in this Contract during the Construction Period shall be incorporated by reference into any instrument conveying Developer's leasehold interest in the Property during the Construction Period (but not in any sublease Developer enters into in connection with the leasing of a residential unit in the Project) and shall provide that said obligations or restrictions shall constitute a benefit held by both Developer and City and that City is an intended third party beneficiary of said obligations and restrictions. Failure of Developer to require that such restrictions be placed in any instrument shall in no way modify, lessen or diminish the obligations and restrictions set forth herein relating to the Property.

(e) Notification to City of Transfer. During the Construction Period, Developer shall notify City in writing of any proposed sale or other transfer of Developer's leasehold interest in the Property or any interest therein (such notice is not required when Developer enters into any sublease in connection with the lease of a residential unit in the Project). Such notice shall be provided not less than thirty (30) days

prior to the proposed effective date of the sale or other transfer in a manner as described in **Section 5.04** hereof and shall include a copy of the instrument effecting such sale or other disposition to enable City to confirm that the requirements set forth above in this **Section 4.02** hereof have been fulfilled.

Section 4.03. Compliance with Laws. Subject to Developer's rights to contest the same in any manner permitted by law, Developer, its officers, directors and principals, at its sole cost and expense, shall comply in every respect with all Legal Requirements, ordinances, rules and regulations of all federal, state, county and municipal governments, agencies, bureaus or instrumentalities thereof now in force or which may be enacted hereafter which pertain to the ownership, occupancy, use and operation of the Redevelopment Project and the Redevelopment Project Area.

Section 4.04. Assignment of Developer's Obligations.

(a) Restriction on Assignments; Exception for Related Entities. The Developer represents that its undertakings pursuant to this Contract are for the purpose of redevelopment. Developer agrees that this Contract and the rights, duties and obligations hereunder may not and shall not be assigned by Developer during the Construction Period except upon terms and conditions agreeable to City; provided, however, nothing in this **Section 4.04** shall prevent the Developer from assigning, without the City's consent, all rights and/or obligations under this Contract to a Related Entity (as defined below), provided that prior to an assignment to a Related Entity the Developer furnishes City with the name of the Related Entity, together with a certification from Developer, and such other proof as City may reasonably request, that such assignee is a Related Entity of Developer. Any proposed transferee, pursuant to a transfer requiring the City's consent, shall have all of the qualifications and financial responsibility, as determined by City in its sole discretion, necessary and adequate to fulfill the obligations of Developer, and, if the proposed transfer relates to a portion of the Redevelopment Project Area on which Project Improvements are under way, such obligations to the extent that they relate to such property. Any proposed transferee shall, utilizing the form Assignment Agreement, expressly for the benefit of City, assume all of the obligations of Developer under this Contract and agree to be subject to all the conditions and restrictions to which Developer is subject. Upon approval of the Assignment Agreement by City as set forth herein, Developer shall be released from such obligations accruing after the date of such assignment.

(b) Collateral Assignment of Contract. Developer may collaterally assign or pledge the Property and Developer's rights and obligations under this Contract by providing City with notice of any such assignment or pledge, and such assignment shall be in a form as reasonably approved by the City Attorney, the Developer and the assignee. Such assignment or pledge shall remain subject to the terms, provisions and conditions of this Contract and such assignment shall in no way be deemed an amendment or modification of this Contract.

Section 4.05. Transfer of Interests in Developer – City Approval.

(a) During the Lease Term, Developer shall, prior to the sale, conveyance, merger or other transfer of any majority controlling interest in Developer (including without limitation any stock if Developer is a corporation or membership interests if Developer is a limited liability company, and any transfers by operation of law), deliver to City a request for approval of such transfer, and no such transfer shall be permitted except with the prior approval of City, which approval shall not be unreasonably withheld, delayed or conditioned; provided, however, that the members, partners or shareholders of Developer as of the Effective Date, shall have the right to transfer, in one or more transactions, up to a cumulative total of one hundred percent (100%) of the ownership interest in Developer, without City's consent, to a Related Entity. Developer

may transfer minority non-controlling interests in Developer without providing the notice required by this paragraph. Developer may not, through the transfer of a multiple minority non-controlling interests, accomplish the equivalent of a transfer of majority controlling interest to a third party.

(b) Upon submission by Developer of any request for transfer to City during the Lease Term, City shall have the right to request such documentation and information as City shall determine to be necessary or desirable to determine whether such transfer is acceptable to City. Any purported transfer by Developer or any party owning any interest in Developer of any interest without the consent of City shall be null and void. In addition, City may require Developer, as a condition precedent to the transfer of any interests in Developer, to require the transferee to enter into an Assignment Agreement with the City in substantial compliance with the form attached as **Exhibit G**, obligating the transferee to comply with the requirements of the LCRA Plan and the obligations in this Contract relating to the property. Notwithstanding the foregoing, Developer or Developer's members, or any one of them, may, without notice to or approval of City, transfer interests in Developer to any Affiliate of such member, if such transfer does not result in a material change in the controlling interests of Developer.

ARTICLE 5: GENERAL COVENANTS

Section 5.01. Indemnification.

(a) Developer shall indemnify, protect, defend and hold City and its officers, directors, members, commissioners, employees and agents (collectively, the "**Indemnified Parties**" or, individually, an "**Indemnified Party**") harmless from and against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed, of whatsoever kind or character (including consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any acts or omissions of Developer, its constituent members or partners, their employees, agents, independent contractors, licensees, invitees or others acting by, through or under such indemnifying parties, in connection with its or their activities conducted pursuant to this Contract and/or in connection with the ownership, use or occupancy and development or redevelopment of the Redevelopment Project Area or a portion thereof and the Project Improvements. The obligations of this paragraph shall not apply to the willful misconduct or gross negligence of the City.

(b) In the event any suit, action, investigation, claim or proceeding (collectively, an "**Action**") is begun or made as a result of which Developer may become obligated to one or more of the Indemnified Parties hereunder, the Indemnified Party shall give prompt notice to Developer of the occurrence of such event, but the failure to notify Developer will not relieve Developer of any liability that it may have to an Indemnified Party. After receipt of such notice, Developer may elect to defend, contest or otherwise protect the Indemnified Party against any such Action, at the cost and expense of Developer, utilizing counsel of Developer's choice. The Indemnified Party shall have the right, but not the obligation, to participate, at the Indemnified Party's own cost and expense, in the defense thereof by counsel of the Indemnified Party's choice. In the event that Developer shall fail timely to defend, contest or otherwise protect an Indemnified Party against such Action, the Indemnified Party shall have the right to do so, and (if such defense is undertaken by the Indemnified Party after notice to Developer asserting Developer's failure to timely defend, contest or otherwise protect against such Action), the Indemnified Party may submit any bills for fees and costs received from its counsel to Developer for payment and, within thirty (30) business days after such submission, Developer shall transfer to the Indemnified Party sufficient funds to pay such bills. Developer acknowledges that such bills may be redacted to delete any information which would constitute attorney-client communication or attorney work product.

(c) An Indemnified Party shall submit to Developer any settlement proposal that the Indemnified Party shall receive. Developer shall be liable for the payment of any amounts paid in settlement of any Action to the extent that Developer consents to such settlement. Neither Developer nor the Indemnified Party will unreasonably withhold its consent to a proposed settlement.

(d) Developer expressly confirms and agrees that it has provided this indemnification and assumes the obligations under this Contract imposed upon Developer in order to induce City to enter into this Contract. To the fullest extent permitted by law, an Indemnified Party shall have the right to maintain an action in any court of competent jurisdiction to enforce and/or to recover damages for breach of the rights to indemnification created by, or provided pursuant to, this Contract. If such court action is successful, the Indemnified Party shall be reimbursed by Developer for all fees and expenses (including attorneys' fees) actually and reasonably incurred in connection with such action (including, without limitation, the investigation, defense, settlement or appeal of such action).

(e) The right to indemnification set forth in this Contract shall survive the termination of this Contract and the Redevelopment Project Area as a development area.

Section 5.02. Breach-Compliance.

(a) If Developer or City does not comply with provisions of this Contract, including provisions of the LCRA Plan pertaining to the Redevelopment Project Area, within the time limits and in the manner for the completion of the Redevelopment Project as therein stated, except for any extensions or waivers described herein and Excusable Delays, in that Developer or City shall do, permit to be done, or fail or omit to do, or shall be about so to do, permit to be done, or fail or omit to have done, anything contrary to or required of it by this Contract or the LCRA Act, and if, within thirty (30) days after notice of such default by the non-defaulting party to the defaulting party, the defaulting party shall not have cured such default or commenced such cure and be diligently pursuing the same if such cure would reasonably take longer than said thirty (30) day period, then the non-defaulting party may institute such proceedings as may be necessary in its opinion to cure the default. Such proceedings may include, but are not limited to, proceedings to compel specific performance by the party in default of its obligations and, in the case of default by Developer, City is granted the right to terminate this Contract (except as otherwise provided in **Section 2.05** of this Contract and provided the City complies with the provisions of Section 2.05 and grants Developer the opportunity to appear before the City Council to show cause why this Contract and the LCRA Plan should not be terminated due to Developer's failure to comply with the Redevelopment Schedule), the right to apply any deposit or other funds submitted by Developer to City in payment of the damages suffered by it to such extent as is necessary to protect City from loss or to ensure that the LCRA Plan and the Redevelopment Project are fully and successfully implemented in a timely fashion, and the right to withhold issuance of a Certificate of Substantial Completion. Notwithstanding anything contained in the foregoing, any member of Developer shall have the same rights, but not the obligation, to cure any breach.

(b) If any action is instituted by either party hereunder, the non-prevailing party in such action shall pay any and all costs, fees and expenses, including attorneys' fees incurred by the prevailing party in enforcing this Contract.

(c) The rights and remedies of the parties to this Contract, whether provided by law or by this Contract, shall be cumulative and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by either party shall apply to obligations beyond those expressly waived.

(d) Developer (for itself and its successors and assigns, and for all other persons who are or who shall become liable, by express or implied assumption or otherwise, upon or subject to any obligation or burden under this Contract), waives to the fullest extent permitted by law and equity all claims or defenses otherwise available on the ground of being or having become a surety or guarantor, whether by agreement or operation of law. This waiver includes, but is not limited to, all claims and defenses based upon extensions of time, indulgence or modification of terms of contract.

(e) Any delay by either party in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this paragraph shall not operate as a waiver of such rights or limit them in any way. No waiver in fact made by either party of any specific default by the other party shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect, to the particular default except to the extent specifically waived.

(f) Notwithstanding anything to the contrary herein, Developer agrees that in the event of any default by City under this Contract, it will not bring any action or suit to recover damages against City or any officer, director, commissioner, member, employee, or agent of any of them, except that this **Section 5.02.F** shall not prevent the award of attorneys' fees under **Section 5.02.B** hereof in the event of a default by City under this Contract. Actions brought in equity or which otherwise do not seek to recover damages are not precluded by this Section.

Section 5.03. Excusable Delays.

(a) The parties understand and agree that Developer shall not be deemed to be in default of this Contract because of an "**Excusable Delay**" (as herein defined). For purposes of this Contract, the term "**Excusable Delay**" shall mean any delay beyond the reasonable control of Developer, caused by damage or destruction by fire or other casualty, subsidence, strike, shortage of materials, civil disorder, war, pandemics, epidemics, public health emergencies, quarantines, wrongful failure or refusal of any governmental entity to issue any permits and/or legal authorization necessary for the Developer to proceed with construction of the Work or any portion thereof, adverse market conditions, the Developer's inability to secure acceptable financing for the development despite the Developer's commercially reasonable efforts, unavailability of labor or other labor/contractor disputes outside the reasonable control of the Developer, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of the Project in accordance with this Contract, which in fact prevents the Developer from discharging its obligations hereunder.

(b) With the approval of 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, which approval shall not be arbitrarily or unreasonably withheld, delayed or conditioned. Developer may be granted such extensions upon presentation of reasonable evidence and/or documentation of the periods of such Excusable Delays. Nothing herein shall excuse Developer from any obligation to pay money hereunder, nor shall this Section excuse Developer from performance of its obligations because of a lack of funds or inability to obtain financing, except if financing commitments obtained by Developer as provided in this Contract are not fulfilled by the party issuing such commitment through no fault of Developer, in which case Developer shall be entitled to additional time not to exceed ninety (90) days to obtain new financing commitments to be approved by City in the same manner as provided herein for the initial financing commitments.

Section 5.04. Notice. Any notice required by this Contract shall be deemed to be given if it is mailed by United States registered mail, postage prepaid, and addressed as hereinafter specified.

Any notice to City shall be addressed to:

City Manager
Lee's Summit City Hall
220 SE Green Street
Lee's Summit, MO 64063

With a copy to:

City Attorney
Lee's Summit City Hall
220 SE Green Street
Lee's Summit, MO 64063

Any notice to Developer shall be addressed to:

1601 SE Hamblen Road, LLC.
c/o Kenneth Rusche
1601 SE Hamblen Road,
Lee's Summit, MO 64081

With a copy to:

Polsinelli
Curtis Peterson
900 W. 48th Place, Suit 900
Kansas City, MO 64112

With a copy to:

T&W Steel Company, Inc.
c/o Kenneth Rusche
1612 SW Jefferson St
Lee's Summit, MO 64081-3106

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

Section 5.05. Modification. The terms, conditions, and provisions of this Contract and of the LCRA Plan can be neither modified nor eliminated except in writing and by mutual agreement between City and Developer. Any modification to this Contract as approved shall be attached hereto and incorporated herein by reference.

Section 5.06. Effective Date. This Contract shall become effective on the Effective Date and shall remain in full force and effect until the date the Lease is terminated or otherwise expires.

Section 5.07. Recording. Upon full execution by City and Developer, a Memorandum of this Contract (using the legal description for the Redevelopment Project Area) shall be recorded by City, at Developer's expense, in the Office of the Recorder of Deeds for Jackson County, Missouri.

Section 5.08. Applicable Law. This Contract shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 5.09. Covenant Running With the Land. The provisions of this Contract shall be covenants running with the land and shall remain in effect until termination. They shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and be enforceable by, City, its successors and assigns, against Developer, its successors and assigns, and every successor in interest to the

subject real property, or any part of it or any interest in it and any party in possession or occupancy of the real property or any part thereof.

Section 5.10. Reserved.

Section 5.11. Validity and Severability. It is the intention of the parties hereto that the provisions of this Contract shall be enforced to the fullest extent permissible under the laws and public policies of 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 Contract. Accordingly, if any provision of this Contract shall be deemed invalid or unenforceable in whole or in part, this Contract 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 Contract in order to render the same valid and enforceable. All exhibits attached hereto are hereby incorporated into this Contract by reference; however, in the event of any conflict between any exhibit and the text of the Contract, the text of the Contract shall prevail.

Section 5.12. Time and Performance are of the Essence. Time and exact performance are of the essence of this Contract.

Section 5.13. City's Legislative Powers. Notwithstanding any other provisions in this Contract, nothing herein shall be deemed to usurp the governmental authority or police powers of City or to limit the legislative discretion of the City Council, and no action by the City Council in exercising its legislative authority shall be a default under this Contract.

Section 5.14. Disputes between Private Parties and Affiliated Entities. In the event of a dispute regarding the rights, duties and obligations of any of the private parties that are associated with developing the Redevelopment Project Area, including any disputes between or among Developer, Related Entities and such parties' lenders, the City shall have no obligation to resolve such disputes, and the private parties that are connected with such dispute shall independently resolve their issues. In the event that the City is requested to take any action associated with the implementation of the LCRA Plan or development of the Redevelopment Project Area, and another private party that is Developer, a Related Entity of Developer, a lender, or another private party that has a colorable right under this Contract, contests or challenges the City's right to take such action, the City may decline to take such action until such time as the dispute between the appropriate parties is resolved to the City's satisfaction.

Section 5.15. Approvals by City. Unless specifically provided to the contrary herein, all approvals or consents of the City may be given by the City Manager or his or her designee without the necessity of any action by the City Council. The City Manager, in his/her discretion, may seek the advice, consent or approval of the City Council for any action that requires consent or approval by the City Manager pursuant to this Contract.

Section 5.16. Electronic Storage. The Parties agree that the transactions described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 5.17. Termination. Developer's obligations under this Contract shall terminate simultaneously with the termination of abatement. The obligations of this Contract which expressly survive termination, shall continue past such termination of Developer's obligations.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Contract the day and year first above written.

CITY OF LEE’S SUMMIT, MISSOURI

By: _____
Mark Dunning, City Manager

[SEAL]

ATTEST:

Trisha Fowler Arcuri
City Clerk

Approved as to Form:

Erin Kelly, Staff Attorney

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this _____ day of _____, 2026, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Mark Dunning, City Manager of the City of Lee’s Summit, Missouri, a city duly incorporated and existing under and by virtue of the laws of the State of Missouri, who is personally known to me to be the same person who executed, as such official, the within instrument on behalf of and with the authority of said City, and such person duly acknowledged the execution of the same to be the free act and deed of said City.

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

[SEAL]

NOTARY PUBLIC

My Commission Expires:

1601 SE HAMBLÉN ROAD, LLC

By: _____

Name: _____

Title: _____

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this _____ day of _____, 2026, before me, a notary public, appeared _____, to me personally known, who being by me duly sworn, did say that they are the _____ of 1601 SE Hamblen Road, LLC., and are authorized to sign documents on behalf of said entity and that said instrument was signed on behalf of said entity by authority of its bylaws and acknowledged said instrument to be the free act and deed of said Developer.

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

Notary Public

My Commission Expires:

EXHIBIT A

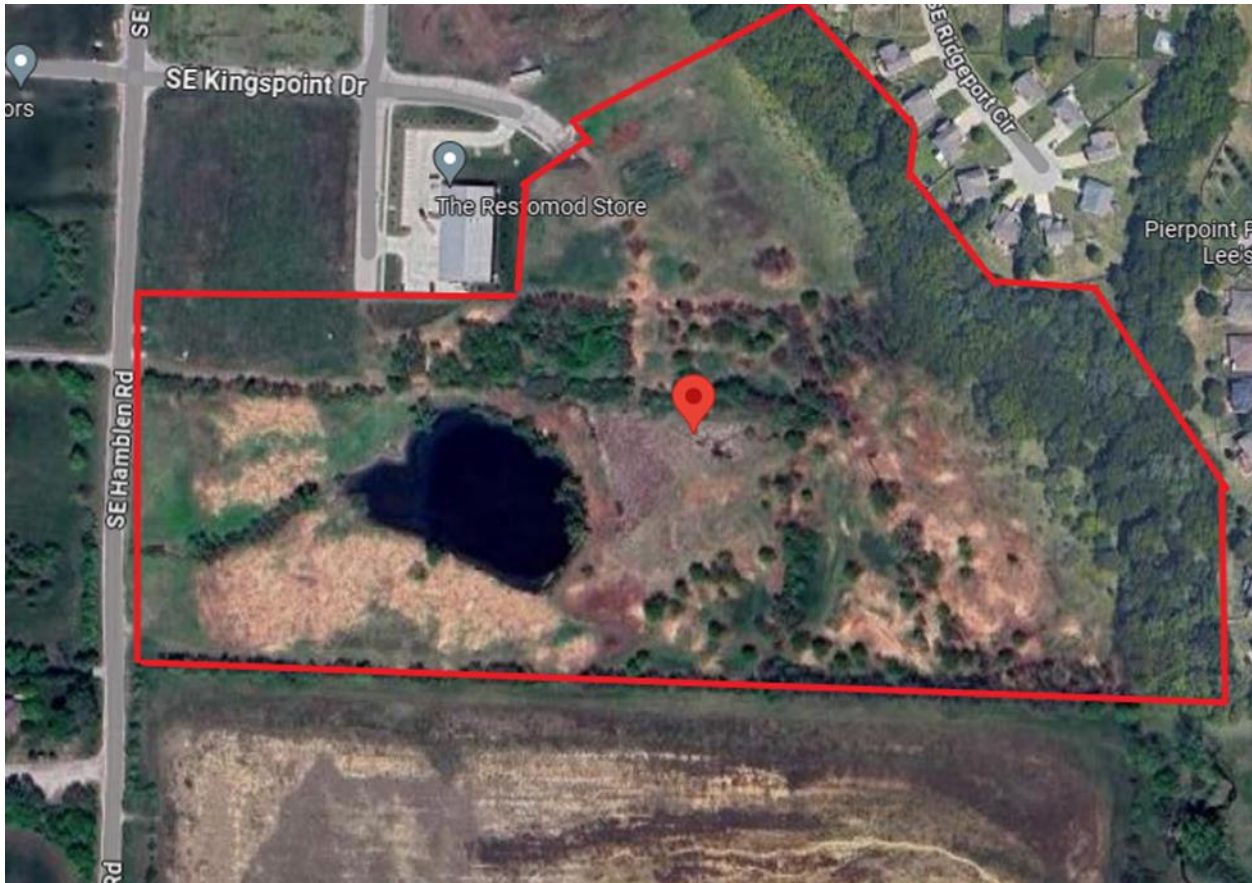
LEGAL DESCRIPTION OF REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREA

The South Half of the Northwest Quarter of Section 16, Township 47, Range 31, in Lee's Summit, Jackson County, Missouri. Subject to any part thereof in public roads.
EXCEPT that part thereof now platted as NEWBERRY THIRD PLAT, LOTS 165 THRU 201 & LOTS 250 THRU 253 & TRACT A recorded as Document No. 200110084709; as NEWBERRY FOURTH PLAT recorded as Document No. 200210053930; as NEWBERRY FIFTH PLAT recorded as Document No. 200310032952; and as NEWBERRY LANDINGS FIRST PLAT recorded as Document No. 2007E0001884.

Subject to easements, restrictions reservations, and covenants of record, if any and matters that would be disclosed by an accurate survey.

EXHIBIT B

MAP OF REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREA



Note: Boundary lines are approximate and representative of the legal descriptions in **Exhibit A**.

EXHIBIT C

PRIVATE IMPROVEMENTS

Site preparation, and the construction of private improvements for 1601 SE Hamblen which are anticipated to consist of a new approximately 73,300 square foot industrial warehouse.

The foregoing description of the Private Improvements is based on the Preliminary Development Plan approved by the City for the Redevelopment Project Area as of the Effective Date of this Contract and is subject to change based on changes to the Private Improvements approved in any amendment to the Preliminary Development Plan, as the same may be amended from time to time.

EXHIBIT D

REDEVELOPMENT SCHEDULE

Commencement Date: June 2026

Completion Date: December 2027

EXHIBIT E

CERTIFICATE OF SUBSTANTIAL COMPLETION

The undersigned, 1601 SE Hamblen Road, LLC (the “*Developer*”), pursuant to that certain Redevelopment Contract dated as of _____, 2026, between the City of Lee’s Summit, Missouri (the “*City*”) and the Developer (the “*Contract*”), hereby certifies to the City as follows:

1. That as of _____, 20____, the Redevelopment Project (as such term is defined in the Contract) has been substantially completed in accordance with the Contract.

2. This Certificate of Substantial Completion is accompanied by the project architect’s certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as Appendix A and by this reference incorporated herein, certifying that the Redevelopment Project has been substantially completed in accordance with the Contract.

3. This Certificate of Substantial Completion is being issued by the Developer to the City in accordance with the Contract to evidence the Developer’s satisfaction of all obligations and covenants with respect to the Redevelopment Project.

4. The City’s acceptance (below) or the City’s failure to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate of Substantial Completion to the City (which written objection, if any, must be delivered to the Developer prior to the end of such 30-day period), and the recordation of this Certificate of Substantial Completion with the Jackson County Recorder of Deeds, shall evidence the satisfaction of the Developer’s agreements and covenants to construct the Redevelopment Project.

This Certificate of Substantial Completion shall be recorded in the office of the Jackson County Recorder of Deeds. This Certificate of Substantial Completion is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Contract.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this ____ day of _____, 20__.

1601 SE HAMBLÉN ROAD, LLC
a Missouri limited liability company

By: _____

Name: _____

Title: _____

ACCEPTED:

CITY OF LEE'S SUMMIT, MISSOURI

By: _____

Name: _____

Title: _____

[Insert Notary Form(s) and Legal Description]

EXHIBIT F

LCRA ANNUAL COMPLIANCE REPORT

To be filed on or before the Test Date each year during the term of the Agreement, beginning September 2027.

Business Name T&W Steel Company, Inc.	MO. Tax I.D. Number
City, State, Zip Code 1612 SW Jefferson, Lee's Summit, MO 64081	Federal Employer I.D. Number (FEIN)
Number of "Jobs" during the reporting period as defined in the Abatement Agreement	Report Due September 30, 20_

The undersigned, duly authorized representative of T&W Steel Company, Inc. hereby states and certifies that the information set forth in this report is true and correct.

Authorized Signature	Date
Contact Name	Phone Number

Please send form to:

City of Lee's Summit
Attn: Mark Dunning, Assistant City Manager
223 Green Street
Lee's Summit, MO 64081
mark.dunning@cityofLS.net

EXHIBIT G

FORM OF ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment") is dated as of the _____ day of _____, _____ and is made by and among 1601 SE Hamblen Road, LLC ("Assignor"), _____, a _____ ("Assignee"), and the City of Lee's Summit, Missouri, a municipal corporation (the "City").

RECITALS

A. On January 25, 2025, the City Council by Ordinance No. 10084 approved the 1601 SE Hamblen Road, LLC, LCRA Plan (the "**Plan**").

B. On _____, 2026, the City and Assignor entered into a Redevelopment Contract that set forth the respective obligations and duties of the City and Assignor with respect to the implementation of the Plan (the "**Redevelopment Contract**").

C. Assignor now desires to enter into this Assignment to convey to Assignee its rights, interests, duties and obligations under the Redevelopment Contract, and Assignee has agreed to assume and perform all of Assignor's rights, duties, interest and obligations under the Redevelopment Contract.

NOW, THEREFORE, in consideration of the foregoing and the covenants and obligations contained in this Assignment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by and among Assignor, Assignee and the City as follows:

Capitalized terms that are not defined in this Assignment shall have the meaning assigned to them in the Redevelopment Contract.

1. Assignee acknowledges that it has been provided with and/or has reviewed true and accurate copies of the Plan, the Ordinance that approved the Plan, the Redevelopment Contract and all other documents associated with the Plan that may be necessary for Assignee to make an informed decision regarding the matters set forth in those documents and this Assignment Agreement.

2. The Assignor hereby assigns to the Assignee all of the Assignor's rights, duties, interests and obligations under the Plan, with respect to the Redevelopment Project Area, and the Redevelopment Contract.

3. Assignee acknowledges that the owner of the leasehold interest in the Property will be subject to the payment of rent under a Lease Agreement between the City and Developer dated _____, 2023. The obligation to make said Lease rent payments shall be a covenant running with the land.

5. Assignee acknowledges that in the event of the sale, lease, sublease, assignment, or other voluntary or involuntary disposition of any or Assignee's leasehold interest in the Property, Lease rents shall continue, and such obligations shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties as if they were in every case specifically named and shall be construed as a covenant running with the land and enforceable as if such purchaser, tenant, transferee or other possessor thereof were originally a party to and bound by the Contract. Assignee assumes the duty

to notify any purchaser, tenant, transferee or other possessor of the property its rights, duties and obligations under the Contract.

6. Assignee acknowledges that, for any subsequent conveyance, the City must be notified in writing of the proposed sale of Assignee's leasehold interest in the Property prior to the proposed effective date of the sale, which notification shall include a copy of the instrument affecting such sale. Assignee acknowledges that its purchase and any subsequent sale of Assignee's leasehold interest in the Property will be subject to any and all rights of the City or Developer, as are set forth in the Redevelopment Contract.

7. The Plan and the Redevelopment Contract shall inure to and be binding upon the successors and assigns of Developer, as to the Property, including Assignee, as if they were in every case specifically named and shall be construed as a covenant running with the land and shall be enforceable against purchasers or other transferees as if such purchaser or transferee were originally a party to and bound by this Assignment Agreement.

8. Assignee and the City acknowledge that, upon the full execution of this Assignment Agreement, Developer is hereby released from all its obligations under the Redevelopment Contract relating to the Property.

9. This Assignment Agreement shall be governed by the laws of the State of Missouri.

10. Except as otherwise provided herein, each of the parties hereto will pay its own costs and expenses, including attorney's fees, incurred by such party or on its behalf in connection with this Assignment and the transactions contemplated herein, except that Assignee shall pay for all expenses incurred by the City pursuant to the Redevelopment Contract.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Assignment as of the day and year first above written.

ASSIGNOR:

1601 SE Hamblen Road, LLC

By: _____

Name: _____

Title: _____

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this ____ day of _____, 20__ before me, a Notary Public in and for said state, personally appeared _____, the _____ of 1601 SE Hamblen Road, LLC, personally known by me to be the person who executed the within instrument on behalf of said Developer and acknowledged to me that he executed the same for the purposes therein stated.

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

Notary Public

Printed Name: _____

[SEAL]

My Commission Expires:

ASSIGNEE:

[ADD NAME]

By: _____

Name: _____

Title: _____

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this ____ day of _____, 20__ before me, a Notary Public in and for said state, personally appeared _____, the _____ of _____, a _____, personally known by me to be the person who executed the within instrument on behalf of said _____ and acknowledged to me that he executed the same for the purposes therein stated.

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

Notary Public

Printed Name: _____

[SEAL]

My Commission Expires:

CITY:

CITY OF LEE'S SUMMIT, MISSOURI

By: _____

Print Name: _____

Title: _____

STATE OF MISSOURI)
)
COUNTY OF JACKSON)

ss:

On this ____ day of _____, 20____, before me personally appeared _____, to me known, who being by me duly sworn, did say that he/she is the City Manager of the City of Lee's Summit, Missouri, a Missouri municipal corporation, that said instrument was signed on behalf of said corporation by authority of its City Council, and acknowledged said instrument to be the free act and deed of said corporation.

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

Notary Public

Printed Name: _____

[SEAL]

My Commission Expires:

EXHIBIT H:

Fixed PILOT Schedule

Year	Base Taxes	PILOT Payment	Total Taxes Owed (Base Taxes + PILOT)
1	\$166	\$25,387	\$25,553
2	\$166	\$25,387	\$25,553
3	\$166	\$26,153	\$26,319
4	\$166	\$26,153	\$26,319
5	\$166	\$26,935	\$27,101
6	\$166	\$26,935	\$27,101
7	\$166	\$27,749	\$27,915
8	\$166	\$27,749	\$27,915
9	\$166	\$28,578	\$28,745
10	\$166	\$28,578	\$28,745

The PILOT Payment above was calculated with the assumption that the Private Improvements constructed will total 73,300 SF. In the event the Private Improvements constructed total a SF less than contemplated herein or construction is not fully completed as of such PILOT Payment required, the PILOT Payments above will be adjusted accordingly.

For the avoidance of doubt, if the Private Improvements constructed total 65,000 SF, the year 1 PILOT Payment will be adjusted as follows:

$$\frac{65,000 \text{ SF}}{73,300 \text{ sf}} * \$25,387 = \$22,512$$

All remaining PILOT Payments in the years thereafter will be adjusted accordingly. The Base Taxes will not be adjusted based on any changes in total SF of the Private Improvements constructed.