BOA Meeting Agenda
Peculiar City Board of Aldermen
Meeting and Public Hearing
City Hall – 250 S. Main St
Monday September 15, 2014 6:30 p.m.

Notice is hereby given that the Board of Aldermen of the City of Peculiar will hold a regularly scheduled meeting on Monday, September 15, 2014 at 6:30 pm, in the Council Chambers at 250 S. Main St. Representatives of the news media may obtain copies of this notice by contacting the City Clerk at City Hall, 250 S. Main St Peculiar, MO 64078 or by calling 816-779-2221. All proposed Ordinances and Resolutions will be available for viewing prior to the meeting in the Council Chambers.

1. Call to Order

2. Pledge of Allegiance

3. Roll Call

4. City Clerk – Read the Board of Alderman Statement

5. Consent Agenda

A. Approval of the Draft Minutes of August 18, 2014 BOA Meeting.
B. Approval of the Draft Minutes of September 2, 2014 Worksession Meeting

6. Proclamations – Distinguished Alumni Award Recipients

7. Shockey Consulting – Presentation regarding Economic Incentive Policy, Downtown Market, and 211th Street Corridor Analysis.

8. Unfinished Business

A. Bill No. 2014-23 - AN ORDINANCE AUTHORIZING THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2014, OF THE CITY OF PECULIAR, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.
***2nd Reading**

B. Bill No. 2014-24 - AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI APPROVING AND ACCEPTING THE MODOT MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION COST APPORTIONMENT AGREEMENT FOR THE ROUTE C SIDEWLAK IMPROVEMENTS FROM I-49 J/C BRIDGE TO CITY HALL 250 S. MAIN STREET CASS COUNTY, MISSOURI
***2nd Reading**

9. New Business

A. Bill No. 2014-25 - AN ORDINANCE OF THE CITY OF PECULIAR, MISSOURI AMENDING PECULIAR MUNICIPAL CODE §115.330 "DUTIES" TO COINCIDE WITH CHAPTER 140 OF THE PECULIAR MUNICIPAL CODE.
****1st Reading***

B. Bill No. 2014-26 - AN ORDINANCE OF THE CITY OF PECULIAR, MISSOURI AMENDING CHAPTER 140 OF THE PECULIAR MUNICIPAL CODE TO CHANGE OUTDATED INFORMATION AND UPDATE PURCHASING REQUIREMENTS.
****1st Reading***

C. Public Hearing and Bill No. 2014-27 - AN ORDINANCE AMENDING TWO (2) SECTIONS OF CHAPTER 400 OF THE PECULIAR MUNICIPAL CODE TO DEFINE HEIGHT AND AREA RESTRICTIONS FOR THE C-1, GENERAL BUSINESS AND C-2, CENTRAL BUSINESS ZONING DISTRICTS.
***1st Reading**

D. Resolution 2014-50 - A RESOLUTION OF THE BOARD OF ALDERMAN ADOPTING THE PARK BOARD BYLAWS FOR THE CITY OF PECULIAR AS A GUIDE FOR THE PARK BOARD TO ASSEMBLE, ORGANIZE AND FUNCTION IN THE BEST INTERST OF THE CITY AND ITS RESIDENTS.

E. Resolution 2014-51 - A RESOLUTION OF THE BOARD OF ALDERMAN ADOPTING THE TREE BOARD BYLAWS FOR THE CITY OF PECULIAR AS A GUIDE FOR THE TREE BOARD TO ASSEMBLE, ORGANIZE AND FUNCTION IN THE BEST INTERST OF THE CITY, ITS RESIDENTS AND ITS TREES.

10. City Administrator Report

Posted 9/12/14 By NJ

11. Aldermen Concerns

12. Aldermen Directives

13. Adjournment

Board of Aldermen Regular Meeting Minutes
Monday August 18, 2014

A regular meeting and public hearing of the Board of Aldermen of the City of Peculiar, Missouri, was held in the Council Chambers in City Hall at 6:30 p.m. on Monday August 18, 2014. Mayor Holly Stark called the meeting to order and all who were present joined in reciting the Pledge of Allegiance.

The following aldermen responded to roll call: Jerry Ford, Patrick Roberts, Bob Fines, Donald Turner, and Veronika Ray. Kelsie McCrea was present via video conferencing.

City Staff present for the meeting were City Administrator Brad Ratliff, City Clerk Nick Jacobs, City Attorney Reid Holbrook, Chief of Police Harry Gurin, Parks & Recreation Director Nathan Musteen, and City Engineer Carl Brooks.

At 6:32 pm Alderman McCrea suffered a loss in visual connection to the meeting and was immediately marked absent. Connection was reestablished 10 seconds later and Alderman McCrea was marked present via videoconferencing again and for the remainder of the meeting.

Consent Agenda

A. Approval of the Agenda
B. Approval of the Draft Minutes of July 21, 2014 BOA Meeting.
C. Approval of the Draft Minutes of August 4, 2014 Worksession Meeting

On a motion made by Alderman Roberts and seconded by Alderman Ford consent agenda was approved by a unanimous voice vote.

Proclamation – Belton Regional Medical Center 30th Year Anniversary

Mayor Stark gave a brief explanation of the proclamation that will be delivered to Belton Regional Medical Center.

Proclamation – Constitution Week

Mayor Stark read the proclamation aloud to the audience. She presented the proclamation to the Daughters of the American Revolution who were present.

Public Comment – Nick McCord Trail Presentation to Board of Aldermen

Nick McCord addressed the Board outlining his Eagle Scout project to place a walking/biking trail between C Highway and West Broadway. The trail is roughly 870 feet long and will be 10 feet wide. He gave a brief overview of how the project has come about. He gave an estimated timeline for completion as well hoping it will be done in the next few weeks.

Mayor Stark and Alderman Turner commended Mr. McCord on his project.

Alderman Roberts made a motion to approve Nick McCords trail project. The motion was seconded by Alderman Ford and was accepted by a 6-0 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye (via video conferencing)	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

Mayor's Appointments – Ted Turner to Board of Adjustment
Resolution 2014-44 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI APPROVING THE APPOINTMENT OF TED TURNER TO THE BOARD OF ADJUSTMENT

Mayor Stark addressed the Board giving a brief overview of Mr. Turner's background with the City and asked the Board to accept the proposed appointment to the Board of Adjustments.

Mr. Turner thanked the Board and hopes to help the City in the future.

Alderman Roberts made a motion to adopt Resolution No. 2014-44. The motion was seconded by Alderman Ford and was accepted by a 6-0 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye (via video conferencing)	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

New Business

A. Bill No. 2014-23 - AN ORDINANCE AUTHORIZING THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2014, OF THE CITY OF PECULIAR, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

1st Reading

Financial Advisor Joey McCLiney addressed the Board. He stated that this was simply going to be a refinancing at first but staff had stated there will be projects in 6 months requiring issuance of bonds. With this, the City can refinance and the savings will give the City $500,000 of construction cost towards the Kansas City Water project and it will extend the current bond 3 years.

There was some questions amongst the Board members.

Alderman Turner asked if there was a bond sunsetting soon.
Staff commented that it will be in 2018.

No public comment.

Alderman Roberts made a motion to have the first reading of Bill No. 2014-23 by title only. The motion was seconded by Alderman Ford and was approved by a 6-0 voice vote. Alderman Roberts made a motion to accept the first reading of Bill No. 2014-23. The motion was seconded by Alderman Ford and was accepted by a 6-0 voice vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye (via video conferencing)	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

B. Public Hearing & Resolution 2014-45 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI ESTABLISHING THE 2014 TAX LEVY OF $0.9133

City Clerk Nick Jacobs addressed the Board. He stated that this is the levy that must be set each year. The necessary documents were received from Cass County and filled out and returned. They then sent it to the Missouri State Auditor's Office who Reviewed and approved the Levy amount. This would levy per $100 of assessed valuation $0.4556 for General Revenue $0.4577 for Debt Service.

No Board comment.
No public comment.

Alderman Roberts made a motion to adopt Resolution No. 2014-45. The motion was seconded by Alderman Ford and was accepted by a 6-0 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye (via video conferencing)	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

C. Resolution 2014-46 - A RESOLUTION TO ACCEPT THE CERTIFICATION OF ELECTION RESULTS BY THE COUNTY CLERK FOR THE PRIMARY ELECTION HELD AUGUST 5, 2014

Nick Jacobs addressed the Board regarding the certification of election results from Cass County. He stated that neither of the 2 proposed questions Peculiar had passed by the necessary 66.67% requirement.

Alderman Turner asked about the recount for the April election.
City Attorney Reid Holbrook responded that he filed for a recount in April and it was assigned to Judge Wagner. The issue has been in front of Judge Wagner for some time but he has not signed the order causing the recount.

Alderman Turner then asked if accepting these results would invalidate the results from April if the recount overturned the question.
Mr. Holbrook stated that if the recount were to overturn the question from April, then the Judge would deem it passed and would invalidate the election in August.

No public comment.

Alderman Ford made a motion to adopt Resolution No. 2014-46. The motion was seconded by Alderman Roberts and was accepted by a 5-1 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye (via video conferencing)	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Nay

DRAFT

D. Resolution 2014-47 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT WITH GOULD EVENS FOR THE PURPOSE OF SECURING PROFESSIONAL SERVICES TO UPDATE THE CITY OF PECULIAR COMPREHENSIVE PLAN.

Mayor Stark stated that this update is almost 25% of the initial cost of the original Master Plan.

City Planner Cliff McDonald addressed the Board stating the intent of the Comprehensive Plan is to be reviewed every few years for its accuracy and make sure it is in line with the direction the City would like to go. He stated that Gould Evans was recommended for the project by staff based upon their experience in the Kansas City area and their turn-around time of the project.

Alderman Fines asked about the cost of original plan.
City Administrator Brad Ratliff stated it was $150,000. This update is $50,000.

Alderman Roberts asked if there was enough time to allocate to this project with all of the other projects that are currently going on.
Bard commented that yes there is enough time as it is staff directive to have all of these plans and projects in place before the ground breaking of the interchange project.

There was further discussion amongst the Board.

Alderman McCrea asked that other than an upgraded document, what the City gets out of this.
Staff commented that there has been some changes with the addition of the Certified Industrial Site as well as there are some functions of the down town group that would like to be reviewed. Staff also commented that the single most important document coming out of the Comprehensive Plan is the Future Land Use Map. This is the legal basis for approving or disapproving future zoning requests.

Greg Smith the representative for Gould Evans addressed the Board. He went over some of the details of what is proposed for the update. Giving some updates as to why an update is needed.

Alderman Turner made a motion to adopt Resolution No. 2014-47. The motion was seconded by Alderman Ford and was accepted by a 4-2 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Nay (via video conferencing)	Alderman Roberts	Nay
Alderman Fines	Aye	Alderman Turner	Aye

E. Resolution 2014-48 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH CAROLLO ENGINEERS FOR PROFESSIONAL SERVICES FOR A PROPOSED PRELIMINARY WASTEWATER SYSTEM ENGINEERING REPORT/FACILITY PLAN FOR THE CITY OF PECULIAR, MO

City Engineer Carl Brooks addressed the board regarding the proposed project. He explained that this will set in place a plan to have sewer service available for any new properties in the northwest area of the City. The City has been in talks with the City of Belton to utilize their Wastewater treatment facility for sewer in the northwest area of the City. This contract will be paid for by a grant attained by the City.

No public comment.

Alderman Roberts made a motion to adopt Resolution No. 2014-48. The motion was seconded by Alderman Ford and was accepted by a 6-0 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye (via video conferencing)	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

Topic for Discussion

A. Budget 2014/15 & 5 year funded CIP

Terry Emerick addressed the Board regarding the disposal of Household Hazardous Waste. He commended the Board regarding having the reimbursement line item in this budget for disposal of household hazardous waste program. He thinks this is a great way to test how many people will use it and allow residents the assistance needed to dispose of their waste.

City Administrator Brad Ratliff addressed the Board regarding the proposed CIP Projects. He gave a broad overview of some of the projects. CPA Ben Hart addressed the Board stating that this plan will give the citizens as well as the Board a look at what is to come in the future further than one fiscal year. This is a great planning tool and will give great direction to staff and to the residents. He discussed at length the budgeting process.

Brad Ratliff gave a brief overview of some of the other items that will be included in the budget.

No Board comments.

No public comments.

Mayor Stark gave an overview of the importance of the budget and the transparency the City is trying to have with the citizens.

City Administrators Report

There was a unanimous recommendation from the Mid America Regional Council committee that the City of Peculiar would receive 1.1 million dollars towards the 211th Street project. This will still need to go for further approval at a later meeting in September. Staff attended a phone conference with Secretary of Transportation Anthony Foxx regarding the City's TIGER Grant submission. Staff feels they have put their best into the Grant and hope to receive it. The open house for the Police headquarters was held this afternoon. Parks & Rec. has seen an increase in soccer participants. School Road is closed from 195th to Hubach Hill Road by the County for the School Road Project. The sidewalk project from City Hall to the J/C Interchange is hopeful to get underway in the spring. The ground water storage tank is apparently bigger than ever thought. After measuring the tank, it was discovered that the tank is significantly larger than the stamped size on the tank.

Alderman Concerns

Alderman Ray asked about getting a smaller trash can. She says she would like a smaller trash can but still pay the larger can rate.
Staff answered they would contact Town & Country and find out.

Alderman Directives

Send the proclamation to Belton Regional Medical Center.
Board approved the plans for Mr. McCord.
Bring back 2nd reading for the refinancing.
Send approved Levy to Cass County.
Have Mayor sign the contract for Gould Evans and for Carolla Engineers.
Bring Budget for the September 2nd meeting.

Adjournment

On a motion from Alderman Ford, second from Alderman Turner, the meeting was adjourned at 8:08pm with a 6-0 voice vote.

Regular session minutes were taken and transcribed by Nick Jacobs, City Clerk.

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Nick Jacobs, City Clerk

Approved by the Board of Aldermen:

DRAFT

Board of Aldermen Regular Meeting Minutes
Tuesday September 2, 2014

A regular work session meeting and public hearing of the Board of Aldermen of the City of Peculiar, Missouri, was held in the Council Chambers in City Hall at 6:30 p.m. on Tuesday September 2, 2014. Mayor Holly Stark called the meeting to order and all who were present joined in reciting the Pledge of Allegiance.

The following aldermen responded to roll call: Donald Turner, Bob Fines, Jerry Ford, Kelsie McCrea, Patrick Robert and Veronika Ray.

City Staff present for the meeting were City Administrator Brad Ratliff, City Attorney Reid Holbrook, City Engineer Carl Brooks, Chief of Police Harry Gurin, City Clerk Nick Jacobs, City Planner Clifford McDonald, Business Office Manager Trudy Prickett, and Parks & Recreation Director Nathan Musteen.

Proclamation – Emmett "Frosty" Smith - Civic Involvement

Mayor Stark read the proclamation aloud thanking Mr. Smith for his contributions to the community.

Emmett Smith thanked everyone and said he is pleased to see the direction the City is growing and moving toward.

Business

A. Resolution 2014-48 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH TASCO CONSTRUCTION FOR THE PURPOSE OF PERFORMING VARIOUS IMPROVEMENTS AT THE POLICE STORAGE FACILITY LOCATED AT 22715 JOE HOLT PARKWAY IN PECULIAR, MISSOURI

City Engineer Carl Brooks addressed the Board. The work includes pushing in the foundation of the former modular home as well as erecting a fence around the property. There were 2 bids received and both were within the realm of the engineer's estimate. All references for Tasco construction said they were pleased with the work and would hire them back.

No Board comments.
No public comment.

Alderman Roberts moved to adopt Resolution No. 2014-48, seconded by Alderman Ford and approved by the following 6-0 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

B. Bill No. 2014-24 - A ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI APPROVING AND ACCEPTING THE MODOT MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION COST APPORTIONMENT AGREEMENT FOR THE ROUTE C SIDEWLAK IMPROVEMENTS FROM I-49 J/C BRIDGE TO CITY HALL 250 S. MAIN STREET CASS COUNTY, MISSOURI
1st Reading

Carl Brooks addressed the Board. This is an agreement with MoDOT to run a sidewalk from City Hall to the J/C Interchange. MoDOT has partnered with the City and offered $70,000 to the City for the project which is over 50% of the construction cost. This is another example of MoDOT being willing to continue partnering with the City.

Alderman Fines asked how wide the sidewalk would be.
Staff commented it would be 5 feet.

Alderman Roberts stated he has wanted to see this for years since he has seen wheelchairs being utilized in the street and commended staff.

No public comment.

Alderman Roberts moved to have the first reading of Bill No. 2014-24 by title only, seconded by Alderman Ford and was approved by a 6-0 voice vote. Alderman Roberts moved to accept the first reading of the bill, seconded by Alderman Ford and approved by the following 6-0 roll voice vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

C. Resolution 2014-49 - A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI ADOPTING THE FISCAL YEAR 2014-2015 OPERATING BUDGET FOR THE CITY OF PECULIAR AND AMENDING THE FISCAL YEAR 2013-2014 OPERATING BUDGET.

DRAFT

City Administrator Brad Ratliff addressed the Board. He stated that the budget was increased only 4%. He gave a broad overview of the details of the presented budget. He spoke at length of the Capital Projects that have been identified in the budget as well as other incentive tools for the 211th street interchange that will be coming in the next fiscal years. With the Budget there will be 3 new employees added which are a new Police Officer, a new Park Maintenance Worker and an I.T. Systems Administrator. He spoke of a new Work Safety Program that will be implemented during this fiscal to help incentivize employees to stay safe and utilize the various safety equipment available. Brad thanked all of the staff for their hard work on assisting in compiling the final budget to be presented tonight.

Alderman Ford commended Brad and staff for the work they put into the budget.
Alderman Fines commended staff for the hard work that was put into the budget.

No public comment.

Alderman Roberts moved to adopt Resolution No. 2014-49, seconded by Alderman Ford and approved by the following 6-0 roll call vote.

Alderman Ford	Aye	Alderman Ray	Aye
Alderman McCrea	Aye	Alderman Roberts	Aye
Alderman Fines	Aye	Alderman Turner	Aye

Topics for Discussion

A. Changes to Purchasing Policy of the City of Peculiar and Purchasing Requirements of the City Administrator

City Clerk Nick Jacobs addressed the Board regarding some proposed changes to City Code. He stated that the first Bill for discussion would change the purchasing requirements of the City Administrator to align his purchasing power with that of the adopted purchasing policy. The second Bill will amend the actual purchasing policy for the City. It will change some references to some erroneous titles of employees as well as change the minimum and maximum purchasing amounts for department heads. It would allow for there to be a 5% leeway on awarding contracts or purchases to Cass County or City of Peculiar businesses. There was another change referencing that projects would no longer be placed in the Kansas City Star but instead be placed on www.demandstar.com, which is a large planning house that contractors all over the country can view and get bidding documents. The final change would allow for staff to execute contracts and purchases above $10,000 if the contract or purchase is already approved in the current fiscal year budget.

Alderman Turner stated he had a problem with allowing staff to execute contracts and purchases over 10,000 if in the approved budget. He worried that since it is approved already and there is no oversight, staff could purchases outrageous items that are impractical.
Staff commented that the items would still have to be bid.

Alderman McCrea stated she liked the Demandstar option of placing it online.
Alderman Ford asked if these changes would still be susceptible to the City's annual audit.
Staff commented yes.

After further discussion amongst the Board it was decided to add something to the $10,000 + portion to have the City Administrator update the Board each month with the large purchases or contracts.

B. Bill to Define Height and Area Restrictions for the C-1, General Business and C-2, Central Business Zoning Districts.

City Planner Cliff McDonald addressed the Board regarding some proposed changes to the area and height restrictions for C-1 and C-2 zoning. He stated that this was brought to the Planning Commission who reviewed it and approved the changes. He outlined the changes which make C-1 and C-2 zonings more in line with one another.

Mayor Stark asked what the differences between C-1 and C-2 are. As she looked at the setback requirements, she noticed they were the same.
Cliff responded that the variance is in the permitted uses.

Mayor Stark said she would like to see the differences in the permitted uses between the two districts for the next meeting.

C. Code of Ethics for the City of Peculiar

Brad Ratliff addressed the Board regarding the potential adoption of a code of ethics for the City of Peculiar. He stated that this was discussed with the mayor as well as the City Attorney and would act as a guiding point for the elected and appointed officials as well as staff.

Mayor Stark stated this was brought before the previous Board and Mayor in a similar fashion but was not approved for lack of a motion.
Alderman Turner outlined many things he felt were wrong and redundant. He felt that the adoption of Resenburgs Rules of Order was good but the proposed code of ethics was not. He outlined several points he felt violated certain sections of code and other sections that he disagreed with.

There was further discussion amongst the Board and staff but ultimately there was not any direction given to staff on how to proceed.

Aldermen Concerns or Additional Topics for Discussion by Aldermen

Alderman Ford asked about the lights at the entrance of Twin Oaks.
Staff commented they would look into it.

Aldermen Directives Reported by City Administrator

Have the Mayor sign the contract with Tasco Construction.
Bring back MoDOT agreement for 2nd Reading.
Implement the 2014-2015 Budget.
Add to the "over $10,000 item" of the purchasing policy that the City Administrator will notify the Board of Aldermen.
Bring Height and Area Restrictions Bill with comparison of C-1 and C-2 zonings.
Code of ethics is unknown how to proceed.

Adjournment

On a motion from Alderman Ford, second from Alderman Turner, the meeting was adjourned at 8:02pm with a 6-0 voice vote.

Regular session minutes were taken and transcribed by Nick Jacobs, City Clerk.

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Nick Jacobs, City Clerk
Approved by the Board of Aldermen:

DRAFT

PROCLAMATION

WHEREAS, the cities of Peculiar and Raymore, the Raymore-Peculiar Public School Foundation, the Raymore-Peculiar School District, the School Board, faculty, staff and students take great pride in the accomplishments of all Raymore-Peculiar School District Alumni; and

WHEREAS, the Raymore-Peculiar Public School Foundation announced four graduates of Raymore-Peculiar High School as the first recipients of the foundation's Distinguished Alumni Award; and

WHEREAS, among the distinguished alumni to be recognized this year is Larry Dobson, a 1966 graduate of Raymore-Peculiar High School. He spent his career as a teacher, counselor and administrator in various school districts, including the Raymore-Peculiar School District. Mr. Dobson has held numerous positions on various civic boards and associations; and

WHEREAS, the cities of Peculiar and Raymore, on behalf of all residents, wholeheartedly endorse the Raymore-Peculiar Public School Foundation's efforts in recognizing the many accomplishments of it's alumni, and in particular this year, Larry Dobson, and extend our praise and congratulations to Mr. Dobson for having truly made a difference in our lives.

NOW THEREFORE, We, Holly Stark, Mayor of the City of Peculiar, and Peter Kerckhoff, Mayor of the City of Raymore, do hereby proclaim September 15, 2014, as

DISTINGUISHED ALUMNI DAY

IN WITNESS WHEREOF, We have hereunto set our hands and caused the seals of the City of Peculiar and the City of Raymore to be affixed this 15th day of September, 2014.

_____	_____
Holly Stark	Peter Kerckhoff
Mayor, City of Peculiar	Mayor, City of Raymore

PROCLAMATION

WHEREAS, the cities of Peculiar and Raymore, the Raymore-Peculiar Public School Foundation, the Raymore-Peculiar School District, the School Board, faculty, staff and students take great pride in the accomplishments of all Raymore-Peculiar School District Alumni; and

WHEREAS, the Raymore-Peculiar Public School Foundation announced four graduates of Raymore-Peculiar High School as the first recipients of the foundation's Distinguished Alumni Award; and

WHEREAS, among the distinguished alumni to be recognized this year is Beth (Long) Files, a 1979 graduate of Raymore-Peculiar High School. She began her teaching career at Raymore-Peculiar, also teaching in Harrisonville and Blue Valley Districts. Ms. Files was recently named the 2014-15 Teacher of the Year in the Lee's Summit School District; and

WHEREAS, the cities of Peculiar and Raymore, on behalf of all residents, wholeheartedly endorse the Raymore-Peculiar Public School Foundation's efforts in recognizing the many accomplishments of it's alumni, and in particular this year, Beth (Long) Files, and extend our praise and congratulations to Ms. Files for having truly made a difference in our lives.

NOW THEREFORE, We, Holly Stark, Mayor of the City of Peculiar, and Peter Kerckhoff, Mayor of the City of Raymore, do hereby proclaim September 15, 2014, as

DISTINGUISHED ALUMNI DAY

IN WITNESS WHEREOF, We have hereunto set our hands and caused the seals of the City of Peculiar and the City of Raymore to be affixed this 15th day of September, 2014.

_____	_____
Holly Stark	Peter Kerckhoff
Mayor, City of Peculiar	Mayor, City of Raymore

PROCLAMATION

WHEREAS, the cities of Peculiar and Raymore, the Raymore-Peculiar Public School Foundation, the Raymore-Peculiar School District, the School Board, faculty, staff and students take great pride in the accomplishments of all Raymore-Peculiar School District Alumni; and

WHEREAS, the Raymore-Peculiar Public School Foundation announced four graduates of Raymore-Peculiar High School as the first recipients of the foundation's Distinguished Alumni Award; and

WHEREAS, among the distinguished alumni to be recognized this year is Chris Molendorp, a 1987 graduate of Raymore-Peculiar High School. As the first Raymore-Peculiar graduate to serve in the Missouri General Assembly, Mr. Molendorp operated an insurance agency with his father, and has been an active a member and donor to many area civic and educational causes; and

WHEREAS, the cities of Peculiar and Raymore, on behalf of all residents, wholeheartedly endorse the Raymore-Peculiar Public School Foundation's efforts in recognizing the many accomplishments of it's alumni, and in particular this year, Chris Molendorp, and extend our praise and congratulations to Mr. Molendorp for having truly made a difference in our lives.

NOW THEREFORE, We, Holly Stark, Mayor of the City of Peculiar, and Peter Kerckhoff, Mayor of the City of Raymore, do hereby proclaim September 15, 2014, as

DISTINGUISHED ALUMNI DAY

IN WITNESS WHEREOF, We have hereunto set our hands and caused the seals of the City of Peculiar and the City of Raymore to be affixed this 15th day of September, 2014.

_____	_____
Holly Stark	Peter Kerckhoff
Mayor, City of Peculiar	Mayor, City of Raymore

PROCLAMATION

WHEREAS, the cities of Peculiar and Raymore, the Raymore-Peculiar Public School Foundation, the Raymore-Peculiar School District, the School Board, faculty, staff and students take great pride in the accomplishments of all Raymore-Peculiar School District Alumni; and

WHEREAS, the Raymore-Peculiar Public School Foundation announced four graduates of Raymore-Peculiar High School as the first recipients of the foundation's Distinguished Alumni Award; and

WHEREAS, among the distinguished alumni to be recognized this year is Teresa (January) Hensley, a 1977 graduate of Raymore-Peculiar High School. Ms. Hensley and her husband opened a law firm in 1991, where she was a partner and practicing attorney before becoming the Cass County Prosecutor in 2005. She received the 2010 Missouri Attorney General's Justice Award for Domestic Violence Prevention, and is also a member and volunteer for many civic organizations; and

WHEREAS, the cities of Peculiar and Raymore, on behalf of all residents, wholeheartedly endorse the Raymore-Peculiar Public School Foundation's efforts in recognizing the many accomplishments of it's alumni, and in particular this year, Teresa (January) Hensley, and extend our praise and congratulations to Ms. Hensley for having truly made a difference in our lives.

NOW THEREFORE, We, Holly Stark, Mayor of the City of Peculiar, and Peter Kerckhoff, Mayor of the City of Raymore, do hereby proclaim September 15, 2014, as

DISTINGUISHED ALUMNI DAY

IN WITNESS WHEREOF, We have hereunto set our hands and caused the seals of the City of Peculiar and the City of Raymore to be affixed this 15th day of September, 2014.

_____	_____
Holly Stark	Peter Kerckhoff
Mayor, City of Peculiar	Mayor, City of Raymore

DEVELOPMENT INITIATIVES

Economic Incentive Policy Analysis / Downtown Market Analysis / 211th St. Corridor

Executive Summary

Economic Incentive Policy - Conclusions/Findings

The City of Peculiar has been pro-active in the establishment of the Economic Development Policy, however we would recommend taking the next step and actually establishing the boards of governance for each tool. Our recommendations involve general recommendations related to City marketing and identity, and specific Policy recommendations. We recommend the following;

General Recommendations

- Greater affiliation with Cass County and Cass County Corporation for Economic Development (CCCED).

- Joint membership to Kansas City Area Development Council (KCADC) with other Cass County municipalities through CCCED sponsorship.

  Action Item: Undertake joint membership discussion with CCCED Executive Director, Identify funding source if needed, Immediate.

- Downtown Peculiar Arts and Culture District "DPACD" re-branding.
- Creation of a Business Liaison City Staff Member.
- Comprehensive Wayfinding Signage Policy.
- Creation of a comprehensive Peculiar Marketing Plan aka "Destination Peculiar".
- Redevelopment Opportunities.

DEVELOPMENT INITIATIVES

General Recommendation Matrix

Recommendation	Action Item	Party	Timing
CCCED Affiliation	Greater affiliation with CCCED and efforts promoting business investment in Cass County, Particularly Peculiar.	Economic Development Department	Immediate
KCADC Affiliation	Discussion with CCCED executive director regarding joint affiliation to KCADC.	Economic Development Department	Immediate
Peculiar Chamber of Commerce Affiliation	Strengthen ties to the Chamber of Commerce.	Economic Development Department	Immediate
Marketing Initiative "Destination Peculiar"	Formulate and implement a comprehensive marketing campaign.	City Economic Development, Chamber, DPAC	3-4 months.
Business Liaison	Embrace existing and new business investment	Economic Development Department	Immediate
Signage Policy	Integrate signage policy into Comprehensive Plan Update	City Planning Department	Comp Plan Update
Signage-Highway	Identify budget funding for new highway signage. Identify sign locations. Negotiate location lease provisions.	City Planning, MoDOT	1-2 years
Destination Peculiar	Acquire and build public park/ event venue.	Private or Public, DPAC, City	Comp Plan Update, -/+1 year
In-fill locations	Identification of strategic infill locations	City	3-6 months. Comp Plan Update

Economic Incentive Recommendations

- Tie specific planning goals to specific incentives- incentives must follow master planning and priority initiatives, whether its adding new housing stock, renovating existing housing, creating new commercial, renovating existing historic buildings or employment expansion opportunities.

- Pro-active activation of certain statutory incentive programs as outlined in the Economic Development Policy. This includes;
    - Tax Increment Financing Commission (TIFC).
    - Industrial Development Authority (IDA).

When forming both the TIFC and IDA Boards, the City Council might consider a joint commission which would effectively govern both entities.

- Pro-active formulation and implementation of a Downtown 353 program.
- Pro-active formulation and implementation of a 211th Street Corridor TIF Plan.
- Pro-active formulation and implementation of a 211th Street Corridor TDD.

These recommendations are discussed in greater detail, and are included in the following recommendation matrix. Any policy changes should also be carefully considered as part of the overall Comprehensive Plan Update.

Economic Incentive Recommendation Matrix

Recommendation	Action Item	Party	Timing
Tie incentive tools to specific objectives of Comprehensive Plan	Strategically align incentive policy goals to comprehensive plan.	City Planning, Economic Development, others	Comp Plan Update. 3 months to 1 year
Downtown 353 Overlay	Proactively formulate boundaries of a new 353 District, Establish 353 Corporation.	City Planning, Economic Development, others	3-4 months
DPACD SBD/CID Overlay	Following 353 District stabilization. Formulate SBD/CID boundary, participating owners vote	City Planning, Economic Development, district property owners	2-3 years
Proactive formulation: TIFC	Proactively formulate operating procedures, enabling legislation of TIFC.	City Eco-Dev. Dept., City Council	2-3 months
Proactive formulation: IDA	Proactively formulate operating procedures, enabling legislation of IDA.	City Eco-Dev. Dept., City Council	2-3 months
211th Street TIF	Proactive TIF District formulation	City Eco-Dev. Dept., City Council	Would follow formulation of the TIFC. 4-6 months
211th Street TDD	Proactive TDD formulation	City Planning, Economic Development, others	4-6 months
211th Street – Rezoning	Reclassify zoning districts within the 211th Street Corridor to updated standards reflecting interchange construction and spin-off uses.	City Planning Department	Comprehensive Plan Update

Downtown Market Analysis & 211th Street Corridor Analysis - Conclusions/Findings

With all its strengths, the City is positioned to leverage its competitive advantages in the coming decades. However, this will require the City to make strategic investments to create long term master plans that are supported by market needs. The analysis area, centrally located within the City Limits, is primarily connected to the surrounding region via the adjacent highway system. The analysis area's proximity to numerous community amenities provides a competitive advantage over other regional locations. Future plans for greenways and walking trails will reinforce intra-city connections.

Probable Residential Development

Demographic analysis shows that the City's median household income is higher than state and national averages. The total number of households earning more than $50,000 annually is expected to increase by 2019. As the City's population ages, shifts in demographics will impact livability patterns such as preferred housing types, transportation options, and the interaction of residents within the community. Trends in residential data indicate demand for a mixture of market rate infill housing options and maintenance free communities for the elderly. Future housing production will need to address these demographic changes.

Overall data shows limited housing growth within the city. Actions must be taken to boost the residential market and create positive growth trends. The goal that many municipalities strive to achieve is a diverse range of housing options. This is achieved by assisting the market to create higher design standards that establish walkable, vibrant neighborhoods that will attract "residents by choice", rather than "residents by necessity".

The diversity of choices needs to include apartment lifestyle residential projects as well as quality workforce housing and senior housing options. The analysis results showed incredible growth for Cass County but limited growth by the year 2019 for the City. The limited growth would not come close to absorb even a small portion of the residential lots currently available. Steps have been outlined in this report that can ensure that the City grows proportionally with Cass County and is not leapfrogged by new population.

Projections from census data can be very slow to show changes in the residential marketplace. An example of this is in Downtown Kansas City's explosion growth of residential development over the past ten years. Census projections still do not keep up with major city initiatives or transforming markets. This could be occurring in the Peculiar residential market

Probable Retail Development

It is our initial opinion that promoting neighborhood scaled development within the downtown area would act as a catalyst by creating a destination designed to capture increased sales and tax revenue from visitors. Walkable mixed-use neighborhoods create unique, dense, and amenity-rich environments by incorporating a mix of residential and commercial development.

It is also our opinion that due to the downtown area's location, a strong marketing campaign and way finding signage initiative would need to accompany any development endeavors. Development of this type would be strategic and have the ability to become an epicenter for city residents to live, work, and play while actively drawing consumers off of I-49.

Analysis tools included generating demand models; which indicate support within the market. Additionally, maps showing the effect of retail development near the 211th Street Corridor and the effects upon the marketplace are provided. The analysis has determined consumer demand can be cannibalized from surround markets by creating higher quality shopping experience or retailers that are unique to the market area.

Data also shows an immediate demand for a mixture of neighborhood oriented retail businesses. The City's strong household median income is expected to support a range of retail and commercial services. Although retail gaps are not commonly associated with neighborhood retail currently exist (motor vehicle parts, florists, etc.), future retail products should be site specific and embrace the needs of the immediate community (coffee shops, laundry mats, small restaurants, etc.). Expansion and growth of the existing residential market will create demand for certain types of retail amenities that current data shows little-to-no demand.

To sustain viable retail development we recommend that quality of development be noticeably better than competing locations in surrounding markets of Belton and Harrisonville. The ability to create a place that consumers enjoy visiting is paramount to changing consumer patterns. "Place making" is primarily a design feature which is easy to achieve with creative and thoughtful planning, which includes accessibility, parking and architecture.

Probable Industrial Development

Industrial development is more difficult to quantify and in our opinion further research is needed in order to adequately estimate future industrial development within the City. While previous analysis[1] indicates the availability of land would sustain over one million square feet of light to heavy industrial product, too many variables exist to adequately quantify future growth. There are many steps that municipalities can undertake to position their communities for new jobs and investment. These steps are outlined in this report.

[1] Access Justification Report, GBA June18, 2013.

Forecasted Benefits

While there are many positive market trends, residential growth is projected to remain stagnant. However, there are steps that can be taken to benefit from the growth of the region. These steps should be identified in the City's Comprehensive Planned, and implantation strategies should be adopted by the City.

Table 1 identifies how investment in the following project development categories (residential, retail, and industrial) can benefit jobs and sales within the City.

Table 1. - Estimated New Development Impact

Projected new development (Residential, Retail and Industrial)				
	Market Opportunity (sq. ft. or units)	Investment Created	Jobs Created	Annual Sales
Residential	73 homes 162,936[2] sqft	$11,132,500[3]	219[4]	n/a
Retail	365,000 sqft	$51,539,250[5]	799[6]	$61,320,000[7]
Industrial	Not forecasted, 1,000,000 sqft example	$105,550,000[8]	1,720[9]	n/a
TOTALS	**1,527,936**	**$168,221,750**	**2,738**	**$61,320,000**

[2] Source: Reece and Nichols, Average size of new home Cass County.
[3] Source: Average cost of Building Permit- Single Family House, Peculiar, Missouri.
4 Source: National Association of Home Builders estimates 3 jobs are created for each new single-family home built.
5 Source: Reed Construction Costs, 2013 $241 restaurant, $131.5 supermarket, movie theater $166, Department Store $113.25.
6 Source: Econsult Corporation (2007).
[7] Source: ULI Dollars and Cents (2008) Supper Community and Community Center, avg sales $168, small town, rural.
[8] Source: Reed Construction Costs, 2013 industrial construction $105.55 psf.
[9] Source: Econsult Corporation (2007). 1.72/1,000 square feet.

Economic Incentive Analysis: Peculiar, Missouri

August 28, 2014
FINAL DRAFT

Economic Incentive Analysis:

Peculiar, Missouri

Prepared For:

City Of Peculiar, Missouri
250 South Main Street
Peculiar, Mo 64078

Prepared By:

Shockey Consulting Services, LLC
13000 W. 87th Street Parkway
Lenexa, KS 66215

and

Development Initiatives, LLC
140 Walnut Street, Suite 203
Missouri City, Missouri 64105

Prepared:

August 28, 2014

Limiting Conditions

The reported analyses, opinions, and conclusions contained herein are limited only by the reported assumptions and limiting conditions, and are Development Initiatives' unbiased professional analyses, opinions, and conclusions.

Information provided and utilized by various secondary sources is assumed to be accurate. Development Initiatives cannot guarantee information obtained from secondary sources. Such information and the results of its application within this analysis are subject to change without notice.

The nature of real estate development is an unpredictable and often tumultuous. The natural course of residential development is difficult to predict and forecast. Development Initiatives deems our projections as reasonable considering the existing market and various obtained information. It should be understood that fluctuations in local, regional and/or national economies could have substantial effects on the particular findings and recommendations contained within this document.

Copyright Statement

This document was prepared for the intended use of the City of Peculiar, MO for its redevelopment of certain real estate properties referenced within the report.

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August 28, 2014

Gary Mallory
Economic Development Director
City of Peculiar Missouri
250 Main Street
Peculiar, MO 64078

Subject: Economic Incentive Analysis

Dear Mr. Mallory:

Please find attached Economic Incentive Analysis (Report) that has been prepared for as part of our contract for services. Development Initiatives was retained, along with Shockey Consulting Services to evaluate and analyze existing tools and economic incentive programs and make specific recommendations that can promote economic development within the City of Peculiar. Staff liaisons for this report are Mr. Jim Potter with Development Initiatives and Ms. Shelby Ferguson with Shockey Consulting Services.

The following are general recommendations that are part of this analysis and economic incentive recommendations that we believe will assist the City in streamlining its economic development, marketing and identity initiatives.

General Recommendations

- Greater affiliation with Cass County and Cass County Corporation for Economic Development (CCCED).
- Joint membership to Kansas City Area Development Council (KCADC) with other Cass County municipalities through CCCED sponsorship.
- Downtown Peculiar Arts and Culture District "DPACD" re-branding.
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- Redevelopment Opportunities.

Economic Incentive Recommendations

- Tie specific planning goals to specific incentive policies.

Incentives must follow master planning and priority initiatives, whether its adding new housing stock, renovating existing housing, creating new commercial, renovating existing historic buildings or employment expansion opportunities

- Pro-active activation of certain statutory incentive programs as outlined in the Economic Development Policy. This includes;
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- Pro-active formulation and implementation of a Downtown 353 program.
- Pro-active formulation and implementation of a 211th Street Corridor TIF Plan.
- Pro-active formulation and implementation of a 211th Street Corridor TDD.

These recommendations are discussed in greater detail in the report that follows, but Policy changes should be carefully considered as part of the overall Comprehensive Plan Update. Please feel free to contact us if you have any questions or comments.

Sincerely,

Chris Sally, CCIM	Jim Potter, AICP	Adam Jones
Development Initiatives	Development Initiatives	Development Initiatives

Section 1: Introduction

Objective

Development Initiatives (DI) and Shockey Consulting Services (Shockey) have been retained to conduct an analysis of the economic incentive market for the Peculiar, Missouri market area.

As part of this analysis, Development Initiatives has reviewed the existing Economic Development and Incentive Policy officially adopted by the City of Peculiar (the "City"). Additionally, we have reviewed the use of economic incentives within the City. Our analysis will outline what incentive programs are utilized by the City and how the City can more efficiently govern the use of these programs.

Methodology

We have analyzed the existing Economic Development Policy of the City of Peculiar, as well as interviewed various stakeholder groups, local real estate professionals and City Staff. Policy review included the current use of various programs, as well as investigating the opportunity for new programs. Additionally, field surveys of the City and surrounding area were conducted to document the potential for marketing and development opportunities.

Data for this analysis was also gathered from the City of Peculiar and Cass County, Missouri, Mid-America Regional Council (MARC), ESRI Business Solutions, and Neilsen/Claritas data services. Pertinent Geographic Information Systems (GIS) data was obtained through the City of Peculiar, Cass County, and MARC.

Qualifications of the Consultant

This analysis has been prepared by Development Initiatives. Company information for Development Initiatives is located in Exhibit D of this report.

Section 2: Executive Summary

The City of Peculiar, Missouri has commissioned Development Initiatives (DI) to perform analysis to review the existing economic incentives utilized by the City. Our review and analysis will make recommendations on how the City can more efficiently utilize existing and potential incentives within its boundaries.

The City of Peculiar, Missouri has in place an Economic Development Incentive Policy (the "Policy") which was adopted by Resolution 2014-08 on February 28, 2014. The Policy's intent is to:

> "provide guidance to property owners and developers in Peculiar on the use of public economic incentive tools. The policy also is designed to provide direction and an understanding of the City's expectations regarding the process, standards and policies that will be applied by the City to the use of economic development tools."[1]

The Policy identifies a number of economic incentive tools which can be utilized on projects with the city-limits of Peculiar. These include; Tax Increment Financing (TIF), tax abatement, and various development and improvement districts. As of the issuance of this document, these tools have been utilized in a limited capacity.

Conclusions/Findings

The City of Peculiar has been pro-active in the establishment of the Economic Development Policy, however we would recommend taking the next step and actually establishing the boards of governance for each tool. Our recommendations involve general recommendations related to City marketing and identity, and specific Policy recommendations. We recommend the following;

General Recommendations

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[1] City of Peculiar, Economic Development Incentive Policy, February 18, 2014.

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211th Street – Rezoning	Reclassify zoning districts within the 211th Street Corridor to updated standards reflecting interchange construction and spin-off uses.	City Planning Department	Comprehensive Plan Update

Section 3: Subject Area Analysis

General Municipal Location and Description

Our analysis area comprises the City of Peculiar, generally located in northwest central Cass County, Missouri. The City is within the Kansas City Metropolitan Statistical Area (MSA) and has good access to the MSA being located on Interstate 49 (I-49)/US 71. The City has a rural feeling while being located within a 30 to 40 minute drive of Metropolitan Kansas City. The South Cass County region has recently experienced a significant amount of growth, with continued movement towards Peculiar.

Economically, the City appears to be relatively stable with an annual budget of approximately $1.57 million. The City along with the Missouri Department of Transportation (MoDOT) has been planning for the development and construction of the 211th Street Interchange. The Interchange will be located about 1.5 miles north of the existing Missouri Highways J/C interchange which currently serves the City of Peculiar. This construction, estimated to begin in early 2015 will allow the City to serve anticipated growth and development along this 211th Street corridor. The 211th Street Interchange will include development and construction of a bridge over 1-49/US 71, including a diverging diamond interchange (DDI).. The project cost is currently estimated to be $14.29 million.

Figure 1 - Proposed 211th Street Interchange. Courtesy: GBA, Access Justification Report, MoDot Project No. J4P2247, June 28, 2013.

Access

Regional access to the City of Peculiar is via Interstate Highway 49 (I-49)/US 71. Presently the only I-49/US 71 exit is the Missouri Highway J/C interchange which serves the City. The closest airport is the New Century Air Center located in Gardner, Kansas. New Century is an executive airport and located approximately thirty-one (31) miles northwest of subject property.

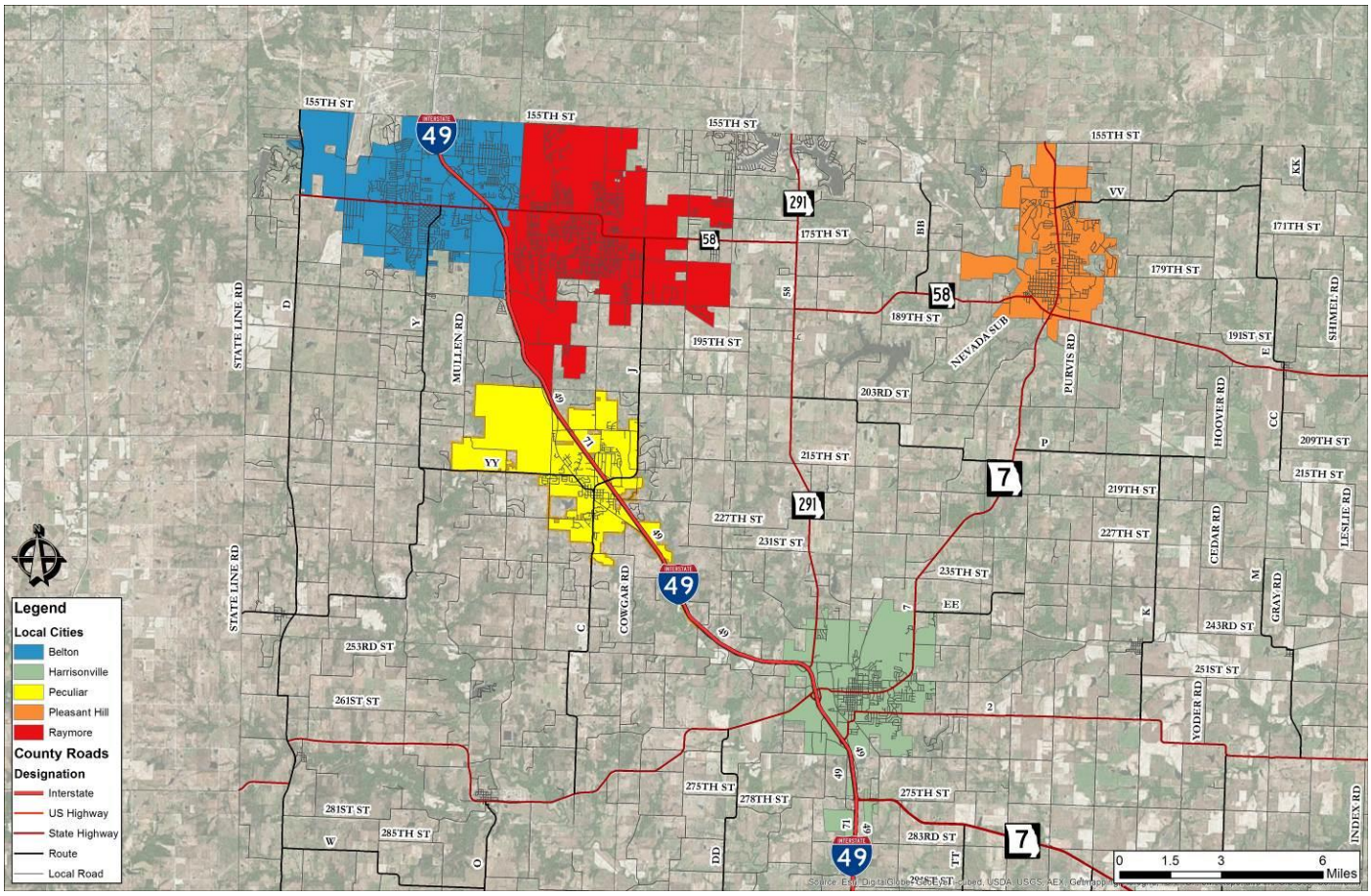


Figure 2 - General Location Map

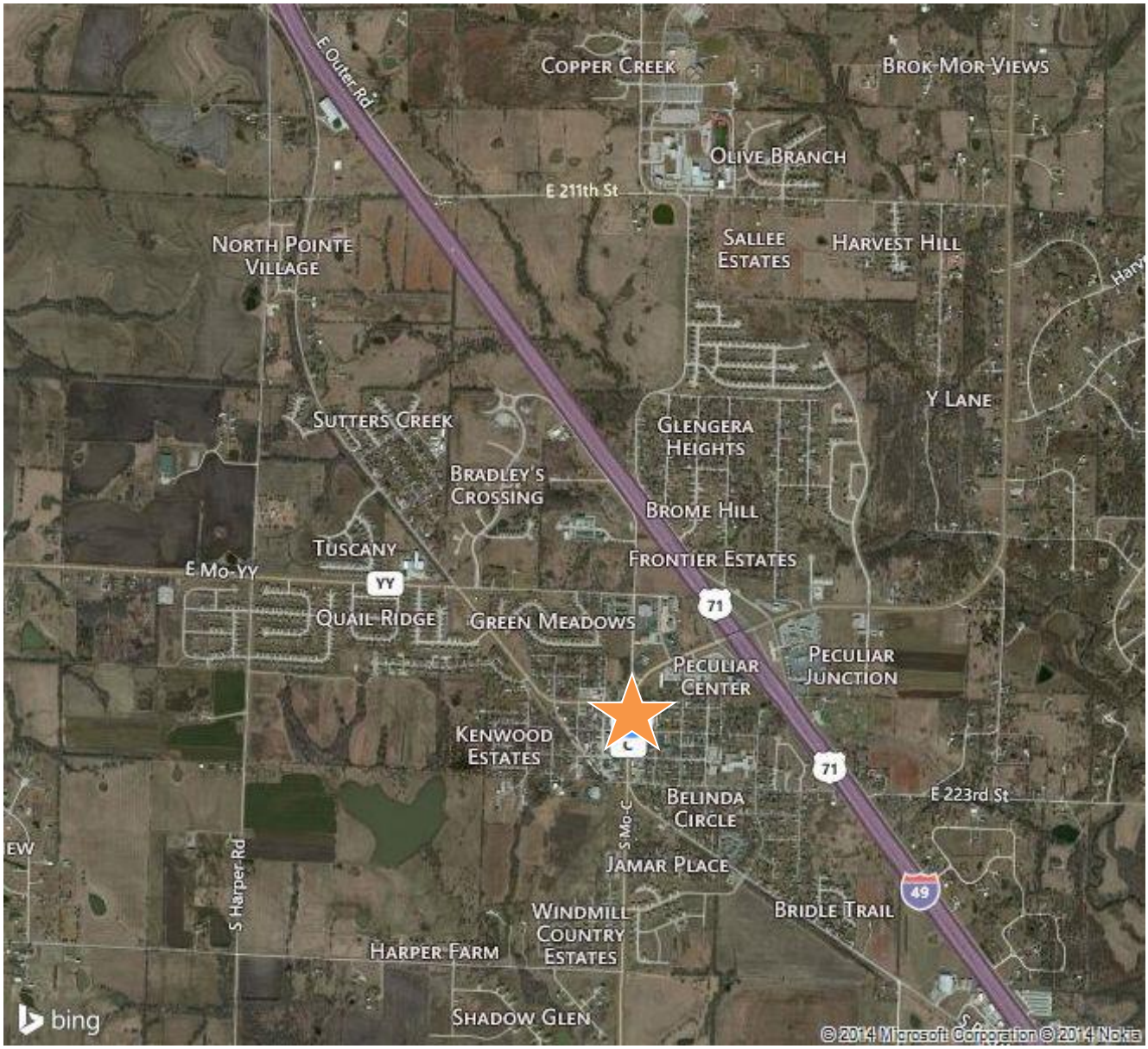


Figure 3 - City of Peculiar, City Map

Zoning

The City of Peculiar's zoning code is the regulatory tool used to secure coordinated development within the corporate limits of the City. Every parcel has a zoning designation. The Zoning District defines the types of land uses or development that is allowed within that District. Within each District, standards such as building setbacks, minimum lot area requirements, parking standards, and sign provisions are specified.[2]

Current zoning for the City is divided among numerous differing classifications. These include the following;

- AG, Agriculture District
- R-E, Residential Estates District
- R-1, Single Family Dwelling District
- R-2, Two-family Dwelling District
- R-3, Multiple-Family Dwelling District
- R-4, Multiple Family and Congregate Housing District
- O-C, Office Commercial District
- C-1, General Business District
- C-2, Central Business District
- C-P, Planned Business District
- I-1, Light Industrial District
- I-2, Heavy Industrial District
- H, Historic Overlay District
- A-C, Arts and Culture Overlay District.

This report makes no assumptions or recommendations as to the appropriateness of the existing zoning classifications.

[2] City of Peculiar, Citizens Guide to Zoning, January 2013.

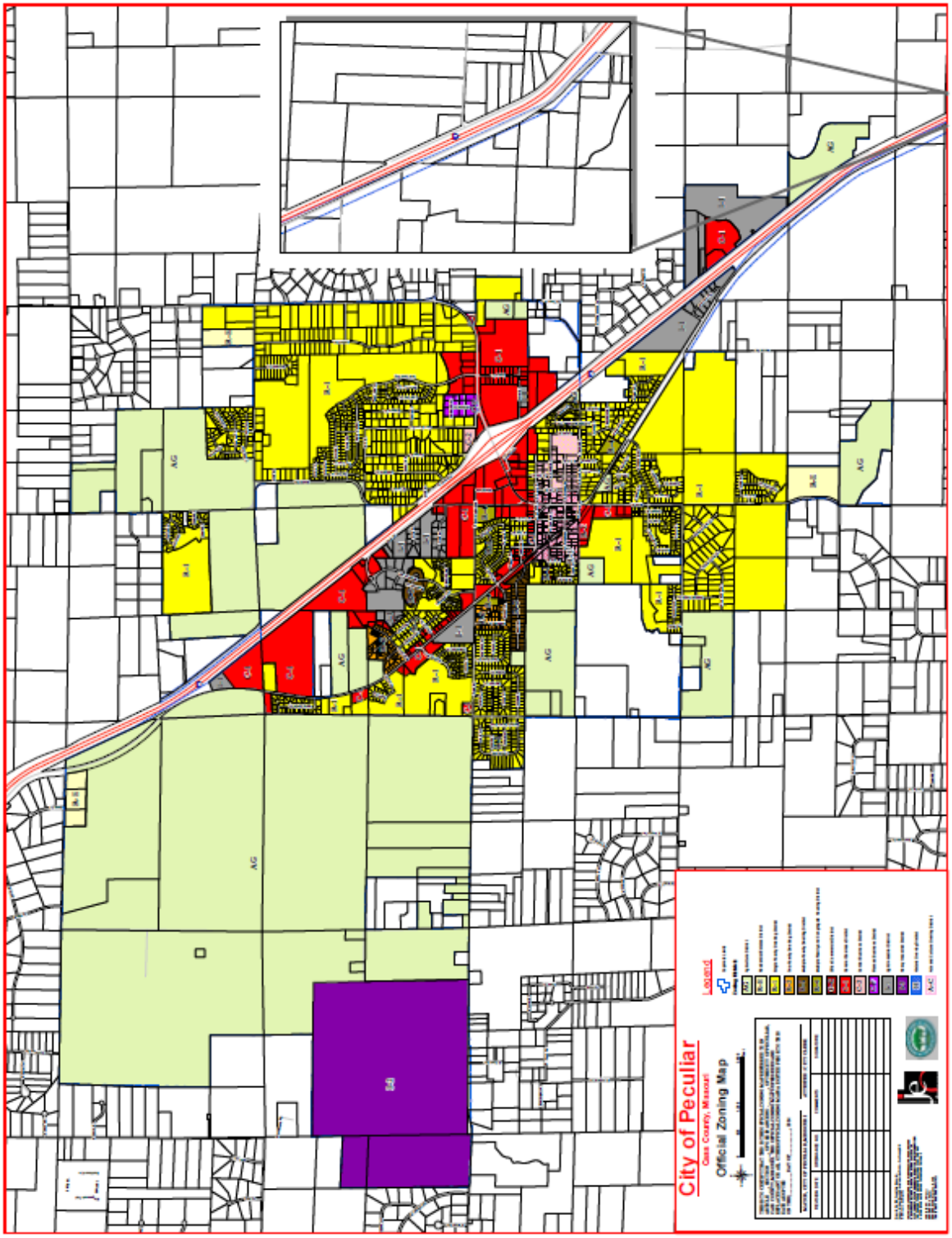


Figure 4 - City of Peculiar, Zoning Map

Employment and Unemployment Trends

The following analysis outlines the regional and local economy of the City of Peculiar and Cass County, Missouri market area. Discussion includes information regarding employment by industry, employers, and unemployment trends.

Major Employers

Research into the Major employers for Cass County was completed and data for Cass County was obtained. Data for the City itself was unavailable. The following information is a listing of major employers, their industry specialty and location.

Table 1 - Leading Employers - Cass County, Missouri

Company	Industry	Location
Walmart Supercenter	Retailing	Belton, Harrisonville
Harrisonville IX School District	Secondary Ed.	Harrisonville
Hy-Vee	Food Retailing	Belton
ADESA Kansas City	Auto Retail	Belton
Casco Area Workshop, Inc.	Non-Profit	Harrisonville
Lowe's	Retailing	Raymore
Quick'N Tasty (Quicktrip)	Retailing	Belton, Harrisonville
Church & Dwight Co.	Manufacturing	Harrisonville
Kohl's Department Store	Retailing	Belton
Source: Mid-America Regional Council, Regional Workforce Intelligence Network, August 2012		

Unemployment

The Cass County unemployment rate is considerably lower than surrounding counties in the Kansas City MSA. This may simply be a proportionate ratio of employment to the relatively small population.

Table 2 - Local Area Unemployment Statistics, May 2014

Area	Civilian Labor Force	Employment	Unemployment	Unemployment Rate
Cass County	49,793	46,797	2,996	6%
Clay County	121,613	113,516	8,097	6.7%
Jackson County	329,916	305,647	24,269	7.4%
Platte County	51,621	48,162	3,459	6.7%
Ray County	10,893	10,136	757	6.9%
KC Region Summary	563,836	524,258	39,578	7%
Source: Missouri Department of Economic Development: Economic Research and Information Center.				

Commuting and Destination Analysis

As of 2011, the City of Peculiar had an employment work force of 1,906. However, only 12.4 percent, or 103 people, actually live and work within the City. Eighty-seven point six percent (87.6%), or 719 people, commute into the City to work, but live elsewhere. A total of 1,803 or 94.6 percent live within the City of Peculiar are employed outside of the area.

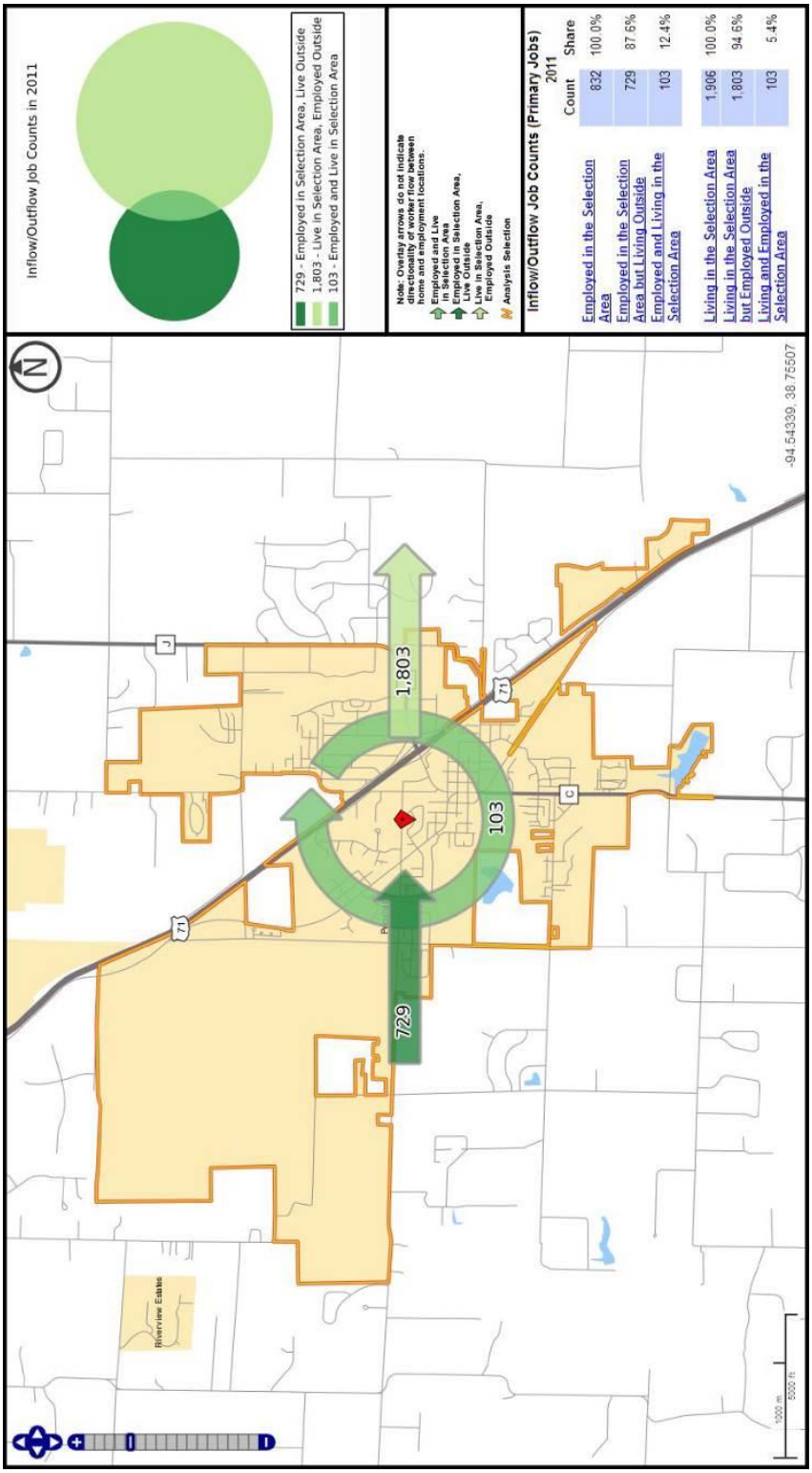


Figure 5 - Commuting and Destination Analysis.

(Source: US Census Bureau, OnTheMap and Inflow/Outflow Analysis 2011.)

Economic & Demographic Analysis

Total population for the City of Peculiar is currently estimated to be 4,669 as of 2014. Within the City, population is projected to increase by 1.32 percent between 2010 and 2014 and is projected to increase by an additional 4.90 percent between 2014 and 2019. Within the same area approximately 24.42 percent of the residents are renters. This figure is projected to stabilize if not increase slightly by 2019.

There are currently an estimated 1,827 housing units in the area increasing an estimated 0.16 percent from the year 2010. Additionally, total housing units are projected to increase 4.00 percent by 2019. Of the occupied housing, approximately 75.58 percent were owner occupied while the remaining 24.42 percent were renter occupied.

Table 3 - City of Peculiar, Missouri - Demographics

	2010 Census	2014 Census	2019 Projections
Total Population Households	4,608 1,709	4,669 1,716	4,898 1,789
Average Household Size	n/a	2.72	n/a
Owner Occupied Renter Occupied	75.58% 24.42%		
Source: nielsen/claritas, U.S. Census Bureau			

Household Population Trends for the City of Peculiar are summarized on Table 4 below.

Table 4 - Households

Year	City of Peculiar	
	Number	% Change
2010	4,608	
2014	4,669	1.32%
2019	4,898	4.90%
Source: nielsen/claritas, Site Reports, Household Trend 2014		

Within the City, the total number of households has increased over 1.32 percent between 2010 and 2014. From 2014 to 2019 the annual household growth is projected to continue to increase, a total of 4.90 percent by 2019.

Total median household income within the City is estimated to increase from years 2014 to 2019 from $60,671 to $65193, a 6.9 percent increase.

Table 5 - Market Area Income Trends - Total Households

Household Income	2010	2014	2019 Projected
Total Households	1,709	4,669	4,898
$0 - $14,999	136	92	81
$15,000 - $24,999	101	203	177
$25,000 - $34,999	123	129	143
$35,000 - $49,999	245	256	234
$50,000 - $74,999	268	417	427
$75,000 - $99,999	131	294	295
$100,000 - $124,999	44	173	208
$125,000 - $149,999	15	88	120
$150,000 - $199,999	9	41	68
$200,000 - $249,999	5	9	19
$250,000 - $499,000	6	13	14
$500,000 +	2	1	3
Average Household Income	$53,613	$68,064	$74,461
Median Household Income	$46,173	$60,671	$65,193

Source: nielsen/claritas, U.S. Census Bureau

Within the City of Peculiar, an estimated 1,297 housing units are owner occupied. This comprises 75.58 percent of all residential dwelling units within the City.

Demographic data demonstrates that the City of Peculiar experienced a moderate increase in population and household group from 2010 to 2014. This increase is expected to continue, by 2019. By 2019 the Number of Households within the City is projected to increase by 4.25 percent to 1,789.

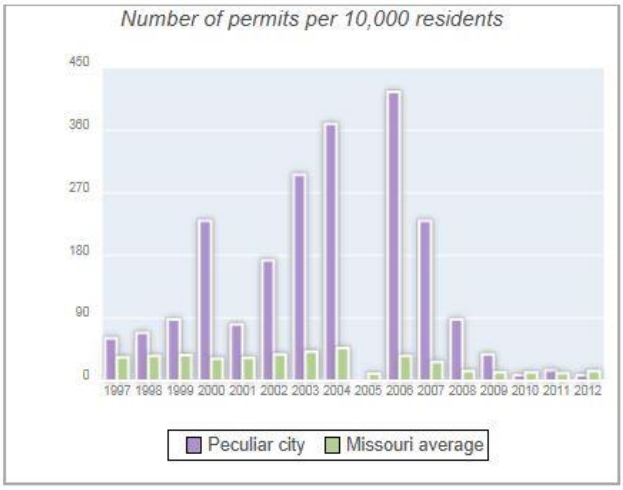
Local Trends - Building Permits

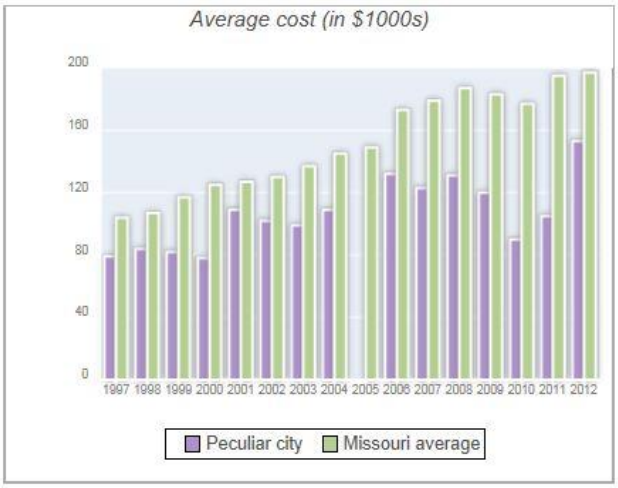
Figure 6 below outlines new home construction permits since 1997 in permit valuations for the City. Valuations are aggregate in nature and did not differentiate between residential and commercial permit data. It must be noted that a construction permit does not indicate that the building was actually constructed. It is believed many construction permits obtained prior to the market crash and did not realize eventual construction. This indicates a lack of activity in building permits after the 2007 real estate recession.

Figure 6 - Single-Family Construction Permits, Residents & Costs

Single-family new house construction building permits:

- 1997: 16 buildings, average cost: $78,800
- 1998: 18 buildings, average cost: $83,800
- 1999: 23 buildings, average cost: $81,900
- 2000: 60 buildings, average cost: $78,000
- 2001: 21 buildings, average cost: $108,800
- 2002: 45 buildings, average cost: $102,300
- 2003: 77 buildings, average cost: $98,600
- 2004: 96 buildings, average cost: $108,500
- 2006: 108 buildings, average cost: $132,000
- 2007: 60 buildings, average cost: $122,800
- 2008: 23 buildings, average cost: $131,200
- 2009: 10 buildings, average cost: $120,300
- 2010: 2 buildings, average cost: $90,000
- 2011: 4 buildings, average cost: $105,100
- 2012: 2 buildings, average cost: $152,500

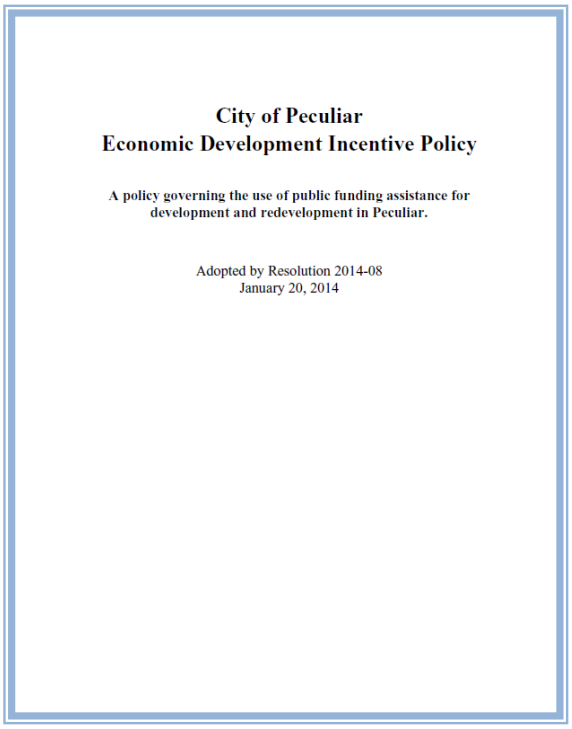




Section 4 Incentive Policy Analysis

Current Economic Tools

The City of Peculiar has recently approved a comprehensive Economic Development Incentive Policy (the "Policy"). The Policy was approved by Council Resolution No. 2014-08 on February 18, 2014. The overall purpose of the Policy is to provide guidance to property owners and developers in the City on the use of public economic incentive tools. The Policy is designed to provide direction and an understanding of the City's expectations regarding the process, standards and policies that will be applied by the City to the use of economic development tools.[3]



City of Peculiar
Economic Development Incentive Policy

A policy governing the use of public funding assistance for development and redevelopment in Peculiar.

Adopted by Resolution 2014-08
January 20, 2014

The underlying objective of the Policy is to promote high-quality, balanced-growth and development of the community, and to preserve the City's character and atmosphere while revitalizing and redeveloping areas of the City.

The Policy identifies a number of economic incentive tools which can be utilized on projects with the city-limits of Peculiar. These include; Tax Increment Financing (TIF), tax abatement, and various development and improvement districts. As of the issuance of this document, these tools have been utilized in a limited capacity.

Additionally, in fiscal year 2012-2013 the City hired an Economic Development Director. This essential step facilitates business development growth and expansion by having one point person for the City.

The City is also undergoing analysis for the Certified Site Program (CSP) through the State of Missouri. This is another step in positioning the City for future development and investment as the result of the 211th Street Corridor. The CSP program material should be completed by the end of 2014.

[3] City of Peculiar, Economic Development Incentive Policy, February 18, 2014.

Economic Tools Analysis

Economic Development Policy Process

In order to obtain incentives through the City of Peculiar, the Policy clearly identifies a process through which an applicant must submit their respective project. The process, which is identified in detail within the Policy includes;

1. Application,
2. Initial Review of Application,
3. Preliminary Funding Agreement,
4. Full Review of Application.

In addition to the application and review process, the Policy outlines guidelines for considering projects and their respective applications. As a general context, the Policy states that:

> "Most favorable consideration will be given to those projects that will; significantly assist the City in the elimination of blight and the conditions that may cause blight; provide financing for desirable public improvements; strengthen the employment and economic base of the City; increase property values; create economic stability; upgrade older neighborhoods or areas; and facilitate economic self-sufficiency."[4]

Furthermore, the Policy stipulates that the City may give the following criteria consideration when considering any application:

A. Project Costs,
B. Method of Financing,
C. Type of Project and Land Uses,
D. Type of Incentive Request,
E. Funding Method Proposed for the Project,
F. Ratio of Requested Assistance to Total Project Costs,
G. Economic Need,
H. Administration of Funding Districts,
I. Property Acquisition and Condemnation,
J. Relocation of Existing City Businesses,
K. Use of Tax Increment Financing.

[4] City of Peculiar, Economic Development Incentive Policy, February 18, 2014. Section 5.

Eminent Domain

The use of eminent domain is addressed within the Policy. The City does not encourage the use of eminent domain in conjunction with the use of public financing incentives. The Policy does leave the use of eminent domain available, but only when the applicant has adequately proven that they have acted in good faith to acquire property. Ultimately, the use of eminent domain will be at the City's discretion.

Incentive Tools and Processes

The Policy identifies several public incentive tools and the processes which relate to their evaluation and consideration. These include:

Table 6- Incentive Statutes

Program	Missouri Revised Statute
Tax Increment Financing (TIF)	Section 99.800 to 99.865
Transportation Development Districts (TDD)	Section 282.200 to 238.275
Community Improvement Districts (CID)	Section 67.1401 to 67.1571
Special Business District (SBD)	Section 71.790 to 71.808
Neighborhood Improvement Districts (NID)	Section 67.453 to 67.475
Chapter 353 Tax Abatement (353)	Section 353.010 to 353.190
Chapter 100 Tax Abatement (IDA)	Section 100.010 to 100.200

These tools are the basic statutory tools outlined and provided by the Missouri Revised Statutes.

Targeted Incentives of the City Comprehensive Plan

While the Policy outlines numerous incentive programs which the City may utilize for development and redevelopment projects, the Policy does not align with the City's Comprehensive Land-Use Plan. It is our recommendation that both policy documents be updated to remedy this.

The following incentive tools are outlined in the Policy.[5]

Tax Increment Financing (TIF)

The Policy outlines the TIF process in substantial detail. Basically TIF is a mechanism which, in theory, encourages redevelopment via the projected value of real property. The net effect of TIF is to permit a developer to use a portion of property taxes that otherwise would be paid on the completed project to repay all or a portion of the development costs, thereby reducing the next annual debt service on the completed project.

Benefit District – Transportation Development District (TDD)

The TDD is a separate political subdivision of the state and is authorized by the City Council. The use of a TDD is to fund, promote, plan, design, construct, improve, maintain and operate one or more projects or to assist in such activity. A "project" includes any bridge, street, road, highway, access road, interchange, intersection, signage, signalization, parking lot, bus stop, station, garage, terminal, hangar, shelter, rest area, or any other similar or related improvement or infrastructure.

Benefit District – Community Improvement District (CID)

A CID is either a political subdivision with the power to impose a sales tax, a special assessment or a real property tax, or a nonprofit corporation with the power to impose special assessments. The CID is created by the City following submission of a petition by the property owners within the proposed district. A variety of public improvements can be financed with a CID. These projects include, but are not limited to:

1. Pedestrian or shopping malls and plazas,
2. Parks, lawns, trees and any other landscape,
3. Convention centers, arenas, aquariums, aviaries and meeting facilities,
4. Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals,

Differences between a TDD and CID

A TDD can only finance transportation-related improvements, while a CID can finance a wide-array of public improvements and services.

A TDD can finance improvements that benefit the property within the boundaries; a CID generally cannot spend money on projects outside of its boundaries.

TDD bonds can have a 40-year maturity, while CID bonds are generally limited to 20 years. If the City wanted to ensure that revenue from the project was earmarked for street infrastructure and related improvement, a TDD would limit the use of the funds. A CID can use funds on a wide variety of improvements.

[5] City of Peculiar, Economic Development Incentive Policy, February 18, 2014. Exhibit A, Courtesy Gilmore Bell.

utilities, drainage, water, storm and sewer systems and other site improvements,

5. Parking lots, garages or other facilities,
6. Music, news and child-care facilities,
7. Any other useful, necessary or desired improvements.

Additionally, within a "blighted area", the district may pay costs of demolishing, renovating and rehabilitating structures.

A CID may also provide a variety of public services, including but not limited to:

1. With the municipality's consent, prohibiting or restricting vehicular and pedestrian traffic and vendors on streets.
2. Operating or contracting for the provision of music, new, child-care or parking facilities, and buses, mini-buses or other modes of transportation.
3. Leasing space for sidewalk café tables and chairs.
4. Providing or contracting for the provision of security personnel, equipment or facilities for the protection of property and persons.
5. Providing for contracting for cleaning, maintenance and other services to public and private property.
6. Promoting tourism, recreational or cultural activities or special events.
7. Promoting business activity, development and retention.
8. Providing refuse collection and disposal services.
9. Contracting for or conducting economic, planning, marketing or other studies.

Benefit District - Special Business District (SBD)

A SBD is a political subdivision with the power to impose a real property tax, a business license tax and special assessments. The funding sources can be spent on certain public improvements and services listed in the statute. The SBD is created by the City following submission of a petition by property owners that pay real taxes within the proposed district.

A variety of public improvements can be financed with a SBD. These projects include, but are not limited to:

1. Widen or narrow existing streets and alleys.

2. Construct or install pedestrian or shopping malls, plazas, sidewalks or moving sidewalks, parks, meeting and display facilities, convention centers, arenas, bus stop shelters, lighting, benches or other seating furniture, sculptures, telephone booths, traffic signs, fire hydrants, kiosks, trash receptacles, marquees, awnings, canopies, walls and barriers, paintings, murals, alleys, shelters, display cases, fountains, rest rooms, information booths, aquariums, aviaries, tunnels and ramps, pedestrian and vehicular overpasses and underpasses, and each and every other useful or necessary or desired improvement.
3. Landscape and plant trees, bushes and shrubbery, flowers and each and every and other kind of decorative planting.
4. Install and operate or lease public music and news facilities.
5. Construct and operate child-care facilities.
6. Construct lakes, dams, and waterways or whatever size.
7. Construct, reconstruct, extend, maintain, or repair parking lots or parking garages, both above and below ground, or other facilities for the parking of vehicles, including the power to install such facilities in public areas, whether such areas are owned in fee or by easement.

A SBD may also provide a variety of public services, including but not limited to:

1. Purchase and operate buses, minibuses, mobile benches, and other modes of transportation.
2. Lease space within the district for sidewalk café tables and chairs.
3. Provide special police or cleaning facilities and personnel for the protection and enjoyment of the property owners and the general public using the facilities of such business district.
4. Maintain all city-owned streets, alleys, malls, bridges, ramps, tunnels, lawns, trees and decorative plantings of each and every nature, and every structure or object of any nature whatsoever constructed or operated by the city.
5. Grant permits for newsstands, sidewalk cafes, and each and every other useful or necessary or desired private usage of public or private property.
6. Prohibit or restrict vehicular traffic on such streets within the business district as the governing body may deem necessary and to provide the means for access by emergency vehicles to or in such areas.
7. Promote business activity in the district by, but not limited to, advertising, decoration or any public place in the area, promotion of public events which are to take place on or in

public places, furnishing of any music in any public place, and the general promotion of trade activities in the district.

8. With the City's consent, prohibiting or restricting vehicular and pedestrian traffic and vendors on streets.

Benefit District – Neighborhood Improvement District (NID)

A NID is an area benefited by a public improvement and assessed to pay for that improvement. It is created by an election held or petition circulated within the proposed district. The NID is not a separate legal entity. Only public facilities, improvement or re-improvements can be financed with a NID. The improvement must confer a benefit on property within the district, but the improvement is not required to be located in the district. Projects may include, but are not limited to:

1. Acquisition of property.
2. Improvement of streets, gutters, curbs, sidewalks, crosswalks, driveway entrances and structures, drainage works incidental thereto and service connections from sewer, water, gas and other utility mains, conduits or pipes.
3. Improvement of storm and sanitary systems.
4. Improvement of street lights and street lighting systems.
5. Improvement of waterworks systems.
6. Improvement of parks, playgrounds and recreational systems.
7. Landscaping streets or other public facilities.
8. Improvement of flood control works.
9. Improvement of pedestrian and vehicle bridges, overpasses and tunnels.
10. Improvement of retaining walls and area walls on public ways.
11. Improvement of property for off-street parking.
12. Acquisition and improvement of other public facilities or improvements.
13. Improvement for public safety.

The NID may be created by either election of by petition of property owners within the district.

353 Tax Abatement

Real property tax abatement is available for "blighted areas" under Chapter 353 of the Revised Statutes of Missouri. Under this program, an eligible City or County may approve a redevelopment plan that provides for tax abatement up to 25 years, thus encouraging redevelopment of the blighted area. A "353" Plan requires the approval of the municipal governing body.

Land Clearance for Redevelopment Authority (LCRA)

A Land Clearance for Redevelopment Authority (an "Authority") may be created to assist counties and municipalities to redevelop blighted or insanitary areas for residential, recreational, commercial, industrial or public uses. The LCRA Statute is premised upon the concept that the menace of blight is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in LCRA Law.

The Authority is governed by a board of five (5) commissioners appointed by the mayor for a municipal authority. Commissioners must be taxpayers who have resided in the City for at least 5 years. In order to establish an Authority for the City of Peculiar a majority voter approval must be obtained.

Chapter 100 Tax Abatement

Real property tax abatement is also available through Sections 100.010 to 100.200 of the Revised Statutes of Missouri (the "Act"). Chapter 100 Tax Abatement is the mechanism through which a city, county, town or village in Missouri is authorized to issue industrial development bonds (IDB's).

The Act permits any municipality to issue bonds to finance the costs of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, services facilities which provide interstate commerce and industrial plants.

Revenue bonds issued pursuant to the Act do not require voter approval and are payable solely from the revenues received from the project. The municipality applies the proceeds from the sale of the bonds to purchase, construct, improve or equip a warehouse, distribution, commercial or industrial facility. In exchange, the company promises to make payments that are sufficient to pay the principal and interest on the bonds as they become due. Thus, the municipality merely acts as a conduit for the financing.

Section 5: Recommendations

In order to capitalize on the efforts that the City has undergone in the last few years we have the following recommendations which utilize the Policy as a "spring-board" to further promote investment and development.

General Recommendations

In addition to the specific economic development policy recommendations mentioned later in this document, we have included general recommendations as they relate to overall business development and investment within Peculiar. The basis of these recommendations is to increase the growth, reinvestment, employment and identify of the City of Peculiar.

1. Greater affiliation with Cass County and Cass County Corporation for Economic Development (CCCED). Being located in the center of Cass County, we feel that a greater affiliation with the CCCED is warranted. In preliminary discussions with CCCED staff they are poised to provide a greater representation of Cass County municipalities to the overall Kansas City Metropolitan Area. The City already has assets represented on the CCCED Board however, a greater affiliation should occur. This could be accomplished on a staff level through the Economic Development Department.

2. Joint Kansas City Area Development Council (KCADC) affiliation with other Cass County municipalities through CCCED sponsorship. KCADC is the regional economic development agency that is generally the first point of contact for out of market businesses and industries.

   While an individual municipal representation through the KCADC is certainly ideal, it is costly at approximately $10,000 per year. Preliminary discussion has occurred regarding a CCCED membership with member cities, Belton, Raymore, Peculiar and Harrisonville being the core base. This joint membership would lessen the overall financial commitment by the City.

   Increased affiliation with the KCADC is essential to the promotion of development opportunities within the City. This is even more important to the construction of the 211th Street Interchange project in 2015. Key success of this project is directly linked to how the City can lay the groundwork towards investment within the area.

3. Increased affiliation with Peculiar Chamber of Commerce and the Cass County Coalition of Chambers. Presently the City is fortunate that the Economic Development Director serves as the President of the Peculiar Chamber of Commerce. That's an incredible opportunity for the City to provide input and guidance on Chamber activities and initiatives. Additionally, The Chamber maintains a comprehensive calendar of events for City and related events. This is an excellent conduit to provide additional outreach opportunities to inform the community of City activities.

   Close relationships between the Chamber and City give opportunities to create a holistic marketing program towards Peculiar's attractions; such as "Destination Peculiar.

4. Downtown Peculiar Arts and Culture District "DPACD"
   Consider modifying acronym from DPAC, to Downtown PAC District. This creates a immediate understanding of the purpose of the organization. PAC also has existing positive reinforcement as the acronym of the Performing Arts Center also known as the Kaufmann Center in Downtown Kansas City. Using PAC also contains a message of a political action committee, or an engaged stakeholders organization that is promoting a specific initiative.

5. Creation of a Business Liaison City Staff Member.

   Throughout our stakeholder interview process we received feedback that a Business Liaison Staff Member is needed to facilitate relations with City Hall. This position could likely be undertaken by an existing staff person. Activities would be to expedite business permitting and licensing, trouble-shooting for small businesses, etc.

6. Comprehensive Wayfinding Signage Policy.

   Presently private party signage within the City is administered through the Planning Department's Signage Permit Program. However, the program does not address any City wayfinding signage endeavors. We have noted certain locations throughout Downtown with wayfinding signage, but we have not identified a comprehensive signage program.

Should this strategy be adopted, it is recommended signage clearly identifying Downtown Peculiar be established. A recommended location is identified in the following map below.

We would recommend that as part of the upcoming Comprehensive Plan Update process that a wayfinding signage program be included. This program would include Interstate-49 signage which welcomes travelers to the City, as well as historic district identification signage when entering downtown.

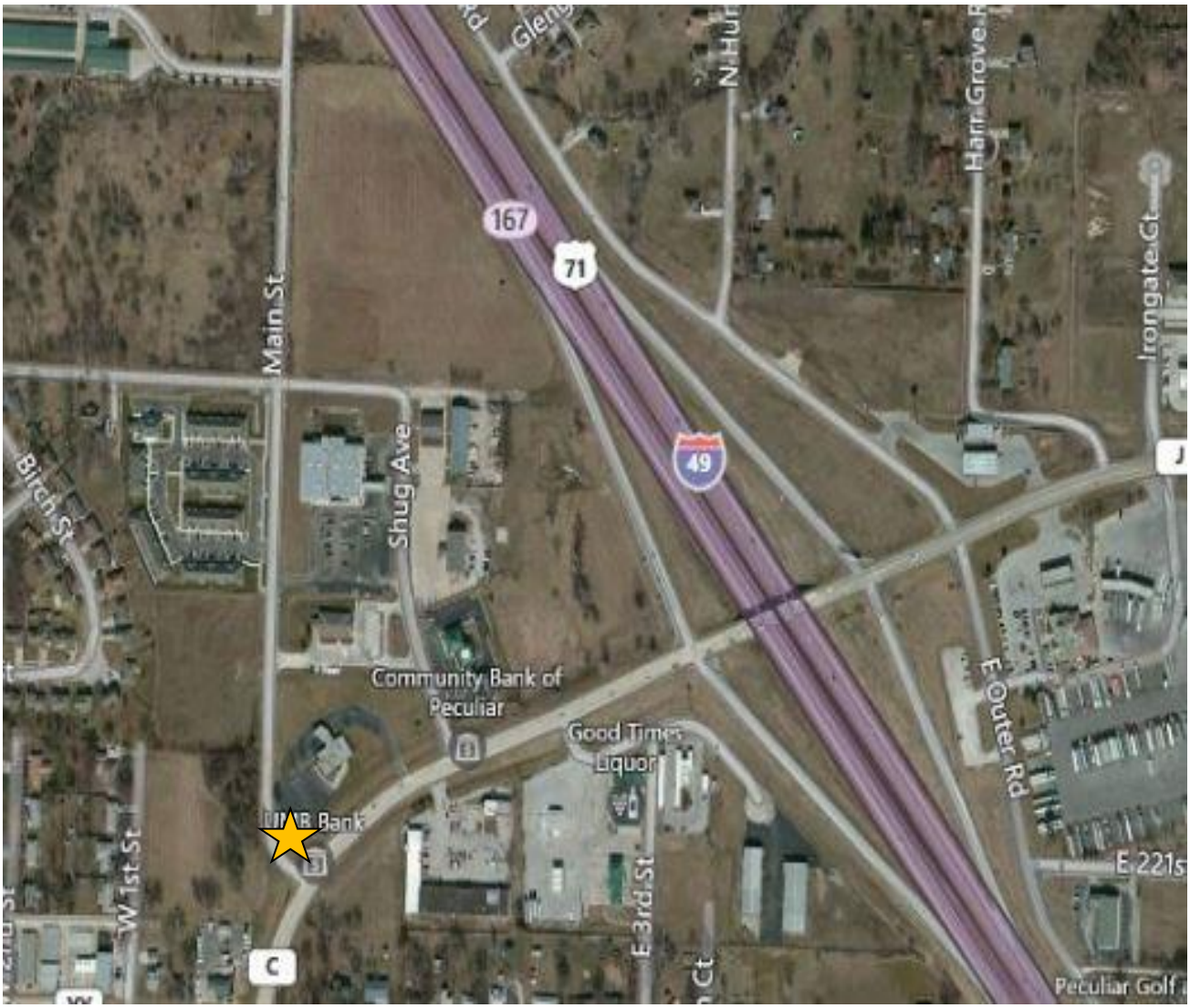


Figure 7 - Possible Downtown Signage Location

Signage-Highway

Presently only one "gateway" sign exists at the southbound exit at Peculiar/Highway J. Current signage is 8' x 16' and permitted through MoDOT under permit # 1220. The sign is presently not illuminated at night. This is an opportunity to construct a new "gateway" signage element as statement piece to brand the City as a progressive community.

Existing signage is located on privately-owned property. Agreement between the current property owner could be extended or the sign could be moved to adjacent city-owned property to the south. We anticipate that the construction of a single-sided illuminated sign (10' x 12') would cost between $10,000 and $15,000.

Figure 8 - Highway Signage Locations

Longer term identification of a north-bound sign location should be undertaken. There is limited City-owned property on the eastern side of the Peculiar/Highway J Interchange so possible locations may need to be identified. One potential location is located at the MoDOT Ride-Share lot located on East Outer Road. Any additional signage at this location would require coordination and approval of MoDOT since it would reside on MoDOT right-of-way.

Existing Highway signage

Missouri Department of Transportation (MoDOT) Outdoor Advertising Contacts:

<u>SouthBound I-49 Signage administration approval:</u>

Aaron Distler
1511 Missouri Road
Jefferson City, MO 65102
Phone: 573-751-7187

<u>NorthBound I-29 Signage:</u>
Brandon Daniel
816-607-2176

Proposed Highway Signage

"Destination Peculiar"

7. City Owned Property Marketing

The City owns a number of properties throughout Peculiar, including certain rights-of-way and regular property parcels. A comprehensive property disbursement program should be undertaken to identify which parcels the City would like to retain long-term and which parcels can be sold. Additionally, a listing of potential property acquisitions should be undertaken to identify those parcels which fit into the strategic vision of the City. Some parcels are planned to be incorporated into the City's trail system. This system should be addressed in the Comprehensive Plan Update.

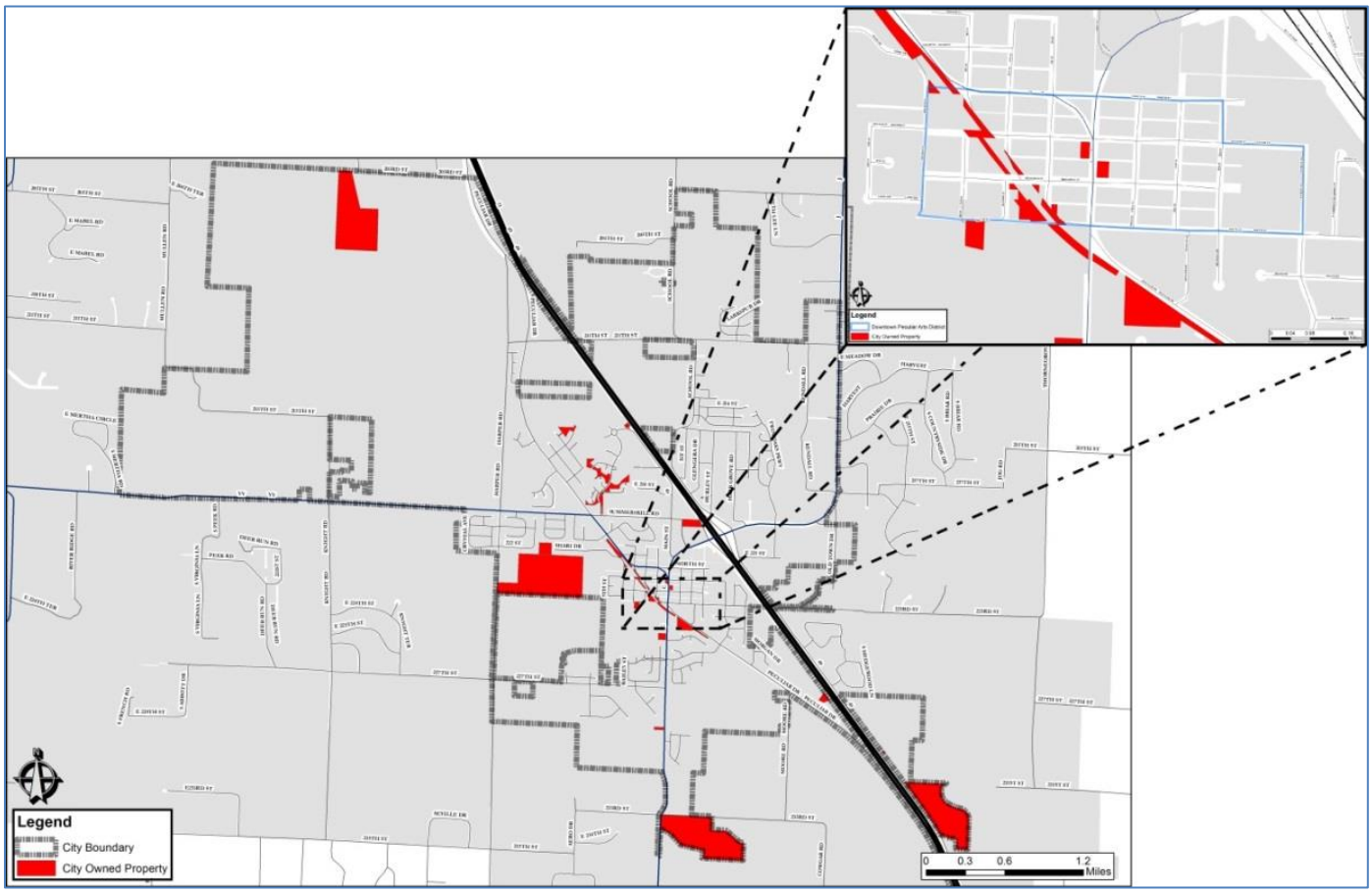


Figure 9 - City Owned Property (2014)

8. Create a comprehensive marketing program.

There are opportunities to create an integrated marketing campaign to help draw commerce to the City of Peculiar. In this report we are showing a couple options, but of course this opportunity is unlimited. One example is "Destination Peculiar" and the other is "Be Peculiar". Community feedback may provide other options, but regardless of the slogan the campaign needs to assist in the redevelopment of the downtown area as a destination for visitors.

In the current social media climate, Facebook or Twitter is a very affordable and powerful tool. Building a campaign that is utilized to draw people off the highway for sit-down restaurant at a non-franchised establishment, having opportunities for them to shop at local antique or art shops, and a location to take pictures and upload them to social media sites. The Merriam-Webster definition of Peculiar is "different from the usual or normal", that is a quality that many people strive to achieve and it can be a positive message.

Public Focal Point Opportunities with Fixed Signage

A centralized gathering space or park, with fixed signage, will serve as an event and music venue for residents gathering for community events. Fixed signage would further identify the City and provide locational based activities. Identification and discussion of developing a public venue would be an integral part of the overall Comprehensive Plan Update forthcoming by the City.

Figure 10 - Public Gathering Venue/Park - Outdoor Music and Event Area

Northwest Corner – West Broadway & West 1st Street West 1st Street & West South Street- Note the stage built on far left side, the existing vacant building behind the stage could be utilized as restrooms or visitor facilities.

Figure 11 - Redevelopment Examples - Branding Opportunities

West 1st Street C Highway- Looking west. This image shows redevelopment of existing buildings, painting of grain bins and re-branding signage on the water tower.

9. Redevelopment Opportunities

As stated, having a successful strategy to capture additional visitors and customers from I-49 by creating fixed in place signage and investment. This can be historic renovation of existing buildings, converting uses of existing buildings and also infill development on vacant lots. The 2011 Economic Development Survey, completed by the City, indicates that over 78 percent of respondents believe that there are not adequate varieties of businesses in the City. The majority of the respondents want additional family dining or restaurant locations within the City.

Figure 12 - Potential Infill Locations

General Recommendation Matrix

Table 7 below gives a quick overview of the recommendations in this report, with explanation of necessary action items, and responsible parties and overall timeline for completion of the recommendations.

Table 7 - General Recommendation Matrix

Recommendation	Action Item	Party	Timing
CCCED Affiliation	Greater affiliation with CCCED and efforts promoting business investment in Cass County, Particularly Peculiar.	Economic Development Department	Immediate
KCADC Affiliation	Discussion with CCCED executive director regarding joint affiliation to KCADC.	Economic Development Department	Immediate
Peculiar Chamber of Commerce Affiliation	Strengthen ties to the Chamber of Commerce.	Economic Development Department	Immediate
Marketing Initiative "Be Peculiar"	Formulate and implement a comprehensive marketing campaign.	City Economic Development, Chamber, DPAC	3-4 months.
Business Liaison	Embrace existing and new business investment	Economic Development Department	Immediate
Signage Policy	Integrate signage policy into Comprehensive Plan Update	City Planning Department	Comp Plan Update
Signage-Highway	Identify budget funding for new highway signage. Identify sign locations. Negotiate location lease provisions.	City Planning, MoDOT	1-2 years
Destination Peculiar	Acquire and build public park/ event venue.	Private or Public, DPAC, City	Comp Plan Update, -/+1 year
In-fill locations	Identification of strategic infill locations	City	3-6 months.

Economic Development Policy Recommendations

As part of this analysis, we reviewed the existing Economic Development Policy (the "Policy") of the City of Peculiar, in particular analyzing what programs the City has initiated in terms of economic incentives and what the opportunities are for additional program initiation.

Overall, it is our opinion that the City has taken strong steps in promoting its economic development program in recent years. In adopting an official Economic Development Policy, as well as retaining an Economic Development Director, the City is pro-actively elevating it's economic development initiative. With the tremendous amount of investment occurring along the I-49 corridor, the City needs to keep pace and should consider the following progressive steps.

1. Align Comprehensive Plan goals and recommendations to specific incentive tools and programs.

   Goals outlined in any Comprehensive Plan need a roadmap to be successful for implementation. For example, if a Plan objective is to increase the quality and design of new construction residential neighborhoods. An incentive plan could be developed that ties together design guidelines within the covenants, conditions, or restrictions of the development.

   An example of this type of public-private partnership could be tax abatement or tax increment financing (TIF) programs. In some Kansas City, Missouri TIF Plans, housing rehabilitation components are included to sustain home ownership; which is instrumental in stabilizing individual neighborhoods. TIF housing programs provide financial assistance through self-amortizing loan/grants to qualified single-family homeowners for primarily exterior improvements to residential properties. Maintaining residency after the grant for five (5) years is required, and the loan/grant funds are written off 20 percent per year for five-years. Repayment is required for the prorated period if the residency period is not achieved. Loan/grants may require matching funds, dependent upon applicant's income.

   Housing program budgets are funded through the increased tax increment portion of local property taxes and 50 percent of the economic activity taxes.

2. Proactive establishment of the Tax Increment Financing Commission (TIFC).

   While the TIF process is outlined within the Policy, presently there is no operating TIF Commission. We recommend formally organizing the TIFC and establishing a set of operating guidelines in anticipation of potential TIF projects. This would expedite any developer concerns when looking at the City for potential investment.

   The Missouri TIF Act permits the City Council to act as a preliminary TIFC in lieu of actually nominating a separate commission. We recommend this course of action for the interim time period. If the Council eventually elects to appoint a TIF Commission they could do that at any time.

   Establishment of the TIFC can be completed by City Council action.

3. Proactive establishment of the Industrial Development Authority (IDA).

   The IDA process is outlined within the Policy, however presently there is no operating IDA Board. We recommend formally organizing the IDA and establishing a set of operating guidelines in anticipation of potential projects.

   Additionally, the formation of the IDA has previously been identified by the City as a goal within the Economic Development process. Establishment of the IDA can be completed by City Council action and the Council can act as the Authority if needed.

   When forming both the TIFC and IDA Boards, the City Council might consider a joint commission which would effectively govern both entities.

4. Proactive creation of a Downtown Peculiar 353 District which would have the identical boundaries of the Arts & Cultural Overlay District. This district would continue to promote investment by existing property owners as well as outside investors which might not currently be focused on the City.

   The impact of this initiative could be capped at a certain amount for each year, which would provide limited exposure to taxing jurisdictions. A trial period could also be implemented to test the effectiveness of this program.

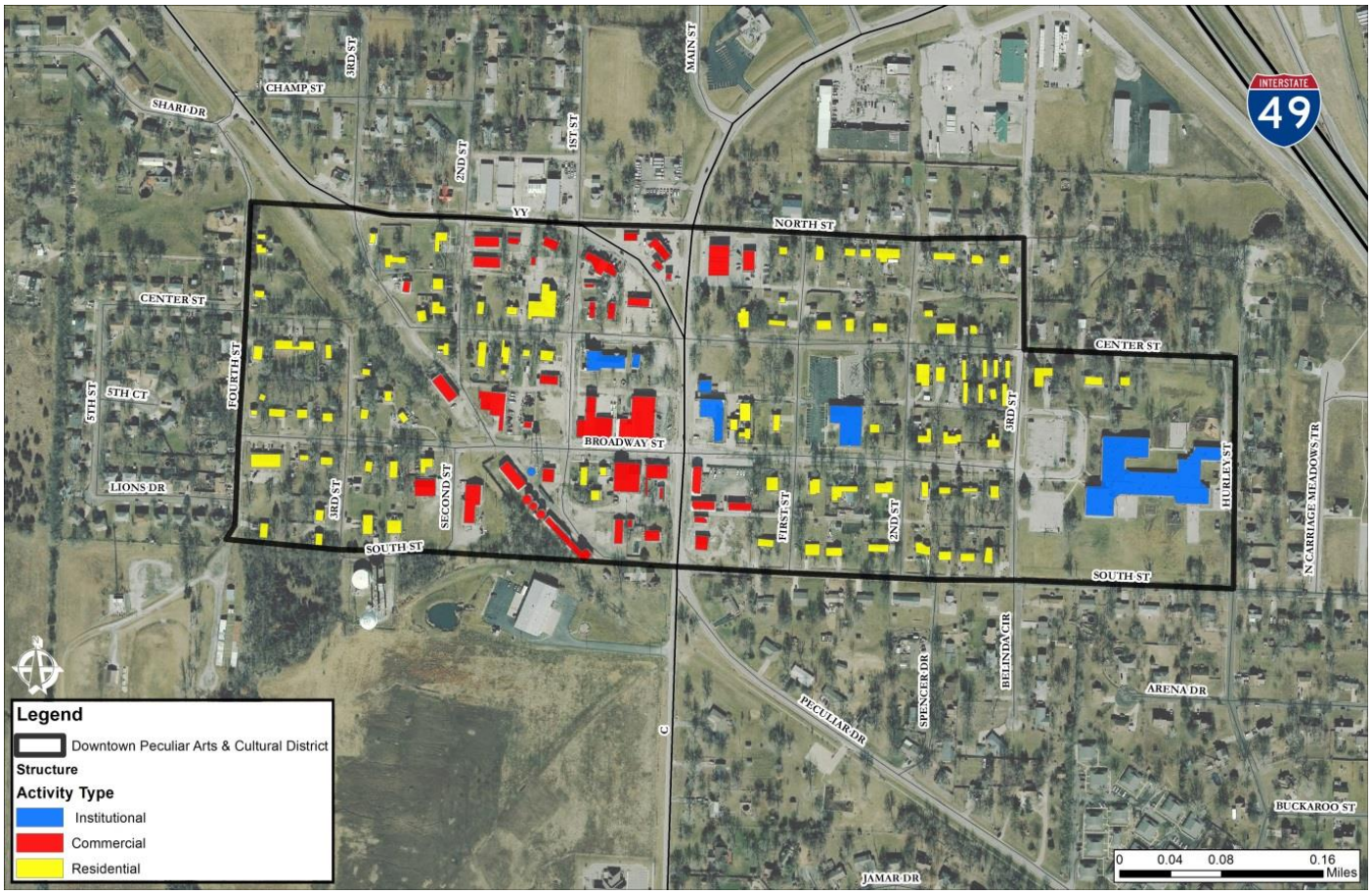


Figure 13- Proposed Downtown 353 District

The district could mirror the Downtown PAC District, where by a 353 district would provide match funding to promote redevelopment of residential and commercial properties. The amount of the annual benefit could be capped to individual properties at a certain amount.

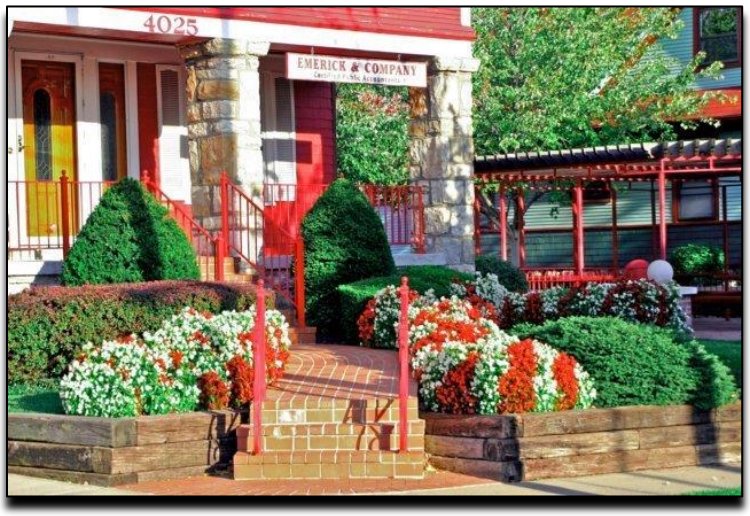
353 Renovation/ Conversion Example

Residential home converted and renovated into professional office. It is estimated that the renovation budget, exterior and interior costs will be $50,000. Converting a property into commercial use also adjusts the assessment rate. While the 353 program can provide a 50 percent abatement on years 11-25, this assumes only a ten-year incentive.

Example-Before

Bungalow House,
Use Residential
Improvement value $61,000
Land value $17,250
Assessment Rate: 19%
Assessed Value $14,867
Levy Rate: $7.6709/$100

Actual Property Taxes: $1,140



Example-After

Renovate Professional Office- Insurance
Existing Improvement value $61,000
New improvements $50,000
Land value $17,250
Assessment Rate: 32%
Assessed Value $41,040
Levy Rate: $7.6709/$100

Taxes without 353: $3,148
Taxes with incentive: $423
10 year savings $27,250

5. Following establishment of the Downtown 353 District, we see the eventual need for a Downtown Special Benefit District. This proactive benefit district would be voted on by existing property owners within the boundary and would effectively self-tax property within the area. Spin-off activities could be trash pick-up, safety patrols, holistic downtown marketing, etc.

6. <u>211th Street Interchange Recommendations</u>

   Specific recommendations regarding the 211th Street Corridor are included under a separate report, however we have the following general recommendations to take to further facilitate investment and development along the 211th Street Corridor.

   a. Creation of proactive incentive areas to promote investment along the 211th Street Corridor.
      - 211th Street Corridor TIF Area. Formulation of a proactive TIF District which will become the City's first TIF Area.
      - 211th Street TDD Overlay. Formulation of a proactive TDD overlay District along the 211th Street Corridor to facilitate investment, marketing, infrastructure improvements, etc.
      - 211th Street Rezoning. As part of the Comprehensive Plan Update, review and modification of zoning classifications within the 211th Street Corridor will be needed to correspond to land-use provisions.

Recommendation Matrix

Table 8 below gives a quick overview of the recommendations in this report, with explanation of necessary action items, and responsible parties and overall timeline for completion of the recommendations.

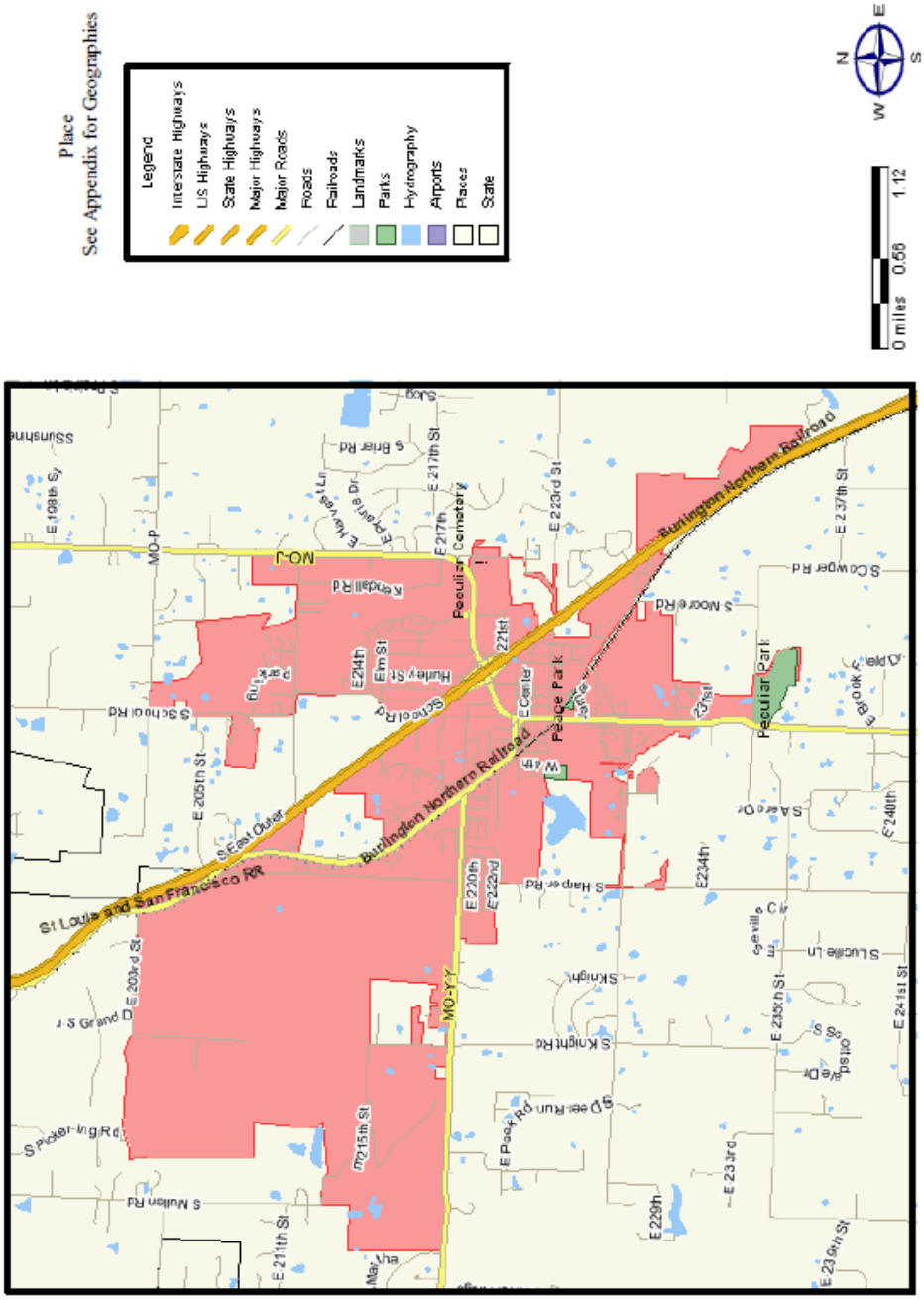
Table 8 - Recommendation Matrix

Recommendation	Action Item	Party	Timing
Tie incentive tools to specific objectives of Comprehensive Plan	Strategically align incentive policy goals to comprehensive plan.	City Planning, Economic Development, others	Comp Plan Update. 3 months to 1 year
Downtown 353 Overlay	Proactively formulate boundaries of a new 353 District, Establish 353 Corporation.	City Planning, Economic Development, others	3-4 months
DPACD SBD/CID Overlay	Following 353 District stabilization. Formulate SBD/CID boundary, participating owners vote	City Planning, Economic Development, district property owners	2-3 years
Proactive formulation: TIFC	Proactively formulate operating procedures, enabling legislation of TIFC.	City Eco-Dev. Dept., City Council	2-3 months
Proactive formulation: IDA	Proactively formulate operating procedures, enabling legislation of IDA.	City Eco-Dev. Dept., City Council	2-3 months
211th Street TIF	Proactive TIF District formulation	City Eco-Dev. Dept., City Council	Would follow formulation of the TIFC. 4-6 months
211th Street TDD	Proactive TDD formulation	City Planning, Economic Development, others	4-6 months
211th Street – Rezoning	Reclassify zoning districts within the 211th Street Corridor to updated standards reflecting interchange construction and spin-off uses.	City Planning Department	Comprehensive Plan Update

DEVELOPMENT INITIATIVES

Exhibit A - Demographic Data

Area Map



Shockey Consulting Services, llc

DEVELOPMENT INITIATIVES

Household Trend 2014

Place (see appendix for geographies), Total

Description	2010 Census	2014 Estimate	%Change 2010-2014	2019 Projection	%Change 2014-2019
Universe Totals					
Population	4,608	4,669	1.32%	4,898	4.90%
Households	1,709	1,716	0.41%	1,789	4.25%
Families	1,275	1,282	0.55%	1,336	4.21%
Housing Units	1,824	1,827	0.16%	1,900	4.00%
Group Quarters Population	2	2	0.00%	2	0.00%

Description	2000 Census	%	2014 Estimate	%	2019 Projection	%
Total Household Income	1,085		1,716		1,789	
Income Less than $15,000	136	12.53%	92	5.36%	81	4.53%
Income $15,000 - $24,999	101	9.31%	203	11.83%	177	9.89%
Income $25,000 - $34,999	123	11.34%	129	7.52%	143	7.99%
Income $35,000 - $49,999	245	22.58%	256	14.92%	234	13.08%
Income $50,000 - $74,999	268	24.70%	417	24.30%	427	23.87%
Income $75,000 - $99,999	131	12.07%	294	17.13%	295	16.49%
Income $100,000 - $124,999	44	4.06%	173	10.08%	208	11.63%
Income $125,000 - $149,999	15	1.38%	88	5.13%	120	6.71%
Income $150,000 - $199,999	9	0.83%	41	2.39%	68	3.80%
Income $200,000 - $249,000	5	0.46%	9	0.52%	19	1.06%
Income $250,000 - $499,999	6	0.55%	13	0.76%	14	0.78%
Income $500,000 or more	2	0.18%	1	0.06%	3	0.17%
Average Household Income	$53,613		$68,064		$74,461	
Median Household Income	$46,173		$60,671		$65,193	
Median HH Inc. by Single Race Class						
White Alone	46,092		60,973		65,481	
Black or African American Alone	42,500		36,875		42,500	
Amer Indian and Alaska Native Alone	0		22,143		30,000	
Asian Alone	54,167		82,500		57,500	
Native Hawaiian and Other Pacific Islan	0		62,500		62,500	
Some Other Race Alone	20,000		62,500		71,875	
Two or More Races	53,750		65,385		70,313	
Hispanic or Latino	22,500		72,500		84,167	
Not Hispanic or Latino	46,204		60,076		64,553	

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Household Trend 2014

Place (see appendix for geographies), Total

Description	2010 Census	%	2014 Estimate	%	2019 Projection	%
Households by Household Type and Size						
Nonfamily Households	434		434		453	
1-person household	357	82.26%	353	81.34%	367	81.02%
2-person household	65	14.98%	68	15.67%	73	16.11%
3-person household	10	2.30%	11	2.53%	11	2.43%
4-person household	1	0.23%	1	0.23%	1	0.22%
5-person household	1	0.23%	1	0.23%	1	0.22%
6-person household	0	0.00%	0	0.00%	0	0.00%
7 or more person household	0	0.00%	0	0.00%	0	0.00%
Family Households	1,275		1,282		1,336	
2-person household	495	38.82%	490	38.22%	503	37.65%
3-person household	315	24.71%	318	24.80%	333	24.93%
4-person household	268	21.02%	268	20.90%	279	20.88%
5-person household	131	10.27%	135	10.53%	142	10.63%
6-person household	48	3.76%	51	3.98%	56	4.19%
7 or more person household	18	1.41%	20	1.56%	23	1.72%

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Exhibit B: Certification

I certify that, to the best of my knowledge and belief…

1. Development Initiatives and none if its employees have no present or prospective interest in any property that is the subject of this report, and we have no personal interest with respect to the parties involved.

2. Development Initiatives and none of its employees has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

3. Our compensation for the preparation of this study is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

4. Development Initiatives agrees to answer any questions regarding this analysis from City staff and commissioners.

5. Development Initiatives has personally inspected the market area of this analysis.

Chris Sally, CCIM	Jim Potter, AICP	Adam Jones
Development Initiatives	Development Initiatives	Development Initiatives

Exhibit C: Assumptions

This analysis is subject to the following limited conditions and assumptions:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are Development Initiatives' unbiased professional analyses, opinions, and conclusions.

2. Information provided and utilized by various secondary sources is assumed to be accurate. Development Initiatives cannot guarantee information obtained from secondary sources.

3. In the formulation of this analysis, the consultant has relied extensively upon data which was provided by the client. Such information may have included; legal description, building plans, title policy and/or survey. All information supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.

4. All exhibits incorporated within this report are strictly for the purposes of assisting the reader in visualizing the property. The Consultant has made no property survey and assumes no liability concerning such matters. Additionally, it is assumed that there is no property encroachment or trespass unless noted within the report.

5. The Consultant assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the remediation of such defects existing as of the date of this report, or which may develop in the future.

6. This analysis report is made as of a certain date. Due to the principles of change and the anticipation of value, the value estimate is only valid as of the date of the report or valuation. The nature of real estate development is an unpredictable and often tumultuous. In particular, the natural course of residential development is difficult to predict and forecast. Development Initiatives deems our projections as reasonable considering the current and obtained information.

7. Development Initiatives has considered and analyzed the economic conditions in the primary and secondary market areas, and we have considered these conditions while making our projections. However, it should be understood that fluctuations in local, regional and/or national economies could have substantial effects on our projections.

8. The possession of this analysis report shall adhere to all applicable copyright statutes which are in effect as of the date of issuance.

9. The Consultant is not required to give testimony or attendance in legal or other proceedings relative to the data and analysis derived within this document without the specific written notification of the Client.

10. The opinions contained within this analysis report are those of the Consultant and no responsibility is accepted by the Consultant for the results of actions taken by others based upon the information contained within said report.

11. Our analyses, opinions and conclusions were prepared in conformance with the requirements and guidelines of the Code of Professional Ethics and Standards of the American Institute of Certified Planners.

12. Acceptance of and/or use of this analysis report constitutes acceptance of all assumptions listed within the document and the previously mentioned conditions.

Exhibit D: Qualifications

Development Initiatives provides economic development and market analyses to both public and private sector clients. Since its inception in 1999, DI has had a cumulative impact on nearly $6.2 billion in client related development projects. Development Initiatives is a collaboration of professionals whose experience and education in real estate, community planning and economic development provides a holistic approach to the preparation of our market studies. Biographies of partners are included on the following pages.

Shockey Consulting Services, LLC, provides award-winning management, planning and public participation consulting services to federal, regional, state, and local governments and other public agencies. The firm was founded in 1998 and is headquartered in Lenexa, Kansas with an office in the St. Louis, Missouri region. A group of dedicated and talented professionals with diverse backgrounds make up the Shockey team. We have former government managers, strategic planners, environmental scientists, urban planners and communications specialists. We enjoy working with people who are dedicated to making their communities a better place. We specialize in facilitating difficult conversations involving diverse stakeholder perspectives and planning quality places.

Shockey's public policy and management consulting experience are in the areas of: housing, transportation, infrastructure and economic development. We excel at taking highly technical and complex policy information and making it easily understandable for all stakeholder groups. We have extensive experience engaging those typically underrepresented in public policy decision-making. We use cutting edge technologies mixed with good old fashion face-to-face engagement to reach a wide variety of audiences resulting in better, well-thought out decisions.

Shockey is a certified small business, disadvantaged business and women-owned business.

DEVELOPMENT INITIATIVES

Partner Profile

James C. Potter, AICP, LEED GA

Education
MASTER OF ARCHITECTURE, UNIVERSITY OF KANSAS

B.G.S. ENVIRONMENTAL STUDIES, UNIVERSITY OF KANSAS

B.S. GEOGRAPHY, UNIVERSITY OF KANSAS

Certifications
American Institute of Certified Planners (AICP)
American Planning Association

USGBC
LEED Green Associate

Kansas Licensed Real Estate Salesperson

Missouri Licensed Real Estate Salesperson

Professional Affiliations
MEMBER, AMERICAN PLANNING ASSOCIATION (APA)

PRESIDENT ELECT, KC METRO SECTION, APA

BOARD MEMBER, RIVER MARKET CID

BOARD MEMBER, SUSTAINABLE ADVISORY BOARD, LEAWOOD, KS

Member, USGBC

Jim is the founding partner at Development Initiatives and is responsible for instilling the firm's vision of excellence in the staff. His background has run the spectrum of urban redevelopment to community planning projects. From environmental due diligence activities to managing multi-million dollar bond projects, Jim has experience in a myriad of development functions.

Jim has degrees in Environmental Science and Geography, as well as a Master of Architecture, all from the University of Kansas. His past employment with the Kansas City Economic Development Corporation has educated Jim in the intricacies of 60 to 80 different City, State, and Federal tax incentives programs.

Since the establishment of Development Initiatives in 1999, Jim has coordinated numerous urban renewal and tax increment financing projects for countless communities across the Midwest. Jim uses his experience and relationships with local and state development officials to maximize the effectiveness of the projects he manages and the incentives sought on behalf of our clients.

Jim has yet another layer of expertise that he adds to DI's repertoire, real estate development. Potter has partnered in such notable residential projects as 4646 Broadway on the Plaza, City Homes in the River Market and the 5 Delaware Condominiums all in Kansas City.

Jim resides in Leawood, Kansas with his wife Amy and their 5 year old son, Hayden.

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DEVELOPMENT INITIATIVES

Partner Profile

Chris Sally, CCIM

Education
B. A., Real Estate, University of Arizona

Certifications
Certified Commercial Investment Member (CCIM)

Missouri Real Estate Broker

Kansas Real Estate Broker

Professional Affiliations
Certified Commercial Investment Member (CCIM), Member

Missouri Growth Association (MGA), Member

Urban Land Institute (ULI), Member

Honors
Ingram's Magazine '40 under 40'

Graduate of the Centurions Leadership Program

Chris has been a partner at Development Initiatives since 2003. Chris is the firm's financial analyst. From development pro forma analysis to fiscal and economic impact analysis for taxing jurisdictions, his quantitative approach to real estate development is unparalleled.

Chris has seen all aspects of real estate development. First as the former Downtown Development Director for the Economic Development Corporation of Kansas City, he worked on over 2 billion dollars in projects to help revitalize downtown Kansas City.

Chris is also a real estate developer, specializing in boutique urban products. With his partners, Chris has developed 15 million dollars of successful new and historically renovated buildings, including 5 Delaware Condominiums, the Gallo Office Building and First and Main Lofts. Design and sustainability are cornerstones for each of his projects. In 2006 *Dwell* magazine featured 5 Delaware on the cover and highlighted his home in the annual 'Modern Across America' issue.

In the role of assisting clients pursuing development projects, he is most proud of the many times he has identified risk and advised clients not to pursue projects. His father, also a real estate developer, always said, "I made more money on projects I passed on than on projects I developed." Chris represents Development Initiatives in its role as a consultant to the Kansas City Missouri School District and has represented the taxing jurisdiction to ensure that the development process is fair and equitable.

Chris lives in Fairway, Kansas with his wife Julie and their twins, Katharine and Gibson.

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DEVELOPMENT INITIATIVES

Partner Profile

Education
B.A. Urban Planning and Urban Design, University of Missouri-Kansas City

Professional Affiliations
Member, American Planning Association (APA)

Member, Urban Land Institute (ULI)

Member, American Public Works Association (APWA)

Adam W. Jones

Adam joined Development Initiatives in 2012 and is the newest and youngest member of the DI team. His knowledge of quantitative analysis, urban planning processes, land use, and geographic information systems is unparalleled and unrivaled.

Adam is a candidate to receive a degree in Urban Planning and Urban Design from the University of Missouri-Kansas City in 2013. He is currently a member of the American Planning Association, Urban Land Institute, and the American Public Works Association. His past employment as a Regional Functionality Manager with Best Buy Co. has sent him across the US, managing complicated construction projects and store remodels.

Throughout his professional and academic career, Adam has been involved in a wide variety of public and private urban planning projects as well as community driven initiatives. He has also been recognized multiple times for excellence in the fields of research and design while at the University of Missouri-Kansas City. Adam has twice served as a finals judge in the Regional Future City Competition for grade school students.

Adam currently resides in the suburbs of South Kansas City. In his spare time he enjoys playing golf, reading, and traveling.

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ajones@di-kc.com

DEVELOPMENT INITIATIVES

Client Listing

Private Sector

180 Degrees Design Studio
Kansas City, Missouri

4646 Broadway, LLC
Kansas City, Missouri

American Century Investments
Kansas City, MO

ARO Real Estate Company
Prairie Village, Kansas

Associated Wholesale Grocers
Kansas City, Kansas

Bridge Construction Management
Kansas City, Missouri

Bridgeworks Homes
Kansas City, Missouri

Blue Hills Community Corp.
Kansas City, Missouri

Botwin & Company
Kansas City, Missouri

Builders Development Corporation
Kansas City, Missouri

Cabela's
Sidney, Nebraska

Cameron Group
East Syracuse, New York

Caymus Real Estate, LLC
Kansas City, Missouri

Classical Developments
Kansas City, Missouri

Clockwork Architects
Kansas City, Missouri

Cogent Companies/Lee Mathews
Kansas City, Missouri

Cohen-Esrey Housing Prtnrs
Kansas City, Missouri

Compass Environmental
Chicago, Illinois

Consolidated Development Partners
Kansas City, Missouri

Cougar Capital
Parkville, Missouri

Centro Properties
Chicago, Illinois

CPR Partners
Columbia, South Carolina

Craft Fridkin & Rhyne
Kansas City, Missouri

Davis Preservation
Topeka, Kansas

DELofts
Kansas City, Missouri

DST Realty
Kansas City, Missouri

Design Build Services
Kansas City, Missouri

DesignWorkShop
Denver, Colorado

Duenke Family Trust
Osage Beach, Missouri

East Lawrence Preservation Ptrnrs
Lawrence, Kansas

EBY Group/EBCO
Olathe, Kansas

Ehinger Trust
Kansas City, Missouri

El Dorado Architects
Kansas City, Missouri

FB Westhaven
Kansas City, Missouri

Family Enterprises
Osage Beach, Missouri

First + Main, LLC
Kansas City, Missouri

First Tier Realtors
Columbia, Missouri

Fishman & Company
Olathe, Kansas

Froehlic Pycior Co.
Lee's Summit, Missouri

Gailoyd Enterprises Corp.
Carmel, New York

Gale Communities
Lee's Summit, Missouri

Gilmore & Bell, P.C.
Kansas City, Missouri

Glaze Commercial Real Estate
Kansas City, Missouri

Greater Missouri Builders
St. Charles, Missouri

Green Development
Lee's Summit, Missouri

Gould Evans
Kansas City, Missouri

Grubb & Ellis/
The Winbury Group
Kansas City, Missouri

GTE Properties
St. Louis, Missouri

Havens Construction
Lee's Summit, Missouri

HOK Design+Build
Kansas City, Missouri

Housing Development Group
Kansas City, Missouri

Husch Blackwell
Kansas City, Missouri

IAAO
Kansas City, Missouri

Iceberg Development
Bettendorf, Iowa

Insight Real Estate
North Richland Hills, Texas

JCS Development
St. Joseph, Missouri

KAW Valley Assisted Development
Kansas City, Kansas

King Hershey
Kansas City, Missouri

Landmark Investment Group
Leawood, KS

DEVELOPMENT INITIATIVES

Client Listing

Lathrop & Gage
Kansas City, Missouri

Lenge Family Trust
Kansas City, Missouri

Lioness Realty Group
Kansas City, Missouri

Llangollen Properties, LLC
Kansas City, Missouri

MAC Healthcare
Kansas City, Missouri

Manifesto
Kansas City, Missouri

Manhattan Condominium Assoc.
Kansas City, Missouri

Marabella Condominium Assoc.
Overland Park, Kansas

Market View Properties, LLC
Kansas City, Missouri

Maxus Properties
North Kansas City, Missouri

McCown Gordon Construction
Kansas City, Missouri

MC Properties, LLC
Independence, Missouri

MCZ Corporation
Chicago, Illinois

Midland Atlantic Properties
Indianapolis, Indiana

Mitchell Development Services
Osage Beach, Missouri

MJS Investments
Lenexa, Kansas

National Development Company
Hannibal, MO

Net Giver
Kansas City, Missouri

NHS of Richland County,
Wisconsin

Northland Neighborhoods
Kansas City, Missouri

Pemberton KCK
Kansas City, Kansas

Pershing Station Partners
Kansas City, Missouri

Phoenix Real Estate Services
Lake St. Louis, MO

Pioneer Sunflower Development
Kansas City, Missouri
Topeka, Kansas

Polsinelli Shughart
Kansas City, Missouri

Prewitt Enterprises
Lake Ozark, Missouri

Price Brothers Development
Kansas City, Missouri

Pycior + Company
Lee's Summit, Missouri

Quadra Development
Harrisonville, Missouri

Raul Walters Companies
Columbia, Missouri

Realty Trust Group
Lee's Summit, Missouri

RED Development
Kansas City, Missouri

S&G Realty Management
St. Joseph, Missouri

Shugart Thomson & Kilroy
Kansas City, Missouri

Silverlion Development
Kansas City, Missouri

Sizewise
Kansas City, Missouri

Slaggie Architects
Kansas City, Missouri

SLP, LLC
Hannibal, MO

Soda Lofts
Kansas City, Missouri

Spectrum Real Estate
Kansas City, Missouri

Spencer Fane Brit & Browne
Kansas City, Missouri

Steiner+Associates
Columbus, Ohio

Stinson Morrison & Hecker
Kansas City, Missouri

Stonerose Development
Lee's Summit, Missouri

Sunlight Saunas
Lenexa, Kansas

Sunset Ridge
Basehor, Kansas

Tall Grass Residences, LLC
Kansas City, MO

Taurus of Texas
North Richland Hills, Texas

The Cordish Company
Baltimore, Maryland

The Neighborhood Group
Kansas City, Missouri

The Nicholson Group
Kansas City, Missouri

The Weitz Company
Des Moines, Iowa

Threshold Development
Kansas City, Missouri

Time Equities
New York, New York

Topsail Development
Lee's Summit, Missouri

Two Doors Down
Kansas City, Missouri

Frye & Company
Kansas City, Missouri

Urban Coeur Development
Kansas City, Missouri

Walton Construction Company
Kansas City, Missouri

Ward Development
Grain Valley, Missouri

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DEVELOPMENT INITIATIVES

Client Listing

Wells Fargo Home Mortgage
Kansas City, Missouri

West Plaza Properties
Kansas City, Missouri

Westfield Corporation
St. Louis, Missouri

White Goss Bowers March Schulte & Weisenfels
Kansas City, Missouri

Zimmer Management Company
Kansas City, Missouri

Zona Rosa Development
Kansas City, Missouri

Public Sector & Non-Profit

Armourdale Renewal Association
Kansas City, Kansas

Bagnell Dam Strip Association
Lake Ozark, Missouri

Blue Hills Community Corp
Kansas City, Missouri

Bridges of Hope
Kansas City, Kansas

City of Blue Springs, Missouri

City of Burlingame, Kansas

City of Clayton, Missouri

City of Grandview, Missouri

City of Herington, Kansas

City of Horton, Kansas

City of Independence, Missouri

City of Kansas City, Missouri

City of Lee's Summit, Missouri

City of Lenexa, Kansas

City of Liberty, Missouri

City of Peabody, Kansas

City of Sugar Creek, Missouri

Downtown Council
Kansas City, Missouri

Downtown CID
Kansas City, Missouri

EDC of Kansas City, Missouri
Kansas City, Missouri

EDC of Lee's Summit, Missouri

Graduate Program of Urban Planning
University of Kansas

Kansas City Missouri School District
Kansas City, Missouri

Kansas City Reparatory Theater
Kansas City, Missouri

Land Clearance for Redevelopment Authority (LCRA)
Kansas City, Missouri

Land Clearance for Redevelopment Authority (LCRA)
Lee's Summit, Missouri

Neighborhood Reinvestment Corp
Kansas City, Missouri

Neighborhoods, Inc.
Lincoln, Nebraska

NHS of Richland County, Wisconsin

Northland Neighborhoods, Inc
Kansas City, Missouri

Parking Authority of Kansas City
Kansas City, Missouri

Planned Industrial Expansion Authority (PIEA)
Kansas City, Missouri

River Market Area Fund
Kansas City, Missouri

River Market Community Development Foundation
Kansas City, Missouri

River Market CID
Kansas City, Missouri

Scarritt Renaissance Neighborhood Association
Kansas City, Missouri

Sparrow Comm. Devel. Corp.
Kansas City, Missouri

Swope Community Builders
Kansas City, Missouri

Tax Increment Financing (TIF) Commission of
Kansas City, Missouri

Western Baptist Bible College
Kansas City, Missouri

The Whole Person
Kansas City, Missouri

Shockey Consulting Services - KEY PERSONNEL

Sheila Shockey is the founder and president of Shockey Consulting Services, LLC. Sheila has worked as a staff member and a consultant for governments since 1989. Sheila brings the perspective of having worked in a government agency, a deep understanding of the community planning issues and the ability to translate highly technical and financial information effectively to all stakeholders. Sheila holds a master's degree in Public Administration and Finance from the University of Missouri - Kansas City.

Shelby Ferguson is an urban planner with an education in housing. She has contributed to area communities since 2008 including the redevelopment of Troost Corridor, Independence Avenue, 22nd & Vine area and an urban Kansas City park. She participated in the Historic Resources Survey and Preservation Plan for Green Impact Zones and is a past award winner at the Kansas City Design Week. Shelby brings the knowledge of urban planning and design to help communities create their visions. She has worked in both fields to understand the appreciation of design while also having the ability to evaluate and execute solutions within projects. She holds a B.A. in Urban Planning and Design from the University of Missouri, Kansas City and a B.S. in Housing and Interior Design from Missouri State University. She is currently working with Development Initiatives on the City of Peculiar, Missouri Market & Economic Analysis projects.

Erin Ollig, AICP, is an urban planner who has been project manager for several community and strategic plans. She was project manager for the Columbus Community Vision Plan in Columbus, Kansas as well as the Vision Wamego community visioning plan in Wamego, Kansas. She provided public outreach and research assistance for the Greenwood, Missouri comprehensive plan and was project manager for the Blue Springs, Missouri Parks and Recreation Strategic Plan. She joined Shockey in 2005 after working for city and county government. Erin has a Bachelor's in Sociology from St. Cloud State University, and a Master's in Urban Planning from the University of Kansas. Currently, she is treasurer of the American Planning Association – Kansas Chapter.

Exhibit E: Images

Downtown Market Analysis & 211th Street Corridor Analysis: Peculiar, Missouri

August 28, 2014

FINAL DRAFT

Market Analysis and 211th Street Corridor Analysis

Peculiar, Missouri

Prepared For:

City Of Peculiar, Missouri
250 South Main Street
Peculiar, Mo 64078

Prepared By:

Shockey Consulting Services, LLC
13000 W. 87th Street Parkway
Lenexa, KS 66215

and

Development Initiatives, LLC
140 Walnut Street, Suite 203
Missouri City, Missouri 64105

Prepared:

August 28, 2014

FINAL DRAFT

Limiting Conditions

The reported analyses, opinions, and conclusions contained herein are limited only by the reported assumptions and limiting conditions, and are Development Initiatives' unbiased professional analyses, opinions, and conclusions.

Information provided and utilized by various secondary sources is assumed to be accurate. Development Initiatives cannot guarantee information obtained from secondary sources. Such information and the results of its application within this analysis are subject to change without notice.

The nature of real estate development is an unpredictable and often tumultuous. The natural course of residential development is difficult to predict and forecast. Development Initiatives deems our projections as reasonable considering the existing market and various obtained information. It should be understood that fluctuations in local, regional and/or national economies could have substantial effects on the particular findings and recommendations contained within this document.

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This document was prepared for the intended use of the City of Peculiar, MO for its redevelopment of certain real estate properties referenced within the report.

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DEVELOPMENT INITIATIVES

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DEVELOPMENT INITIATIVES

August 28, 2014

Gary Mallory
Economic Development Director
City of Peculiar Missouri
250 Main Street
Peculiar, MO 64078

Subject: Market Analysis and 211th Street Corridor Analysis, Peculiar, Missouri

Dear Mr. Mallory:

It is our pleasure to present this Market Analysis to the City of Peculiar. Development Initiatives was retained, with Shockey Consulting Services, by the City of Peculiar to conduct a market analysis of the downtown Peculiar Market as well the area surrounding the 211th Street corridor project. Staff liaisons for this report are Mr. Adam Jones with Development Initiatives and Ms. Shelby Ferguson with Shockey Consulting Services. Because of overlapping data between the two analysis areas, we have combined the two reports into this document.

This analysis provides an understanding of the existing market, population demographic trends, and employment data. We used this data to analyze the residential, industrial and retail markets to evaluate development patterns which can be used to supplement the upcoming revision to the Comprehensive Plan for the City. Additionally, this document should help guide future development in and around the new 211th Street Corridor improvements. If development does occur, we estimate the following potential impact for the City of Peculiar:

Projected new development (Residential, Retail and Industrial)	
Square footage of new development	**1,527,936**
Construction Costs and Investment	**$168,221,750**
Jobs Created	**2,738**
Annual Sales	**$61,320,000**

To summarize this analysis, data shows limited demand for housing within the city. Actions must be taken to boost the residential market and create positive growth trends. The goal that many municipalities strive to achieve is a diverse range of housing options. Generally this is achieved by assisting the market to create higher design standards that create walkable, vibrant neighborhoods that will attract “residents by choice”, rather than “residents by necessity”.

The diversity of choices needs to include apartment lifestyle residential projects as well as quality workforce housing and senior housing options. The data that we analyzed showed incredible growth for Cass County from 2000 to 2012, and limited projected growth for Peculiar thru 2019 with only 73 residential units projected. This limited growth would not absorb 1/6 of the existing available residential lots currently available within the City. We have outlined steps that can ensure that the City grows proportionally with Cass County and is not leapfrogged.

Projections from census data can be very slow to show changes in the residential marketplace. An example of this is Downtown Kansas City's explosion of residential development over the past ten years; however census projections still do not keep up with major city initiatives that are transforming the market. This could be occurring in the Peculiar residential market.

It is much easier to project retail needs of a marketplace. From existing data we can estimate the new retail that is needed to fill existing and projected demand. Expansion of the retail marketplace is either creating a product that does not currently exist and filling that void or it is providing consumers an option within a preferred more convenient or desired location. This is also called the substitution effect.

Additionally, due to the Analysis Area's location, we anticipate that the market could respond favorably to the addition of 365,000 square feet of future retail development within the City. This future retail would be oriented towards servicing the existing residents and travelers/visitors through the Interstate 49 (I-49) corridor.

Industrial development is slightly more difficult to quantify and further research is needed in order to project estimates concerning any future industrial development within the City. While previous studies indicate the availability of land could sustain over one million square feet of light and heavy industrial product, too many variables exist to quantify future growth. There are many steps that municipalities can undertake that will make their communities viable for new jobs and investment. These steps are outline in this report.

These recommendations are discussed in greater detail in the report that follows, but any changes should be carefully considered as part of the overall Comprehensive Plan Update. Please feel free to contact us if you have any questions or comments.

Sincerely,

Chris Sally, CCIM	Jim Potter, AICP	Adam Jones
Development Initiatives	Development Initiatives	Development Initiatives

Section 1: Introduction

Objective

Development Initiatives (DI) and Shockey Consulting Services (Shockey) was retained by the City of Peculiar (the "City") to conduct a market analysis of the downtown Peculiar Market as well the area surrounding the 211th Street Corridor project. The analysis is based upon census data and projections, since the two areas are have similar geographic boundaries, we have combined the two reports into this document, but made specific recommendations for both areas. As part of our assignment, our firms also completed an Economic Incentive Analysis for the City, in that report we made recommendations for both the downtown and 211th Street Corridor, we did not include those repetitive recommendations in this report. Therefore, these reports are not stand alone and must be taken in context with one another.

This purpose of this report is to analyze primary and secondary markets and derive market conclusions for the residential, retail and industrial projections of future growth.

As part of this analysis, Development Initiatives has researched the market area. Additionally, Development Initiatives analyzed current housing/retail conditions and trends in the City and surrounding areas; reviewed and analyzed demographic trends relating to the overall market area; studied competition; researched proposed projects; and analyzed current market rates for residential and commercial property.

Methodology

The analysis includes various data research, stakeholder interviews and internal research. Data was also gathered from the City of Peculiar and Cass County, Missouri, Mid-America Regional Council (MARC), ESRI Business Solutions, neilsen/claritas data services, the US Census, Dunn and Bradstreet, Reference USA, ULI's *Dollars and Cents of Shopping Centers*, and Heartland Multiple Listing Service. Pertinent Geographic Information Systems (GIS) data was obtained through the City of Peculiar, Cass County.

Qualifications of the Consultant

This analysis has been prepared by Development Initiatives and Shockey Consulting Services. Company information is provided in Exhibit D of this report.

Section 2: Executive Summary

The City of Peculiar, Missouri (the "City") commissioned Development Initiatives (DI) and Shockey Consulting Services to perform a downtown market analysis in order to determine general and localized residential and commercial (retail and industrial) market conditions in Peculiar, Cass County, Missouri. For the purposes of this analysis, the Primary Market Area (PMA) is defined as the City of Peculiar, MO; delineated by the current city boundary. The Secondary Market Area is defined as the Downtown Peculiar Arts and Cultural District (DPACD). This study is designed to provide the necessary guidance to assist in policy, land use, and development by the community in the reasonable future.

The City is located within the outer suburban ring of the Kansas City Missouri Metropolitan Area. Centrally located in Cass County, Missouri and positioned on the I-49 corridor, the City is located to the south of the cities of Belton and Raymore, and to the north of the City of Harrisonville. The adjacent communities to the north and south of Peculiar have experienced rapid growth over the last decade. The City's growth was no different and increased by an estimated 63 percent from 2000 to 2012. By 2019, Peculiar's population is expected to slow and grow by a total of 8 percent (1.15 percent annually) to a total of 5,138 citizens.

The City's economic strengths originate from the passion of its residents, many of which have lived in the city for 40+ years. The location of the City's downtown area has created the need for a strong marketing and communications program in order to attract potential visitors off of I-49. Vacant commercial buildings and infill sites throughout the City offer opportunities for potential growth. Alternative transportation networks such as walking and bicycle trails should be examined as potential ways to drive local community pedestrian/biking circulation through the Downtown Area.

Conclusions/Findings

With all its strengths, the City is positioned to leverage its competitive advantages in the coming decades. However, this will require the City to make strategic investments to create long term master plans that are supported by market needs. The analysis area, centrally located within the City Limits, is primarily connected to the surrounding region via the adjacent highway system. The analysis area's proximity to numerous community amenities provides a competitive advantage over other regional locations. Future plans for greenways and walking trails will reinforce intra-city connections.

Probable Residential Development

Demographic analysis shows that the City's median household income is higher than state and national averages. The total number of households earning more than $50,000 annually is expected to increase by 2019. As the City's population ages, shifts in demographics will impact livability patterns such as preferred housing types, transportation options, and the interaction of residents within the community. Trends in residential data indicate demand for a mixture of market rate infill housing options and maintenance free communities for the elderly. Future housing production will need to address these demographic changes.

Overall data shows limited housing growth within the city. Actions must be taken to boost the residential market and create positive growth trends. The goal that many municipalities strive to achieve is a diverse range of housing options. This is achieved by assisting the market to create higher design standards that establish walkable, vibrant neighborhoods that will attract "residents by choice", rather than "residents by necessity".

The diversity of choices needs to include apartment lifestyle residential projects as well as quality workforce housing and senior housing options. The analysis results showed incredible growth for Cass County but limited growth by the year 2019 for the City. The limited growth would not come close to absorb even a small portion of the residential lots currently available. Steps have been outlined in this report that can ensure that the City grows proportionally with Cass County and is not leapfrogged by new population.

Projections from census data can be very slow to show changes in the residential marketplace. An example of this is in Downtown Kansas City's explosion growth of residential development over the past ten years. Census projections still do not keep up with major city initiatives or transforming markets. This could be occurring in the Peculiar residential market

Probable Retail Development

It is our initial opinion that promoting neighborhood scaled development within the downtown area would act as a catalyst by creating a destination designed to capture increased sales and tax revenue from visitors. Walkable mixed-use neighborhoods create unique, dense, and amenity-rich environments by incorporating a mix of residential and commercial development.

It is also our opinion that due to the downtown area's location, a strong marketing campaign and way finding signage initiative would need to accompany any development endeavors. Development of this type would be strategic and have the ability to become an epicenter for city residents to live, work, and play while actively drawing consumers off of I-49.

Analysis tools included generating demand models; which indicate support within the market. Additionally, maps showing the effect of retail development near the 211th Street Corridor and the effects upon the marketplace are provided. The analysis has determined consumer demand can be cannibalized from surround markets by creating higher quality shopping experience or retailers that are unique to the market area.

Data also shows an immediate demand for a mixture of neighborhood oriented retail businesses. The City's strong household median income is expected to support a range of retail and commercial services. Although retail gaps are not commonly associated with neighborhood retail currently exist (motor vehicle parts, florists, etc.), future retail products should be site specific and embrace the needs of the immediate community (coffee shops, laundry mats, small restaurants, etc.). Expansion and growth of the existing residential market will create demand for certain types of retail amenities that current data shows little-to-no demand.

To sustain viable retail development we recommend that quality of development be noticeably better than competing locations in surrounding markets of Belton and Harrisonville. The ability to create a place that consumers enjoy visiting is paramount to changing consumer patterns. "Place making" is primarily a design feature which is easy to achieve with creative and thoughtful planning, which includes accessibility, parking and architecture.

Probable Industrial Development

Industrial development is more difficult to quantify and in our opinion further research is needed in order to adequately estimate future industrial development within the City. While previous analysis[1] indicates the availability of land would sustain over one million square feet of light to heavy industrial product, too many variables exist to adequately quantify future growth. There are many steps that municipalities can undertake to position their communities for new jobs and investment. These steps are outlined in this report.

[1] Access Justification Report, GBA June18, 2013.

Forecasted Benefits

While there are many positive market trends, residential growth is projected to remain stagnant. However, there are steps that can be taken to benefit from the growth of the region. These steps should be identified in the City's Comprehensive Planned, and implantation strategies should be adopted by the City.

Table 1 identifies how investment in the following project development categories (residential, retail, and industrial) can benefit jobs and sales within the City.

Table 1. - Estimated New Development Impact

Projected new development (Residential, Retail and Industrial)				
	Market Opportunity (sq. ft. or units)	Investment Created	Jobs Created	Annual Sales
Residential	73 homes 162,936[2] sqft	$11,132,500[3]	219[4]	n/a
Retail	365,000 sqft	$51,539,250[5]	799[6]	$61,320,000[7]
Industrial	Not forecasted, 1,000,000 sqft example	$105,550,000[8]	1,720[9]	n/a
TOTALS	**1,527,936**	**$168,221,750**	**2,738**	**$61,320,000**

[2] Source: Reece and Nichols, Average size of new home Cass County.
[3] Source: Average cost of Building Permit- Single Family House, Peculiar, Missouri.
4 Source: National Association of Home Builders estimates 3 jobs are created for each new single-family home built.
5 Source: Reed Construction Costs, 2013 $241 restaurant, $131.5 supermarket, movie theater $166, Department Store $113.25.
6 Source: Econsult Corporation (2007).
[7] Source: ULI Dollars and Cents (2008) Supper Community and Community Center, avg sales $168, small town, rural.
[8] Source: Reed Construction Costs, 2013 industrial construction $105.55 psf.
[9] Source: Econsult Corporation (2007). 1.72/1,000 square feet.

Section 3: Area Information

Area Description

The City of Peculiar is generally known as a bedroom community within the Kansas City Metropolitan Statistical Area (MSA). These types of residential communities are indicative of residents who live and play within the community, but work outside of it because of greater employment opportunities.

Definition of Market Area

The City Limits of Peculiar was utilized to define the Primary Market Area (PMA) for this analysis. The City is adjacent to the cities of Belton, Raymore, and Harrisonville along the I-49 corridor. The PMA is generally bounded by 203rd Street on the north, S. Mertha on the west, 23rd Road on the south, and Route J on the east. This boundary encompasses two thousand four hundred fifty three (2,453) parcels within the PMA.

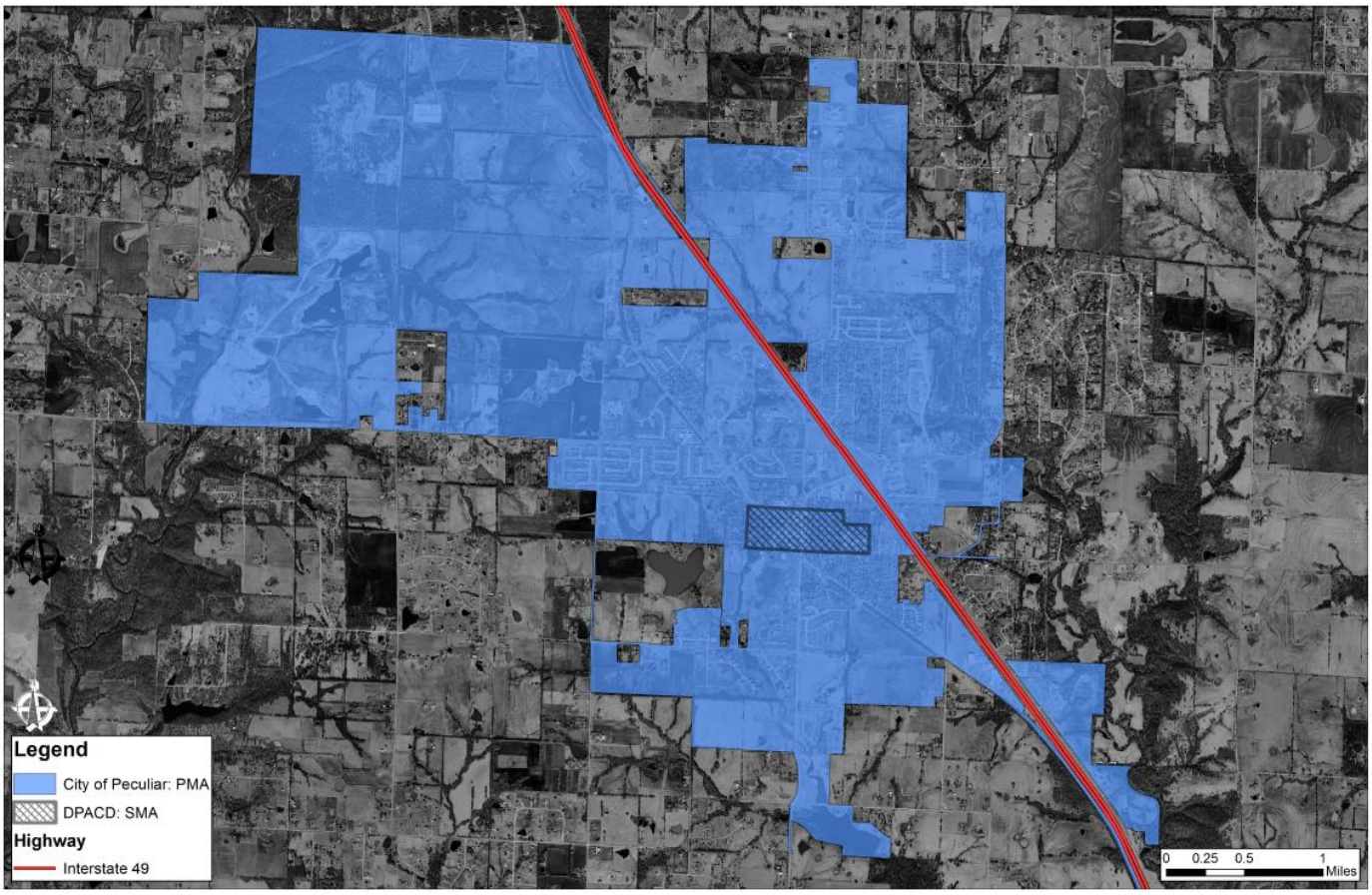


Figure 1. - Primary Market Area

The Secondary Market Area (SMA) is centrally located within the City. Surrounding land-use types are characterized as residential, commercial, municipal, and institutional. The SMA contains numerous undeveloped parcels and infill opportunities (see appendix for map) that are currently zoned for residential, commercial and municipal uses. Upon visual inspection, no negative factors were observed within the area. It has been determined that the area would be convenient for new and infill development due to its connection to the local transportation network.

The SMA is generally bounded by North Street & YY Highway on the north, Fourth Street on the west, South Street on the south, and Hurley Street on the east. This boundary includes one hundred forty three (143) parcels.

Figure 2. - Secondary Market Area

Zoning

The city's zoning code is the regulatory tool utilized to secure coordinated development within the corporate limits of the City. Every property parcel has a zoning designation. A parcel's zoning designation defines the types of land uses or development that is allowed within that designation or district. Within each district, standards such as building setbacks, minimum lot area requirements, parking standards, and sign provisions are specified.

Current zoning for the City is divided among numerous differing classifications. These include the following:

- AG, Agriculture District
- R-E, Residential Estates District
- R-1, Single Family Dwelling District
- R-2, Two-family Dwelling District
- R-3, Multiple-Family Dwelling District
- R-4, Multiple Family and Congregate Housing District
- O-C, Office Commercial District
- C-1, General Business District
- C-2, Central Business District
- C-P, Planned Business District
- I-1, Light Industrial District
- I-2, Heavy Industrial District
- H, Historic Overlay District
- A-C, Arts and Culture Overlay District

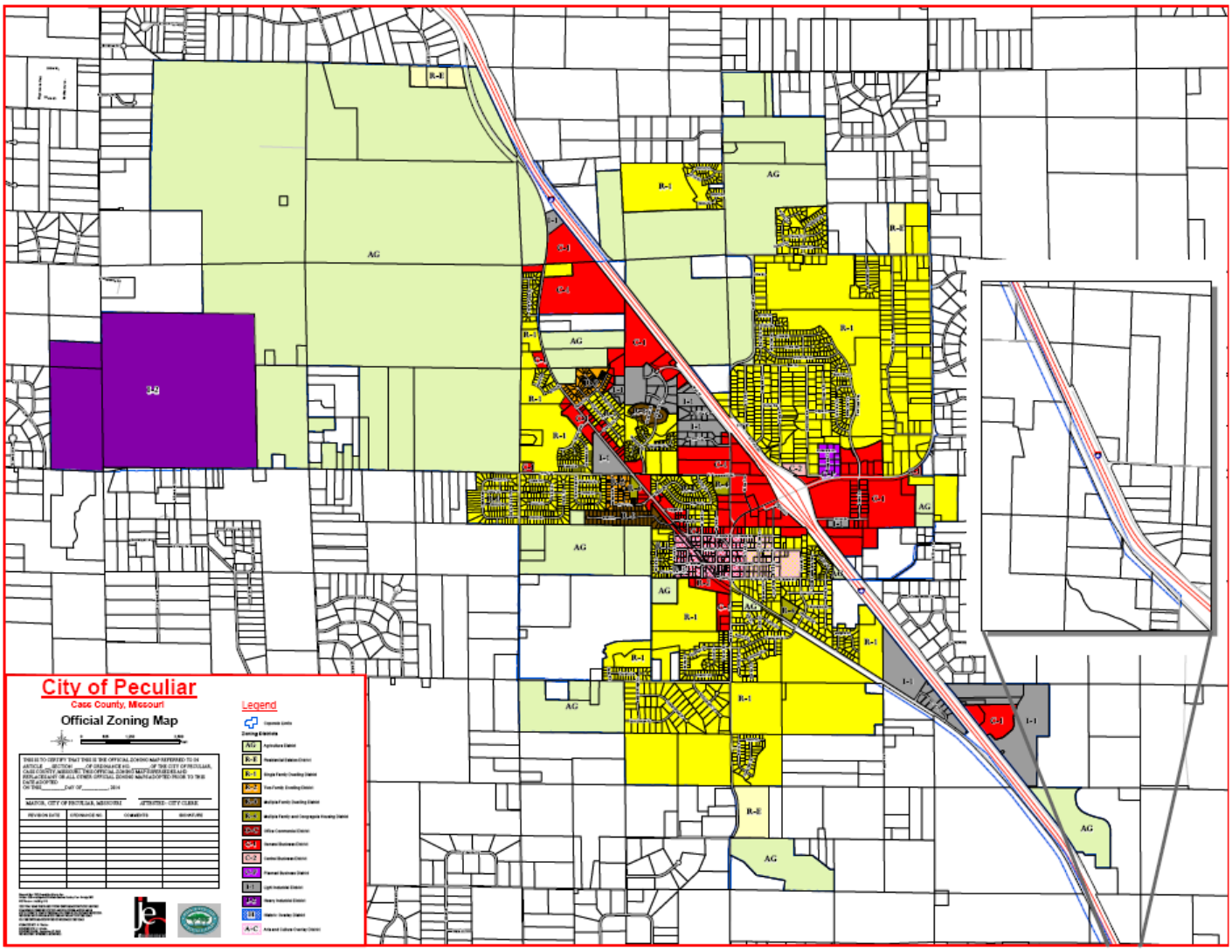


Figure 3. - Zoning Map of Peculiar (2014)

Land Use

The PMA has six (6) designations for land use; agricultural dwelling, agricultural land, commercial, exempt, other, and residential. Residential land uses are uniform and connected throughout the area. Commercial land uses are located along C-Highway, downtown, and adjacent to the City's I-49 highway access ramps.

The opportunity for future development is possible, given that a considerable part of the City is undeveloped. The City has a total of 5,408 acres of which over 40 percent is currently vacant or has some type of agricultural use. The undeveloped acreage comprises 852 parcels.

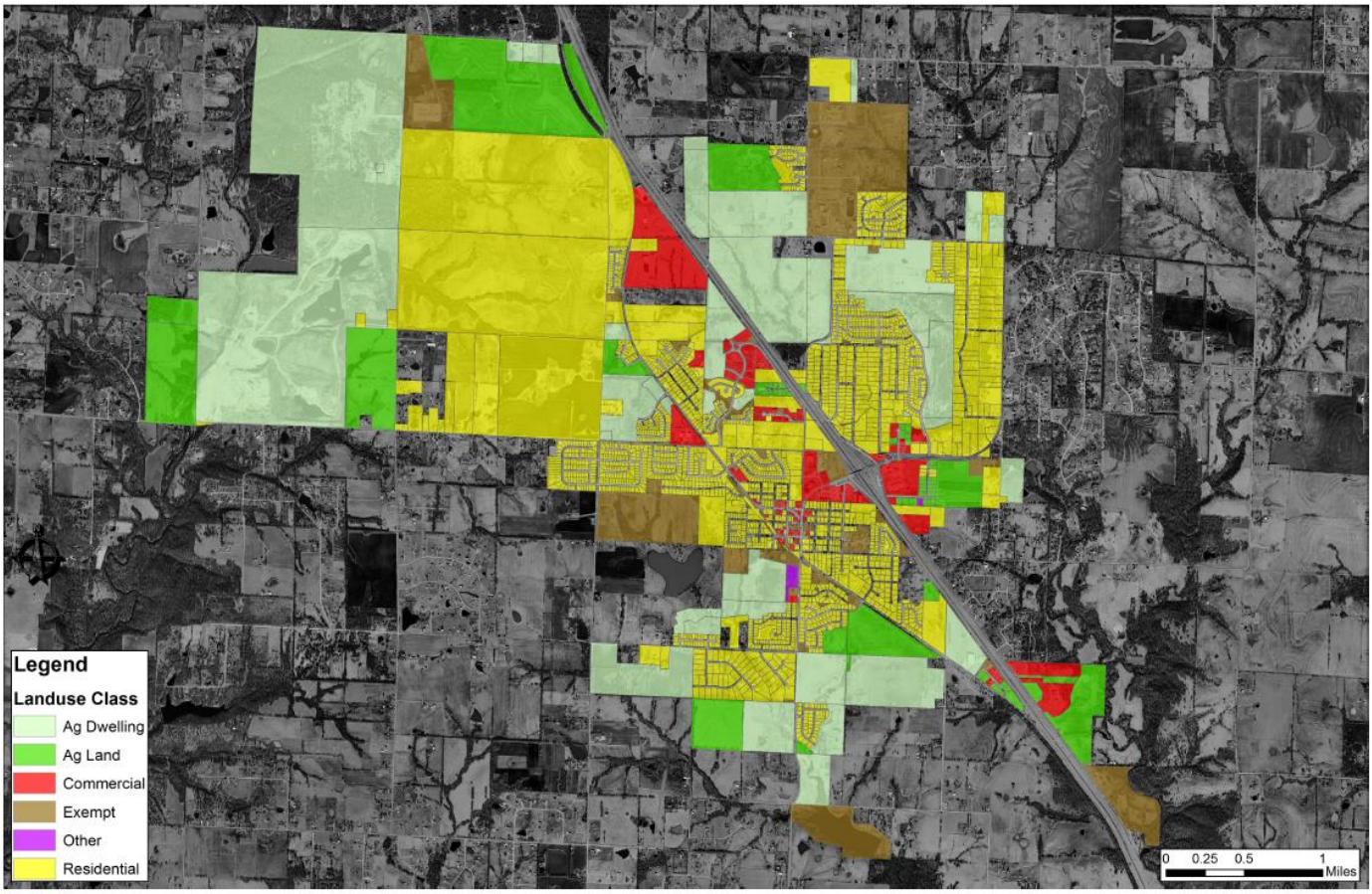


Figure 4. - Peculiar Land Use Map

Our analysis identified several locations between the zoning map and land use map which do not correspond with each other. As part of the up-coming update of the Comprehensive Plan,
It is recommended a review of both the zoning and land use classifications to make sure they correspond with each other.

Access

Regional access from the City to the Kansas City MSA is via Interstate Highway 49 (I-49) which bisects the City. Local access to the SMA is via the C-Highway/J-Highway exit from I-49.

Interstate 49

The City bisects I-49, which allows for commuting and commerce between the City and the Metropolitan region. I-49 is also a high priority corridor that connects Kansas City and New Orleans. Future extension to the north will create an uninterrupted 1,700 mile interstate from Winnipeg, Canada to New Orleans, Louisiana. The port system in New Orleans is focused on trade to Central and South America where trade and traffic are expected to triple in the next decade with expansion of the Panama Canal. It will also connect with nine existing east-west interstates providing ease in movement of goods, commerce and traffic.

With the proximity to the Centerpoint Intermodal Center-KC (the former Richards Gebaur Air Base) and located along I-49, the City's location should provide an excellent opportunity to attract businesses and industries that require added transportation infrastructure. An increase of traffic along I-49 will also bring more travelers through the City which can lead to increased tourism revenue.

Figure 5 is a map of I-49 improvements over the past five years. More work is underway to finish connections, but the potential for growth from these improvements could have a dramatic change to the marketplace.

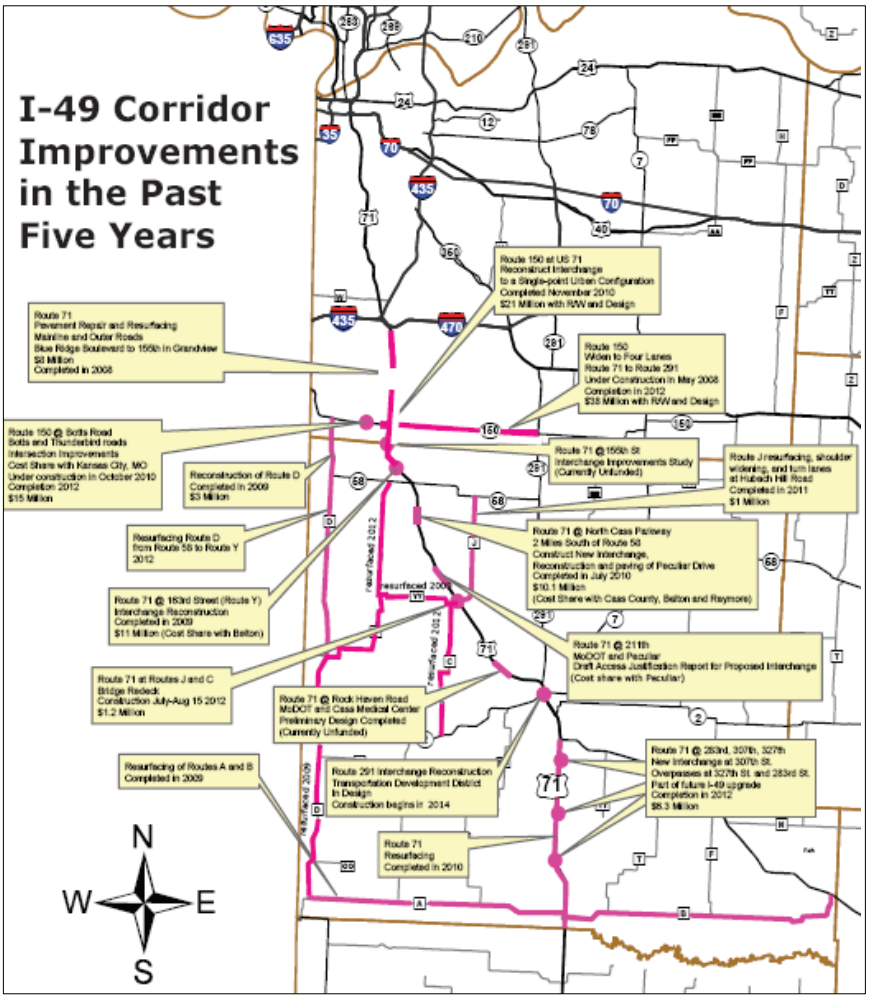


Figure 5. - Interstate 49 Corridor Improvements

Traffic Counts

Twenty-four hour traffic counts for the intersections within the PMA and SMA were obtained from ESRI Business Analyst. All data ranges from 2008 – 2011, and represents the most current data available. Traffic volumes indicated a strong circulation pattern throughout the PMA. The area currently has a combined traffic flow of approximately 75,499 car trips per day. Higher vehicular counts exist in the central portion of the PMA and SMA with lower counts at the outer portions of the PMA. This indicates that through-traffic is tapering off as you move farther away from the SMA. Data analysis shows that the downtown area of the City received a higher volume of vehicular traffic which should provide an excellent opportunity for future commercial development in the downtown area.

Table 2. - Traffic County (PMA & SMA)

Distance:	Street:	Closest Cross-street:	Year of count:	Count:
0.26	Peculiar Dr	Shari Dr (0.05 miles NW)	2011	4,344
0.4	219th St	Birch St (0.06 miles E)	2010	4,762
0.44	SE Outer Rd	Hurley St (0.04 miles NW)	2011	2,259
0.45	SE Outer Rd	221st St (0.06 miles NW)	2011	887
0.52	US Hwy 71	State Hwy J (0.38 miles NW)	2011	31,694
0.74	E 227 St	Shadow Ridge Dr (0.13 miles W)	2008	1,679
1.24	State Hwy J	Prairie (0.06 miles N)	2011	3,468
1.34	Harper Rd	E 227 St (0.21 miles N)	2011	448
1.35	Moore Rd	E 233rd St (0.31 miles S)	2002	204
1.43	Harper Rd	E 227 St (0.34 miles N)	2008	830
1.52	E 233rd St	Moore Rd (0.24 miles E)	2002	218
1.6	227th St	Knight Ter (0.12 miles W)	2008	1,064
1.77	E 223rd St	Hidden Valley Rd (0.37 miles W)	2008	633
1.81	S School Rd	207th Cir (0.01 miles S)	2008	2,101
2.02	Knight Rd	E 219th St (0.3 miles N)	2008	1,077
2.3	E 203rd St	S Beth Lee Dr (0.21 miles E)	2008	845
2.33	E 227 St	S Deer Run Rd (0.08 miles W)	2008	854
2.39	State Hwy C	E Brookfield Dr (0.22 miles N)	2011	2,125
2.56	S School Rd	E 205th St (0.57 miles S)	2008	3,950
3.02	Elm	Bronson Acres Rd (0.18 miles E)	2011	475
3.24	State Hwy J	E 195th St (0.19 miles N)	2009	2,503
3.25	E 235th St	E 233rd St (0.3 miles E)	2008	505
3.74	School Rd	S School Rd (0.46 miles S)	2008	3,038
3.91	State Hwy Y	E 219th St (0.21 miles NW)	2011	751
4.04	Elm	Coleman Rd (0.5 miles W)	2008	754
4.08	E 195th St	S Pickering Rd (0.41 miles W)	2008	731
4.26	E 227 St	Peculiar Gardens Ln (0.71 miles W)	2008	611
4.29	Rockhaven Rd	E Outer Rd (0.07 miles SE)	2011	288
4.31	E Hubach Hill Rd	W Hubach Hill Rd (0.03 miles W)	2008	1,829
4.34	S Mullen Rd	E 197th St (0.03 miles S)	2008	572

Data Note: The Traffic Profile displays up to 30 of the closest available traffic counts within the largest radius around your site. The years of the counts in the database range from 2011 to 1963. 69.8% of the counts were taken between 2001 and 2011 and 98.7% of the counts were taken in 1990 or later. Traffic counts are identified by the street on which they were recorded, along with the distance and direction to the closest cross-street. Distances displayed as 0.00 miles (due to rounding), are closest to the site. A traffic count is defined as the two-way Average Daily Traffic (ADT) that passes that location.

Source: Esri Business Analyst

Section 4: Population Market Analysis

Population and Demographics

Total population for the City is currently estimated to be 4,669 as of 2014. This is an increase of 1.32 percent from 2010. Data obtained from Neilsen/Claritas was utilized to forecast census data thru 2019 and shows a very modest increase of 4.90 percent in population from 2014.

There are currently an estimated 1,827 housing units in the PMA increasing an estimated 0.16 percent from the year 2010. This data only shows that a net of three housing units were created during that period. This data is mostly confirmed by building permit data, which shows only eight permits over a three-year period. Additionally, total housing units are projected to increase 4 percent by 2019.

Table 3. - City of Peculiar Demographics

	2010 Census	2014 Census	2019 Estimate	Projected 2014-2019 Increase
Total Population	4,608	4,669	4,898	229
Households	1,709	1,716	1,789	73
Housing Units	1,824	1,827	1,900	73
Average Household Size	n/a	2.72	n/a	
Owner Occupied		75.58%		
Renter Occupied		24.42%		

Source: nielsen/claritas, U.S. Census Bureau

Within the City, the total number of households has increased over 1.32 percent between 2010 and 2014. From 2014 to 2019 the annual household growth is projected to continue to increase, a total of 4.90 percent by 2019. Household Population Trends for the City are summarized on the following table.

Table 4. - Peculiar Households

Year	City of Peculiar	
	Number of Households	% Change
2010	4,608	
2014 Projection	4,669	1.32%
2019 Estimate	4,898	4.90%

Source: nielsen/claritas, Site Reports, Household Trend 2014

Within PMA, approximately 24.42 percent of the residents are renters. This figure is projected to stabilize if not increase slightly by 2019.

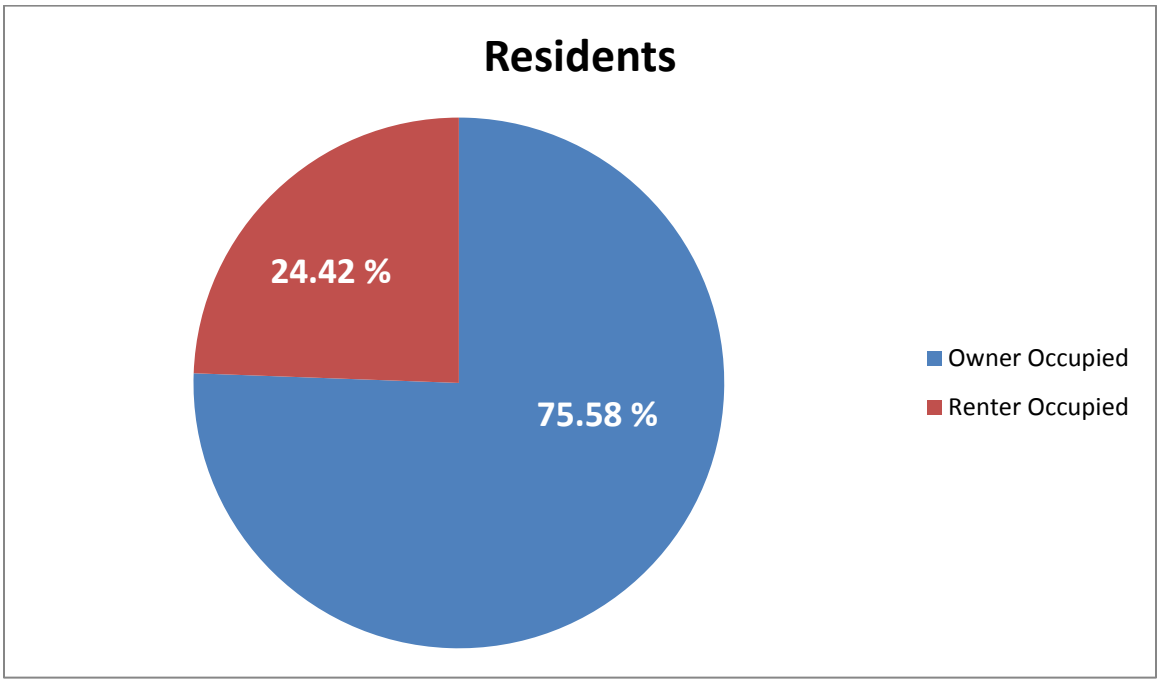


Figure 6. – Residents-2014 (Renter vs. Owner-Occupied)

Currently, the household types within the PMA and SMA are categorized as either renter occupied or owner occupied households. Within the PMA and SMA, the average size of renter occupied households is smaller than that of an average owner occupied household. Data also shows that the percent of renter occupied households within the PMA and SMA is lower than U.S. averages, but slightly higher than the average for the State of Missouri. Data from the 2012 American Community Survey estimates the average percentage of renter and owner occupied households within the U.S. is 24 percent and 76 percent, respectfully. So the City is right in line with national averages for renter and owner-occupied housing.

Total median household income within the City is estimated to increase from 2014 to 2019 from $60,671 to $65,193, a 6.9 percent increase.

Table 5. - Market Area Trends, Total Households

Household Income	2010	2014	2019 Projected
Total Households	1,709	4,669	4,898
$0 - $14,999	136	92	81
$15,000 - $24,999	101	203	177
$25,000 - $34,999	123	129	143
$35,000 - $49,999	245	256	234
$50,000 - $74,999	268	417	427
$75,000 - $99,999	131	294	295
$100,000 - $124,999	44	173	208
$125,000 - $149,999	15	88	120
$150,000 - $199,999	9	41	68
$200,000 - $249,999	5	9	19
$250,000 - $499,000	6	13	14
$500,000 +	2	1	3
Average Household Income	$53,613	$68,064	$74,461
Median Household Income	$46,173	$60,671	$65,193
Source: nielsen/claritas, U.S. Census Bureau			

Demographic data demonstrates that the City experienced a moderate increase in population and households from 2010 to 2014. This increase is expected to continue, by 2019 with an increase in households by 4.6 percent (4,898).

Local Trends in Housing - Building Permits

Like many smaller communities across the U.S., the City's residential construction market has been stagnant since 2008. Figure 7. shows the typical real estate cycles of expansion, recession, recovery, and contraction. Presently analysts estimate that the overall real estate market is in a recovery stage verging upon an expansion stage.

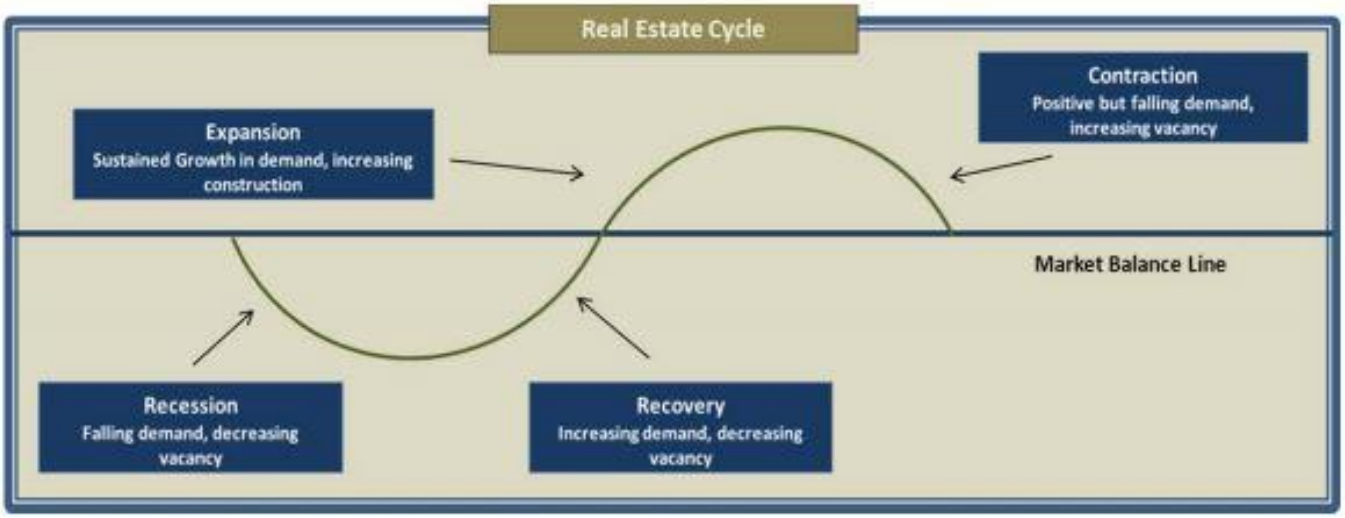


Figure 7. - Typical Cyclical Real Estate Cycle

As of 2014, the City is in the early stages of recovery. Residential construction permit data was gathered from the U.S. Census. Since 2001, the City has permitted a total of 634 single-family residences, 51 two-family residences, 15 three- and four-family residences, and 11 five or more family residences.

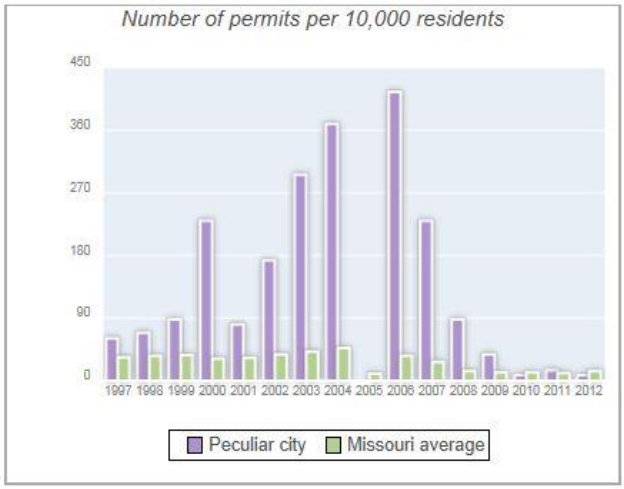


Figure 8. - Peculiar Construction Permit Cycle (courtesy US Census, City-Data).

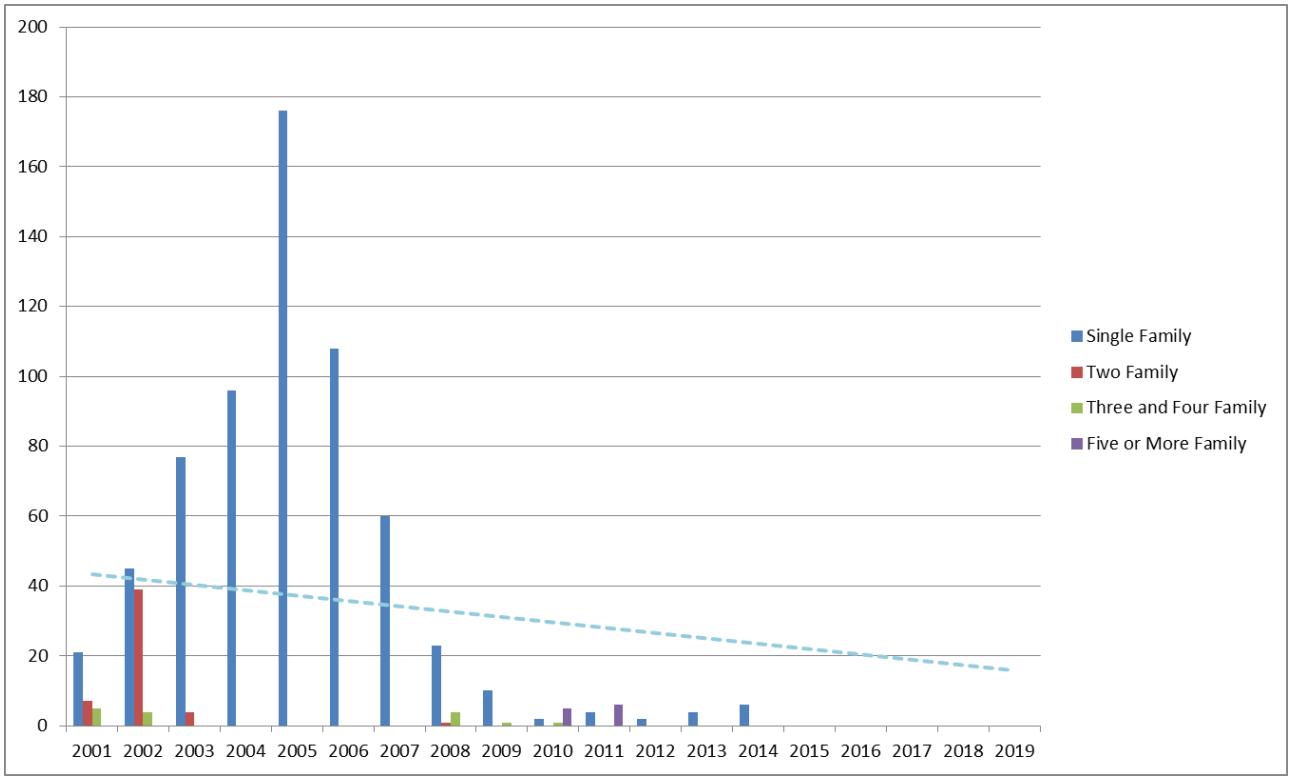


Figure 9. - Building Permit by Density

Figure 10. identifies construction permits and permit valuation since 1997 for the City. It must be noted that a construction permit does not indicate that the structure was constructed; it is believed many lots obtained construction permits prior to the market crash and did not build. This does shows the lack of activity of building permits after the 2007 real estate recession. Valuation data is aggregate in nature and did not differentiate between residential and commercial permit data.

Single-family new house construction building permits:

- 1997: 16 buildings, average cost: $78,800
- 1998: 18 buildings, average cost: $83,800
- 1999: 23 buildings, average cost: $81,900
- 2000: 60 buildings, average cost: $78,000
- 2001: 21 buildings, average cost: $108,800
- 2002: 45 buildings, average cost: $102,300
- 2003: 77 buildings, average cost: $98,600
- 2004: 96 buildings, average cost: $108,500
- 2006: 108 buildings, average cost: $132,000
- 2007: 60 buildings, average cost: $122,800
- 2008: 23 buildings, average cost: $131,200
- 2009: 10 buildings, average cost: $120,300
- 2010: 2 buildings, average cost: $90,000
- 2011: 4 buildings, average cost: $105,100
- 2012: 2 buildings, average cost: $152,500

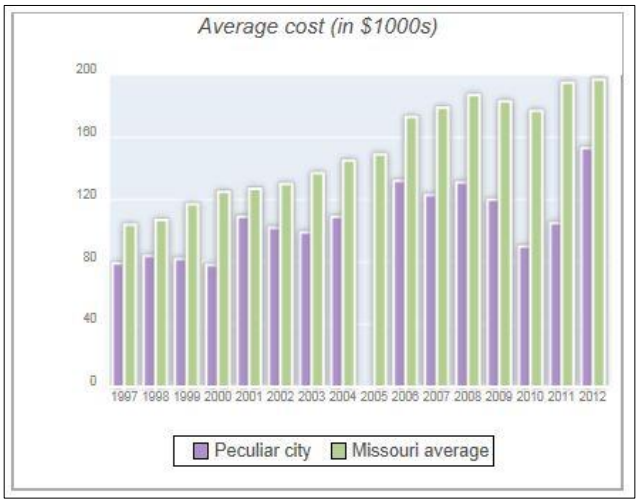


Figure 10. – 1997 to 2012 Single Family Permits & Avg. Cost (US Census, City-Data).

Future trends are hard to predict because of past market instability. Based on recent trends, construction is expected to remain relatively stable or relativity flat for the foreseeable future. Since the housing crisis of 2007, residential building permits have begun to slowly increase, but are still nominal.

Population and Housing Supply Analysis

Population Density

Population density varies throughout Cass County and the City of Peculiar. Population density is one of many critical factors used to determine the amount and type of residential and commercial development needed for a geographic area. The City has a median population density of 178 people per square mile, 78 percent lower than Belton and Raymore. However, the highest concentration of population occurs slightly north of the City's historic downtown area. This spike is due to multi-family housing located along Shari Drive & Willow Lane; and Meadow View Estates, a senior care facility located along Main Street. Multi-family development is important because adding greater amounts of residents within a smaller area justifies greater amounts of retail. It is no coincidence that Belton and Raymore's higher population density is correlated with their larger supply of retail.

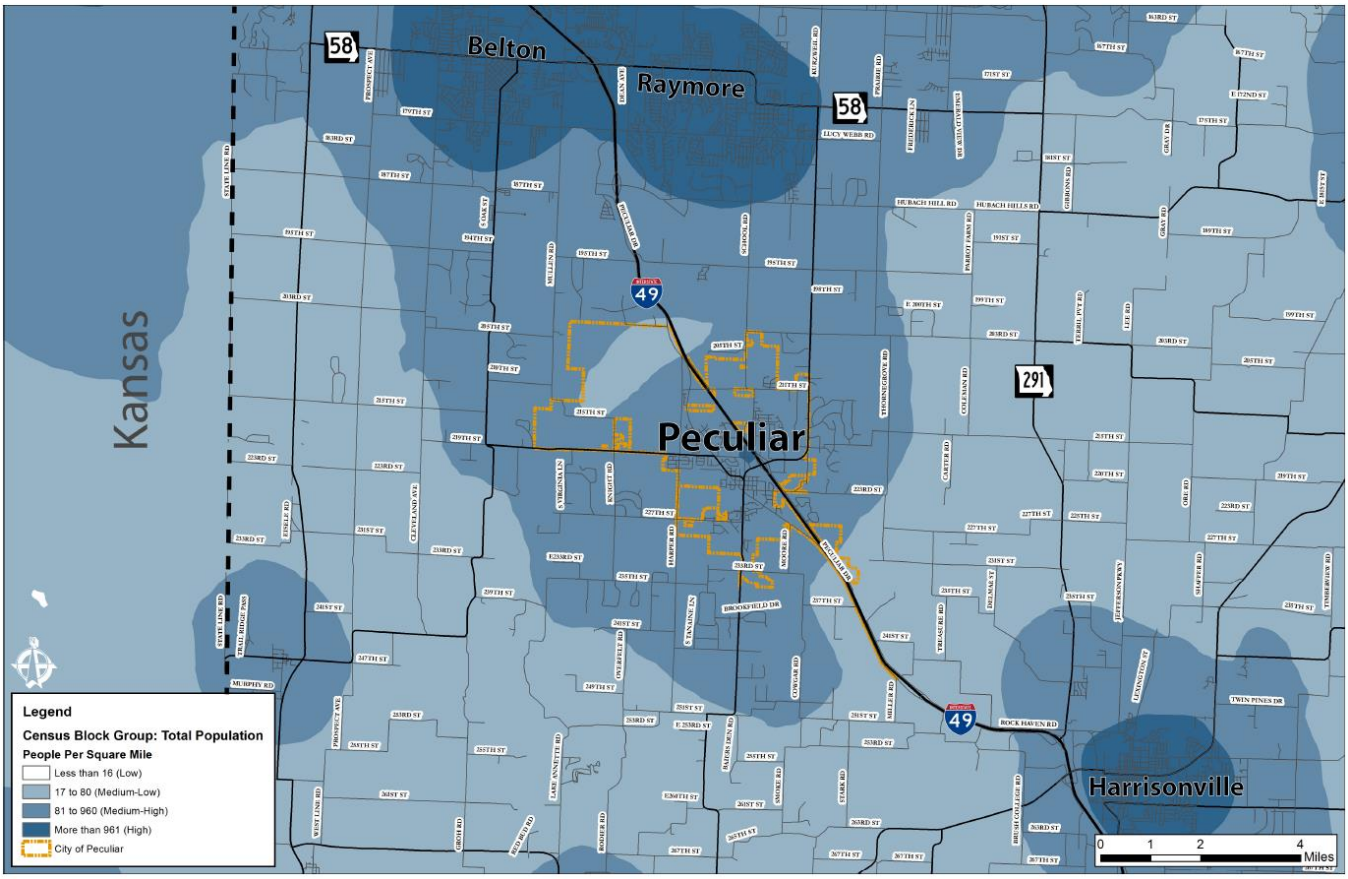


Figure 11. - Population Density Map (2014)

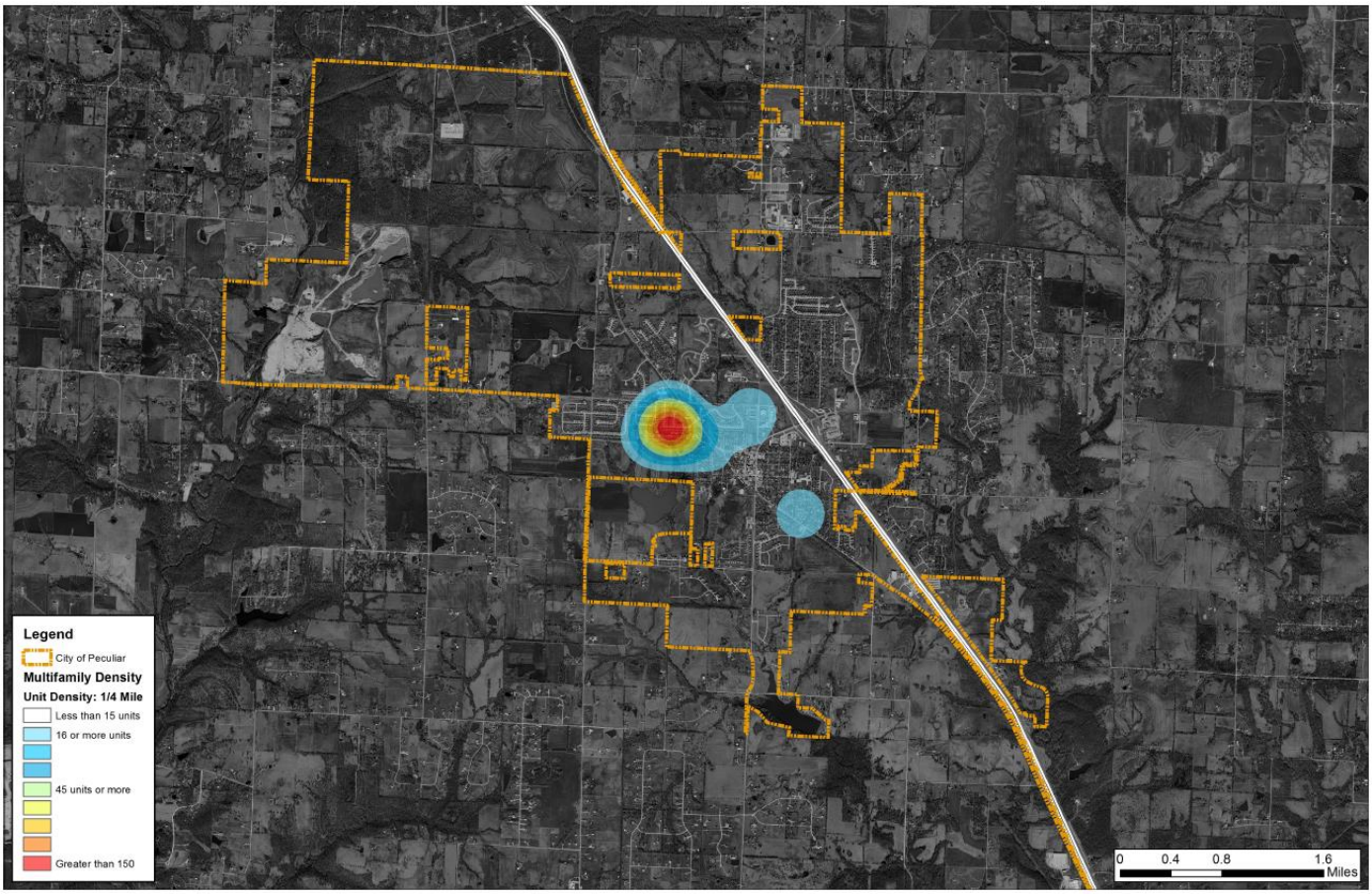
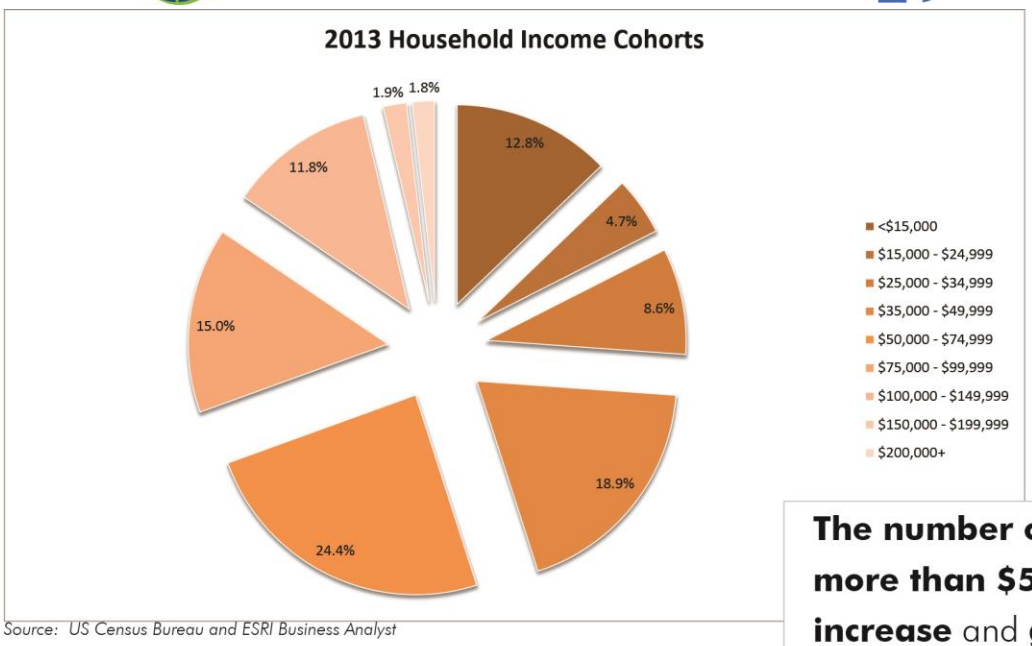


Figure 12. – Multi-family Density (2014)

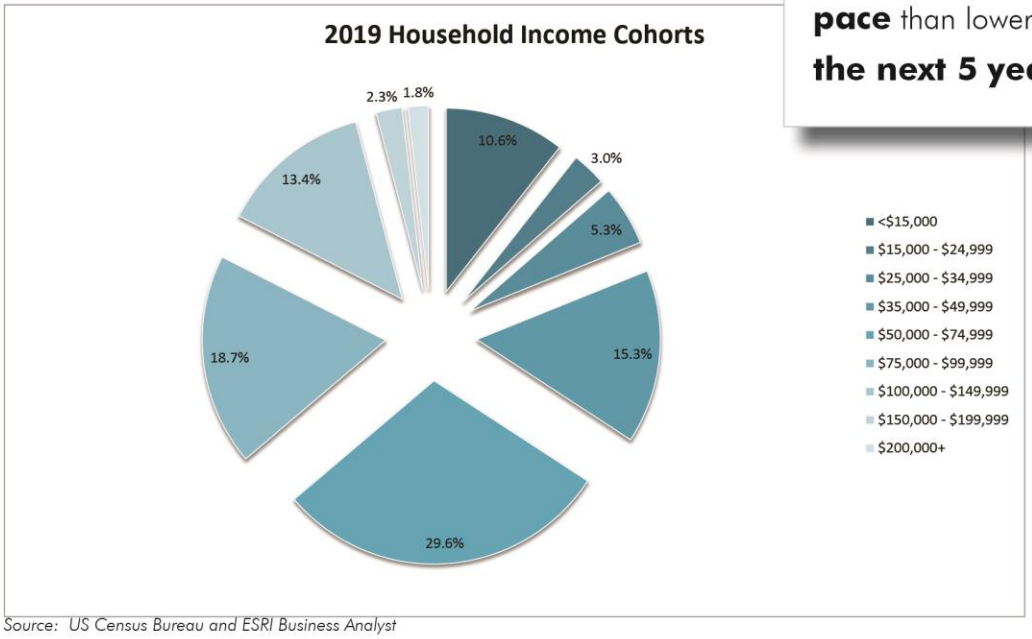
Population Income

Currently, the largest statistical household cohort is composed of 1,157 (24.4%) households who have a reported annual income between $50,000-$74,999. This income range is expected to be the largest cohort of households within the PMA through 2019.



Source: US Census Bureau and ESRI Business Analyst

The number of families making more than $50,000 annually **will increase** and **grow at a faster pace** than lower income families **over the next 5 years**.



Source: US Census Bureau and ESRI Business Analyst

Figure 13. - Household Income Cohorts (2013-2019)

However, data shows that households reporting an annual income above $100,000 will grow at a much faster pace compared to households reporting less than $100,000 annually, which are expected to grow at a slower pace. This will result in the households with higher annual incomes representing the largest percentage of households within the PMA. Families with higher incomes generally have more disposable income and buying power. The growth of higher income cohorts is a symptom of an aging population that is not being proportionately replaced by younger families

migrating into the area. Future planning efforts should attempt to address these changes in demographics and wealth by catering to younger, professional families.

Section 5: Employment Analysis

Employment and Unemployment Trends

The following analysis outlines the regional and local economy of the City and the Cass County, Missouri market area. Discussion includes information regarding employment by industry, employers, and unemployment trends.

Research into the major employers for Cass County was completed and data for Cass County was obtained. Data for the City itself was unavailable. Table 6. Indicates a listing of major employers, their industry specialty and location.

Table 6. - Major Employers (Cass County, Missouri)

THINK KC

Regional Employers

Company	Description	Industry	Employees	City	County	State
Belton Regional Medical Center (HCA)	Health services		150	Belton	Cass	MO
Belton School District	Public education	Other	531	Belton	Cass	MO
Cass Regional Medical Center	Health services		386	Harrisonville	Cass	MO
Church & Dwight Co., Inc.	Detergent mfg.	Manufacturing	300	Harrisonville	Cass	MO
City of Belton, MO	Government		185	Belton	Cass	MO
Harrisonville School District	Public education		352	Harrisonville	Cass	MO
Pleasant Hill School District	Public education		248	Pleasant Hill	Cass	MO
QuikTrip	Prepared foods mfg. & distr.	Distribution / Manufacturing	800	Belton	Cass	MO
Raymore-Peculiar School District	Public education	Other	819	Belton	Cass	MO
Sioux Chief Manufacturing Co.	Plumbing specialty products mfg. (Hdq.)	Headquarters / Manufacturing	361	Peculiar	Cass	MO
Wal-Mart Stores, Inc.	Retailer distribution center	Distribution	660	Harrisonville	Cass	MO

kansas city AREA DEVELOPMENT COUNCIL

10

[10] KCADC Regional Employers

It should be noted that in the top Cass County employers, only one (1) business is located with the City of Peculiar.

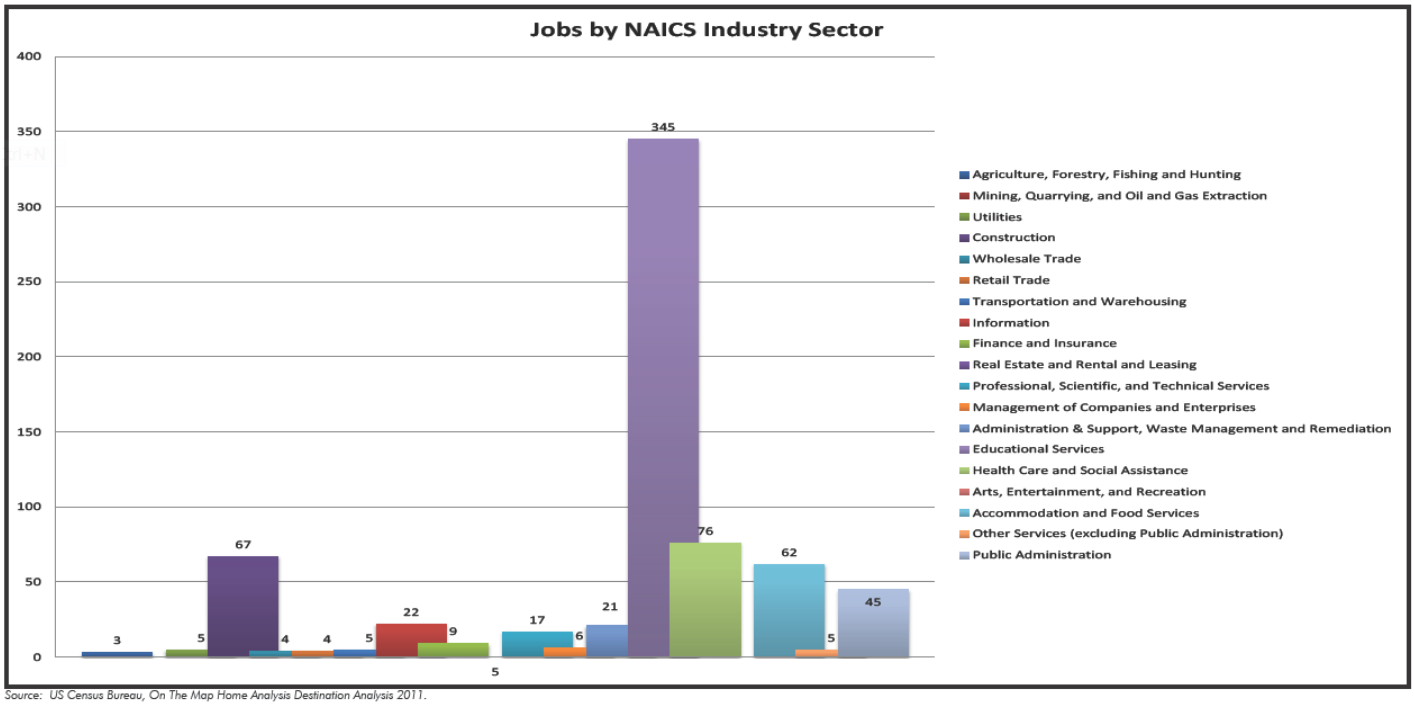
The U.S. Census keeps annual records for occupation and employment. As of 2011, the City had a work force of 1,906.

Table 7. - Jobs by NAICS Industry Sector (2011)

Jobs by NAICS Industry Sector	2011	
	Count	Share
Agriculture, Forestry, Fishing and Hunting	3	0.4%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%
Utilities	5	0.6%
Construction	67	8.1%
Manufacturing	43	5.2%
Wholesale Trade	4	0.5%
Retail Trade	97	11.7%
Transportation and Warehousing	5	0.6%
Information	22	2.6%
Finance and Insurance	9	1.1%
Real Estate and Rental and Leasing	0	0.0%
Professional, Scientific, and Technical Services	17	2.0%
Management of Companies and Enterprises	6	0.7%
Administration & Support, Waste Management and Remediation	21	2.5%
Educational Services	345	41.5%
Health Care and Social Assistance	76	9.1%
Arts, Entertainment, and Recreation	0	0.0%
Accommodation and Food Services	62	7.5%
Other Services (excluding Public Administration)	5	0.6%
Public Administration	45	5.4%

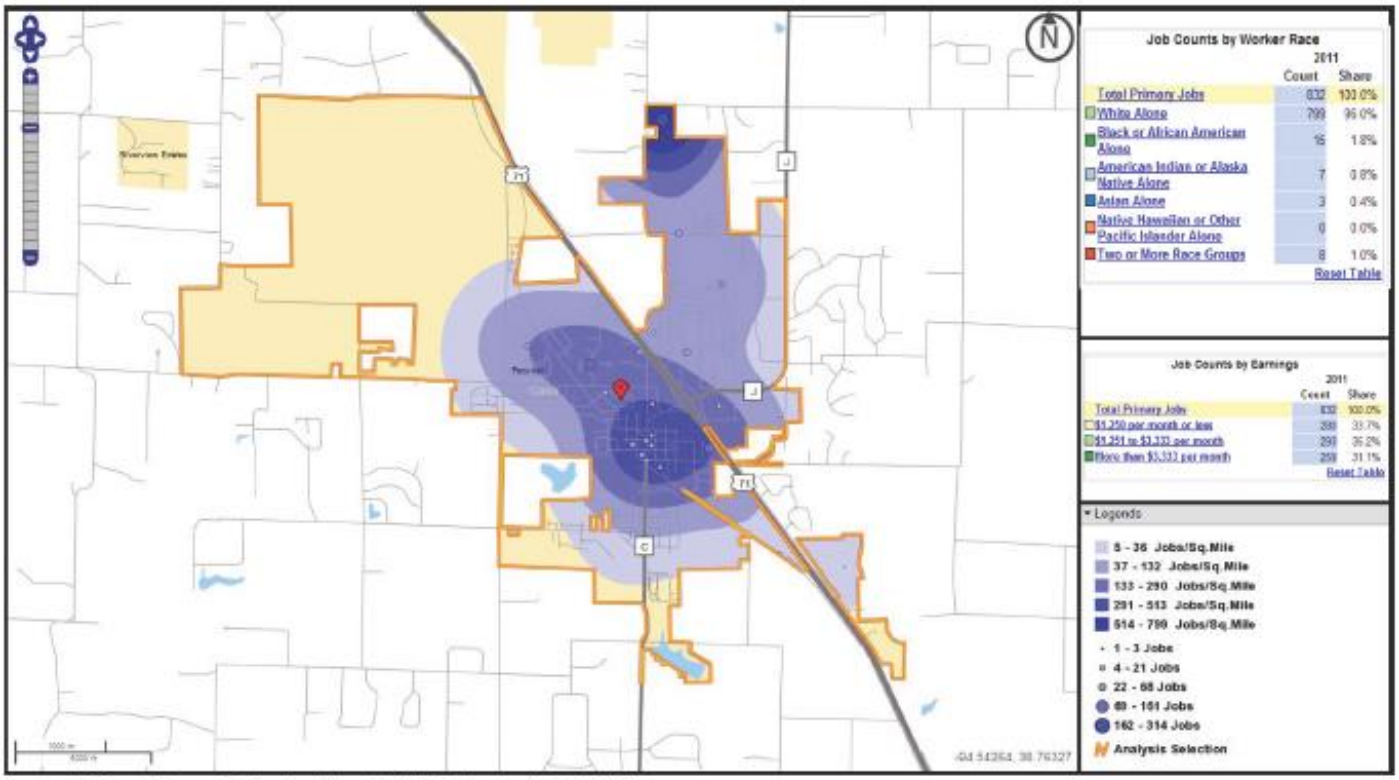
Source: US Census Bureau, On The Map Home Analysis Destination Analysis 2010.

The City has a variety of industry sectors, however, the fields of education, healthcare, and retail trade employ the highest number of people within the PMA. Education and retail are expected to remain strong in the future as population is forecasted to increase in the coming decade.



Source: US Census Bureau, On The Map Home Analysis Destination Analysis 2011.

Figure 14. - Jobs by Industry Sector



Source: US Census Bureau, On The Map Home Analysis Destination Analysis 2011

Figure 15. - Employment Density Map (City of Peculiar)

Figure 15. identifies employment density and is concurrent with population density in showing jobs, residences, and people are centrally located within the City. An additional employment node is identified north of the 211th Street Corridor and is likely educational employment related to the Raymore-Peculiar Public School District. Furthermore, The Raymore-Peculiar School District has an enrollment of 6,000 students. Municipalities and developers are capitalizing on sports related retail facilities in conjunction with youth soccer facilities. The Kansas City Metropolitan region has enjoyed unprecedented soccer based development, from spill over from Sporting Kansas City soccer team to local and regional youth soccer tournaments. It is clear that youth sports, in particular soccer uses, draw tourism dollars and increased tax revenues. Future investment should capitalize on the strong enrollment numbers generated by the school district.

Commuting and Destination Analysis

As of 2011, the City had an employment work force of 1,906. However, only 12.4 percent, or 103 people, actually live and work within the City. Eighty-seven point six percent (87.6 percent), or 719 people, commute into the City to work, but live elsewhere. A total of 1,803 or 94.6% live within the City and are employed outside of the area.

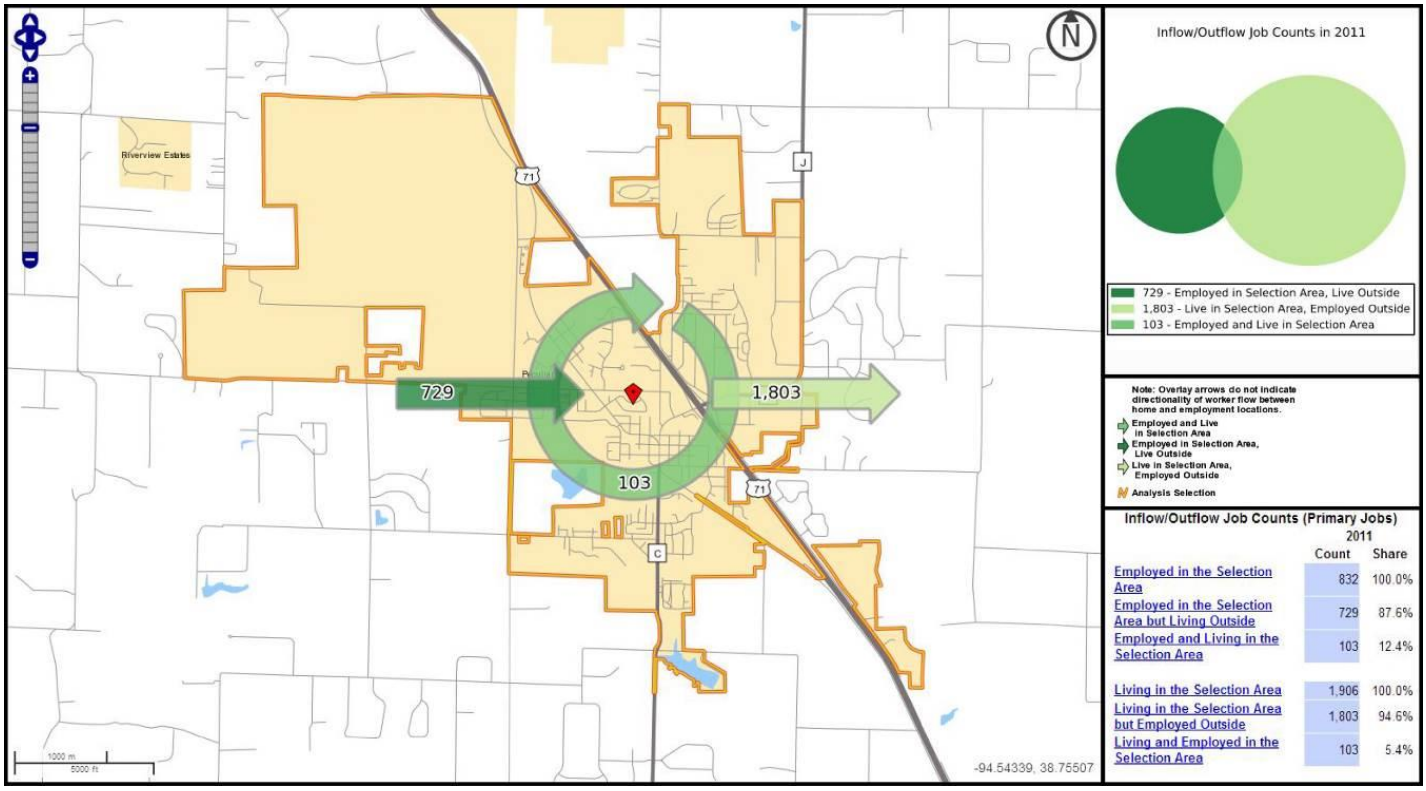


Figure 16. - Employment Migration Map

Source: US Census Bureau, OnTheMap and Inflow/Outflow Analysis 2011.

However, only 5.4 percent, or 103 people, actually live and work within the City. This is an incredibly small number and indicates that approximately 1,803 people or 94.6 percent of workers commute outside of the community on a daily basis. Census data estimates that there are a total of 832 primary jobs within the PMA. Approximately 87 percent of these jobs are filled by persons who commute, but do not live within the City.

The low number of people who work and live within the City shows that there is a strong employment gap and reverse migration. Gaps in employment like this are critical to municipalities, particularly smaller cities, because it makes them reliant on neighboring communities for employment of their residents.

Data also shows that nearly 54 percent of workers leaving the community to work are traveling an average distance of 17 miles into Jackson County, Missouri and Johnson County, Kansas. Only 19.5 percent of workers who commute are traveling further than 25 miles. The map also shows almost all of the employees are traveling north or northwest for their employment

Job density varies throughout the PMA. Census data shows that the highest density of jobs, approximately 514-799 jobs per square mile, are located within the boundaries of the SMA and in the north eastern parts of the PMA.

For comparison, the City of Kansas City, Missouri has almost ten times the density with approximately 5,000 people per square mile.

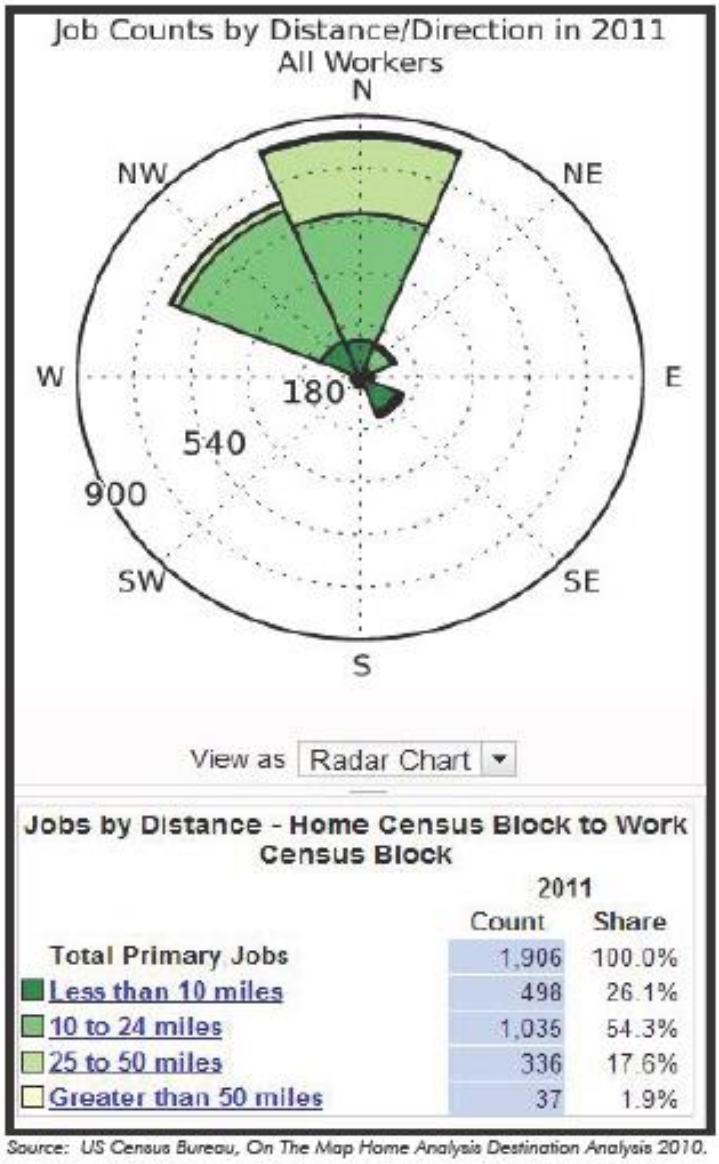


Figure 17. - Jobs by Distance and Direction (2011)

Unemployment

As shown in Table 8. the Cass County unemployment rate is considerably lower than surrounding counties in the Kansas City MSA. This may simply be a proportionate ratio of employment to the relatively small population.

Table 8. - Local Unemployment Statistics (May 2014)

Area	Civilian Labor Force	Employment	Unemployment	Unemployment Rate
Cass County	49,793	46,797	2,996	6%
Clay County	121,613	113,516	8,097	6.7%
Jackson County	329,916	305,647	24,269	7.4%
Platte County	51,621	48,162	3,459	6.7%
Ray County	10,893	10,136	757	6.9%
KC Region Summary	563,836	524,258	39,578	7%
Source: Missouri Department of Economic Development: Economic Research and Information Center.				

Section 6: Residential Analysis

Data obtained from Heartland MLS shows that 189 residential properties were listed in the PMA from October 2012 to June 2014. Residential properties spent an average of 47 days on the market, had an average selling price of $159,110 and a difference of -$4,265 in sale price from listing price. In comparison, the adjacent community of Raymore had 491 residential properties were listed in the PMA from August 2012 to May 2014. Residential properties spent an average of 42 days on the market, had an average selling price of $152,850, and a difference of -$3,717 in sale price from listing.

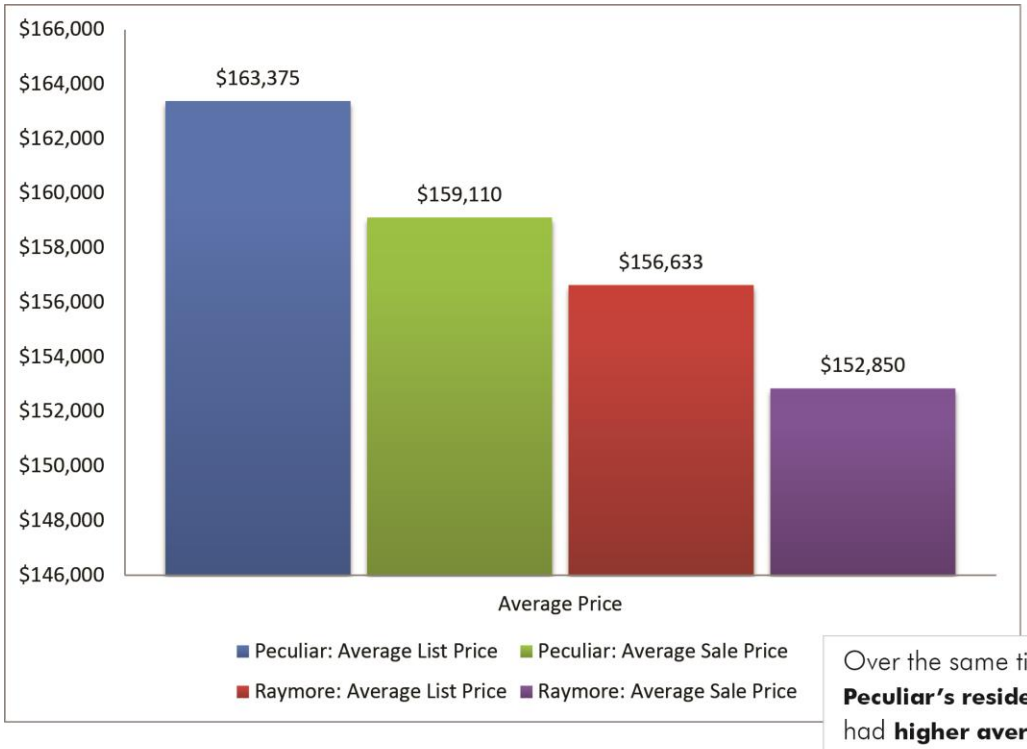
Table 8. was generated based on residential GIS data analysis of the City. Housing counts were taken in May 2014. All structures were either hand counted, or analyzed via Light Distance and Ranging (LIDAR) data provided by Cass County, Missouri, and compiled via ESRI ArcGIS. A total of 1,547 single-family residential structures were surveyed within the City. Data also shows a total of 116 multi-family residences containing 300 individual units are also located within the City. The current total of residences within the City is estimated to be 1,996.

Table 9. - Housing Type and Amount

Type Of Housing	Total Number of Structures
Single-Family – Detached Housing	1,547
Multi-family – Attached Housing	116 (Total: 300 Units)

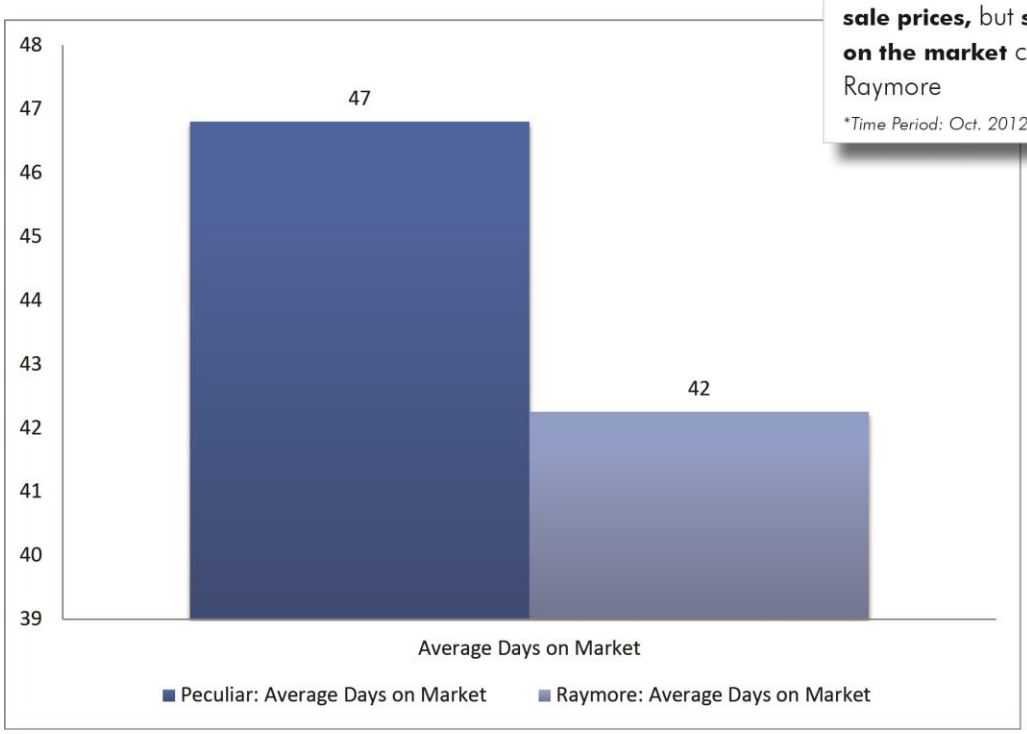
HOUSING UNITS BY UNITS IN STRUCTURE	No. of Units	Pct. Of Market
Total	1,996	100.0%
1, detached	1,547	71.9%
1, attached	77	4.8%
2	153	9.6%
3 or 4	166	10.4%
5 to 9	32	2.0%
10 to 19	0	0.0%
20 to 49	0	0.0%
50 or more	0	0.0%
Mobile home	21	1.3%
Boat, RV, van, etc.	0	0.0%

Table 10. - Residential For-Sale Statistics



Over the same time period, **Peculiar's residential market** had **higher average listing and sale prices,** but **spent more time on the market** compared to Raymore

*Time Period: Oct. 2012 - June 2014.



Observations concerning the current residential rental market within the PMA and SMA are summarized below:

- The average age of apartment facilities within the Market Areas is 26 years.
- The oldest apartment facility identified is 48 years old and was constructed in 1968.
- Our analysis indicates the occupancy rates for one- and three-bedroom apartments are much higher (98%), on average, compared to two-bedroom units (76%).
- Affordable and market rate apartments and duplexes are centrally located in an area to the east of I-49, adjacent to YY Highway. The majority of these complexes are located off of Shari Drive and Willow Lane Court.
- The average monthly rental rate for a one (1), two (2), or three (3) bedroom apartment[11] is as follows:

  One-Bedroom Unit - $480 ($0.92 per sq. ft.) / $5,760 (annually)
  Two-Bedroom Unit - $550 ($0.90 per sq. ft.) / $6,600 (annually)
  Three-Bedroom Unit - $ 635($0.80 per sq. ft.) / $7,620 (annually)

- The median household income within the PMA is $60,671. The average percentage of total household income used towards mortgage and rental payments within the United States is approximately 30 percent. We project that within the PMA the average resident will spend the annual sum of $18,201 toward housing expenses (rent, utilities, etc.).

Existing supply of platted lots

Currently the City has 522 vacant residential platted lots available, and 36 industrial platted lots available (this is the same number for commercial lots). Table 11. Identifies the breakdown of available lots by subdivision and category.

[11] Average rents for duplexes were not available

Table 11. - Available Lots by Subdivision

Residential Subdivisions		Light Industrial Subdivisions		Commercial Subdivisions	
Subdivision	Available Lots	Subdivision	Available Lots	Subdivision	Available Lots
Bradleys Crossing	51	Bradley's Crossing	11	Bradley's Crossing	5
Bridle Trail	0	Forest Scot Industrial Park	6	Irongate	8
Carriage Meadows	44	Kerr Industrial Park	10	Peculiar Junction	17
Centennial Farms	27	S. Peculiar Industrial Park	6	Twin Oaks	6
Copper Creek	37	Peculiar Junction	3		
Fox's Den	41				
Frontier Estates	4				
Green Meadows	1				
Harper Farm	13				
Harvest Hills	3				
Jenkins Estates	0				
North Pointe	31				
Olive Branch	46				
Quail Run	0				
Setter's Pointe	42				
Shadow Glen	35				
Tuscany	18				
Tuscany Estates	3				
Twin Oaks	72				
Windmill County Estates	54				
Totals:	**522**		**36**		**36**

211th Corridor Residential

In 2013, as part of the 211th Street Interchange Access Justification Report, the engineering firm George Butler and Associates (GBA) completed an analysis of potential residential development that could occur surrounding the 211th Street Corridor by the year 2035. The following table shows the GBA estimated supply of low and medium density residential product.

Table 12. - Availability of Units, 2035

Projected Availability of units (year 2035)	Number of units
Low Density Residential	1,489
Medium Density Residential	845
Source: Access Justification Report, Prepared by GBA in 2013	

Considering this estimation, when you add the GBA data for potential residential lots surrounding the 211th Street Corridor, this number exceeds 2,000 units available by the year 2035. This

number is 27 times the Census projections of new residential development by the year 2019, which shows only an increase of only 73 residential units in that time period.

This is in stark contrast to the expected growth of Cass County. For example the Department of Economic Development for the State of Missouri forecast that Cass County will grow by over 66 percent by the year 2030, which is triple the State of Missouri's projected increase.

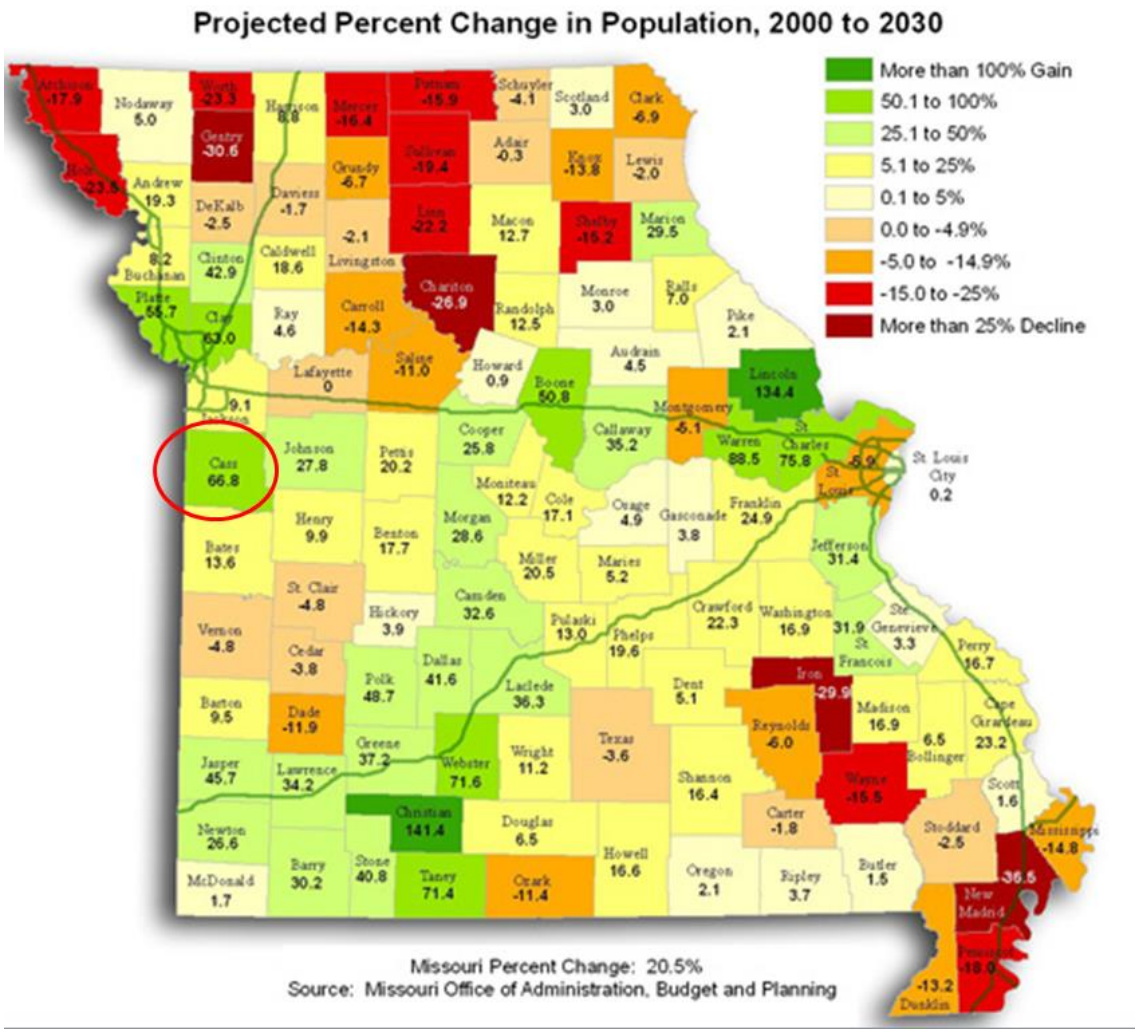


Figure 18. - Percentage Population Change, 2000 to 2030

Source: Missouri Office of Administration, Budget and Planning

If the City grows at the same rate as Cass County, by 2019, it will add over 305 homes instead of the expected 73. This is a difference of 232 homes. Population would also see a major jump. By 2019, the City would add over 780 people to its population, instead of 229. This is a difference of 551 people.

The data presents the question of whether the growth of this area will bypass the City and benefit surrounding communities. Steps need to be taken to ensure that population growth benefits the City and not just adjacent communities.

The population forecasts do not include known catalysts projects. These projects can substantially increase the demand for residential housing and include:

- I-49 growth that should trigger new retail, restaurants, hotels, and industries. This growth should create employment which will significantly increase the demand for housing.

- Large projects in southern Jackson County like Cerner's Three Trails Campus that will employ over 20,000 people will create need for additional housing in Cass County. Current data shows that the majority of Cass County employees commute to their jobs. Currently, 63 percent of Cass County residents work outside of the County this is the sixth highest percentage in the State of Missouri.

To attract new residents, we need to understand that for the majority of employees, the quality of life is more important than proximity to work. In her book, "Live First, Work Second" author Rebecca Ryan notes just how important lifestyle is to next generation workers: **75%** surveyed said that finding a "cool city" was more important to them than finding a "good job." [12]

[12] Live First/Work Second, Rebecca Ryan.

Residential Recommendation Matrix

Table 13. gives a brief overview of the recommendations in this report, with explanation of necessary action items, responsible parties, and overall timeline for completion of the recommendations.

Table 13. - Residential Recommendation Matrix

Recommendation	Action Item	Party	Timing
Create policies that improve the quality of lifestyle and walkable dense neighborhoods.	Comp plan update	Planning Department Raymore-Peculiar Public School District	3-6 months
Create quality affordable workforce housing	Comp plan update	Developers and City Planning Department	1-3 years
Create quality diverse housing options for the single demographic age group of 22-35	Comp plan update, create benefit districts	Developers and City Planning Department	1-3 years
Create quality senior living	Comp plan update, create benefit districts.	Developers and City Planning Department	1-3 years
Create public private partnerships to spur infill housing near downtown	Create benefit districts.	Developers and City Planning Department	3-6 months

Section 7: Retail Trade Analysis

The pent-up demand for retail in the City was documented in the 2012 City Peculiar Economic Development Report which surveyed residents. This report found residents not satisfied with existing retail options and showed a direct correlation with residents shopping in other communities because of this dissatisfaction. Table 14. below detail the answers by the residents.

Table 14. - City of Peculiar Economic Development Survey

Satisfaction of Services	Yes	No
Are there adequate varieties of businesses in Peculiar	21.1%	78.9%
Do you do most of your grocery shopping in Peculiar	22%	78%

What type of Retail do you want/need	Response %
Department Store	23.1%
Boutique Retail	2.6%
Discount Store	2.8%
Big Box Retail	12.8%
Hardware Store	37.2%
Specialty Stores	7.7%
Grocery Stores	14.1%

Before we analyze the retail market in the City, we must first understand the many types of retail projects and their characteristics. Table 15. from the Urban Land Institute and categorizes the type and size of shopping centers within the United States.

Table 15. - Urban Land Institute, US Shopping Center Classification and Characteristics

	Sq. ft. range	Typical Tenants	Number of Anchors	Number of Tenants	Trade area (miles)
Strip/Convenience	13,150	Convenience store, such as a mini-mart.	0	1-5	<1mile
Neighborhood Center	71,890	Supermarket	1	5-20	3 miles
Community Center	197,062	Discount store, supermarket, drug, large-specialty discount (toys, books, electronics, home improvement or sporting goods)	2+	15- 40	3-6 miles
Lifestyle Centers	317,206	Large format upscale specialty	0-2	NA	8-12 miles
Power Center	408,246	Home Improvement, discount department, warehouse club and off-price stores	3+	NA	5-10 miles
Regional Mall	587,960	Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store.	2+	40-80	5-15 miles
Super-Regional Mall	1,226,194	Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store.	3+	NA	5-25 miles
Source: ULI, Dollars and Cents, 2008					

The market analysis used a retail trade analysis technique to evaluate current and future market place conditions. The retail trade analysis uses two methods and several indicators to provide an accurate representation of the City's current and potential retail marketplace. The following methods and indicators are explained in detail below:

- Drive Time Analysis,
- Gravity Modeling,
- Trade Area,
- Etc.

Drive Time Analysis

Drive time analysis calculates the trade areas based on travel times via road networks. Drive times are calculating by measuring distance and the relative speed limit along existing road networks from a particular point of origin. Distance is an important variable used by consumers in

determining where they will shop. Multiple trade areas are often delineated by varying drive times in order to contrast the amount of retail leakage and supply at differing distances.

Gravity Modeling

Gravity models, based on the Huff Model, define trade areas based on their distribution and relative attractiveness to consumers. Attractiveness is determined by using either the gross leasable floor area or the total amount of annual sales of a particular place. This type of modeling is extremely useful in determining the probability that consumers from different areas will spend dollars at within a specific area when faced with a set of alternatives. Gravity modeling also uses consumer drive times via street networks as a variable when determining probable behavior. Gravity modeling is also extremely useful because of its ability to determine trade areas for future retail development based on probable attractiveness.

The retail trade sector comprises establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. These sales are tracked by the U.S. Census Bureau on an annual basis. The Census Bureau uses zip codes to geographically delineate market areas.

Trade Area

Two categories of trade areas were used for this analysis, convenience and destination. A convenience trade area is based on the purchase of products and services needed on a regular basis, such as gasoline, groceries, and hair care. Because these purchases are relatively frequent, people usually find it more convenient to buy these products and services from businesses located close to their home or workplace.

A destination trade area is based on the purchase of “major” products and services, such as appliances or furniture, or of products and services that are distinctive in such a way, such as deeply discounted products and services. People are willing to travel longer distances to do comparison shopping and purchase these kinds of items.

Table 16. shows the total retail sales, by city, for Cass County, Missouri in 2012. The City generated $52,613,660 in retail sales; or 6.6 percent of the total retail sales within Cass County. This ranked fourth in terms of largest total dollars generated by a city within the County limits. This is a fairly large number considering the smaller size of the City’s geographical area compared to other cities within the county. The City of Harrisonville ranked first with $364,932,784 in total retail sales.

Table 16. – Cass County Communities Retail Sales Volume, 2013

City Name	Zip Code	Retail Sales
Harrisonville	64701	$364,932,784
Belton	64012	$225,614,871
Raymore	64083	$94,786,461
Peculiar	64078	$52,613,660
Pleasant Hill	64080	$42,215,483
Cleveland/West Lynn	64734	$5,789,338
Garden City	64747	$4,787,291
Drexel	64742	$4,142,004
Archie	64725	$1,856,979
Lake Annette/Freeman	64746	$636,025

Source: ESRI Business Analyst 2013

Population Density in Retail Development

Larger retail developments typically require population densities over 4,500 people per square mile and annual per capita incomes over $38,000. Many of the larger retail centers within the Kansas City MSA are centrally located in higher income areas with higher population densities because of the depth of market penetration they provide. These components help to ensure retail establishments will be successful and fruitful for developers and community investors and provide competitive advantages over adjacent retail centers. Typical retail centers rely heavily on nearby population. Data analysis showed normally, 56 percent of visitors traveled less than 15 miles, and 87 percent came from within a 30 minute radius. Moreover, most malls report that only 5 percent of normal business comes from tourists[13].

Figure 19. shows the locations of major retail centers within the Kansas City Metropolitan Area. The image is also overlaid with population, indicating the relationship in regards to density. One notable exception of a retail center with a less dense surrounding population is the Legends Outlet Center, located in western Wyandotte County. For that particular project, per capita income and population density are well below typical criteria associated with destination retail components. However, over $1 billion in private investment, subsidized by a large amount of public incentives, has resulted in an area with distinctive features, specialized national retailers, and regional drawing power.

[13] ULI: Developing Retail Destinations

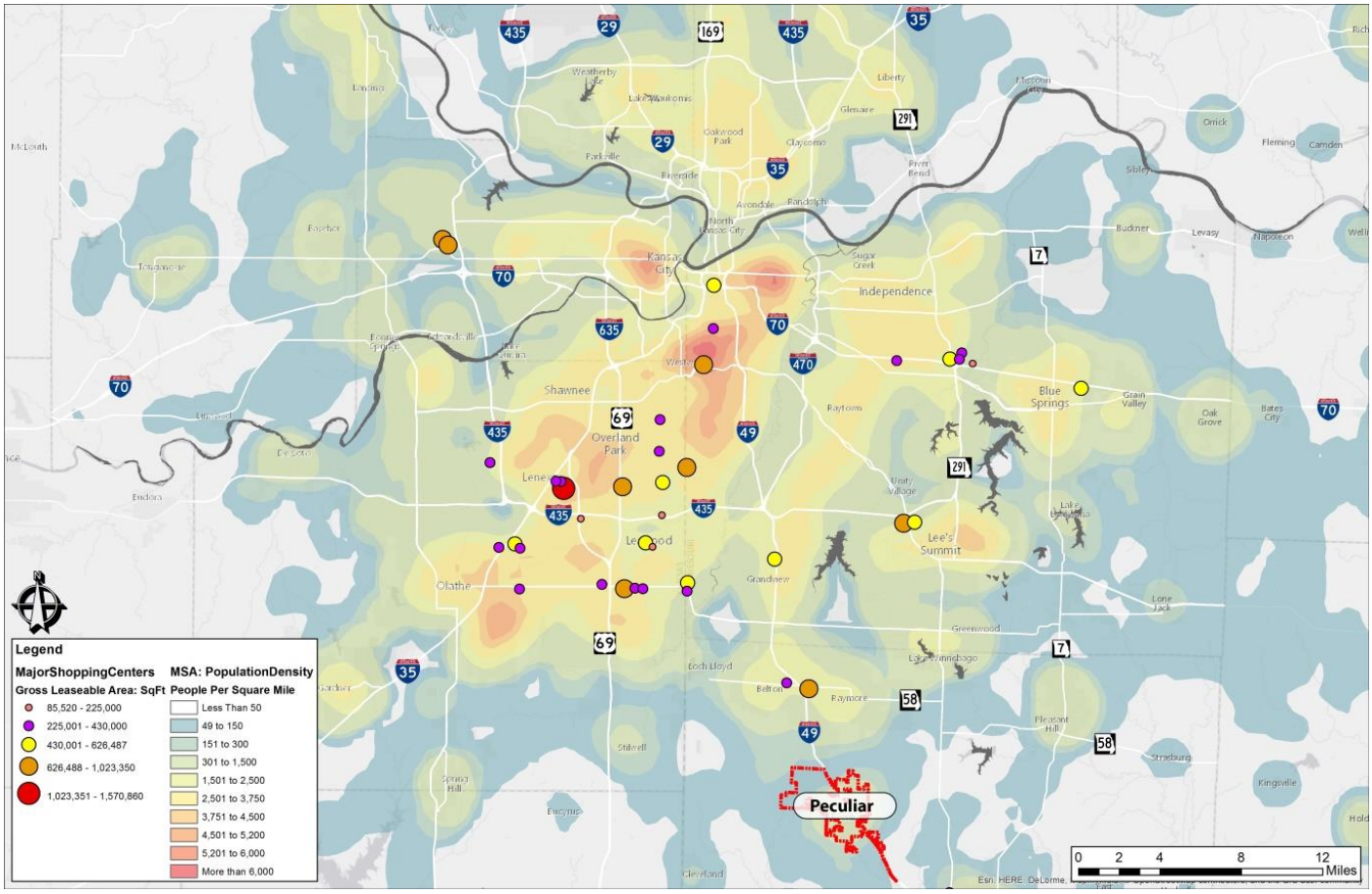


Figure 19. - Major Retail Centers with Population Overlay

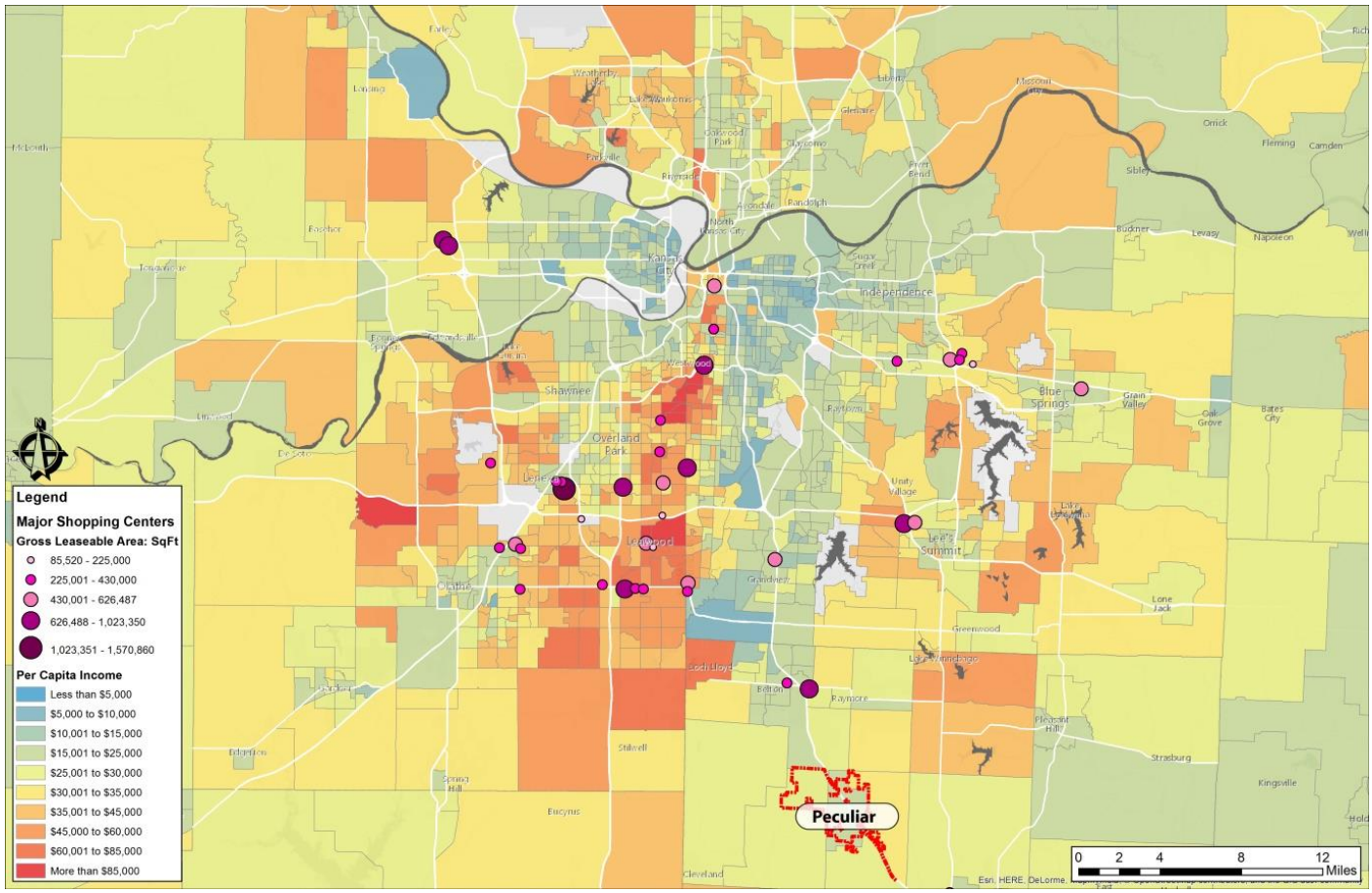


Figure 20. - Major Retail Centers with Household Income Overlay

Retail Leakage and Surplus Analysis

The analysis of retail and service business opportunities involves both quantitative and qualitative examination and insight. The following Retail Leakage and Surplus Analysis is meant to serve as a quantitative tool to measure the current demand and supply of retail services. This type of analysis is also meant to aide in identifying unmet demand and opportunity within the market areas. Figure 21. illustrates factors that go into an evaluation of retail and service business opportunities.

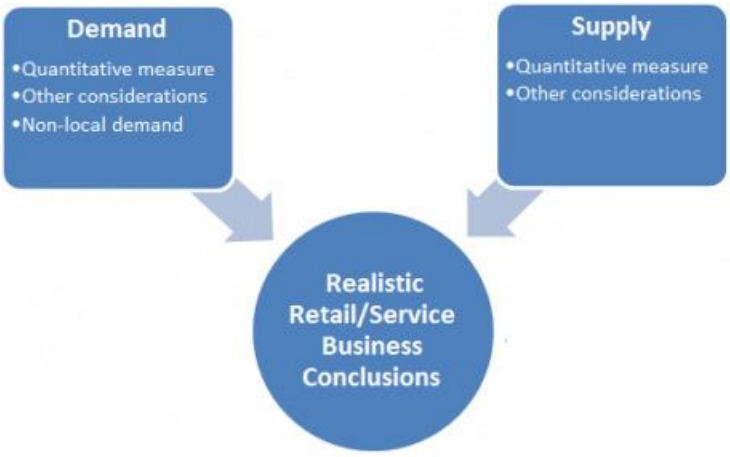


Figure 21. – Supply & Demand Characteristics

Retail leakage occurs when the demand for particular retail services by residents within the PMA and SMA is greater than the current market can accommodate. This can be understood as unmet demand.

Retail surplus occurs when the market area is capturing the local market attracting consumers from outside the PMA and SMA. A retail surplus does not necessarily mean that the community cannot support additional businesses within a particular sector. These figures are not meant to represent positive and negative absorption trends within the retail market.

Data from the 2007 Economic Census-Cass County, Missouri, and the Urban Land Institute was used to estimate the number of people needed to support additional retail services in the City. Estimations were generated using municipal and county business patterns and the population of the PMA. These estimations should only be used as loosely as they are based off historical trends in the regional area. Mitigating circumstances, such as proximity to large population centers can cause a substantial deviation. But, it is our opinion that Table 17. is an accurate representation of the current population needed to support the various retail service categories listed.

Table 17. - Estimated Population Demand Requirement

Estimated Number of People Needed to Support Retail Services by Category, 2007*	
Retail Service Category	Est. Population Needed
Food service and drinking places	680
Gasoline service stations	2,102
Hotels and motels	3,184
Building material and supplies stores	3,508
Grocery Store	4,225
Convenience Store	5,470
Gift, novelty and souvenir shops	5,971
Pharmacy	9,898
Sporting goods store	10,527
Hardware store	11,038
Florist	12,061
Specialy food store	12,648
Clothing store	14,860
Shoe stores	15,856
Furniture stores	16,205
Used merchandise store	18,161
Jelwery store	18,476
Book store	17,345
Retail garden centers	26,395
Electronics and appliance store	32,500
Department store	31,747

** Data from the 2007 Economic Census Data is the most recent data available*

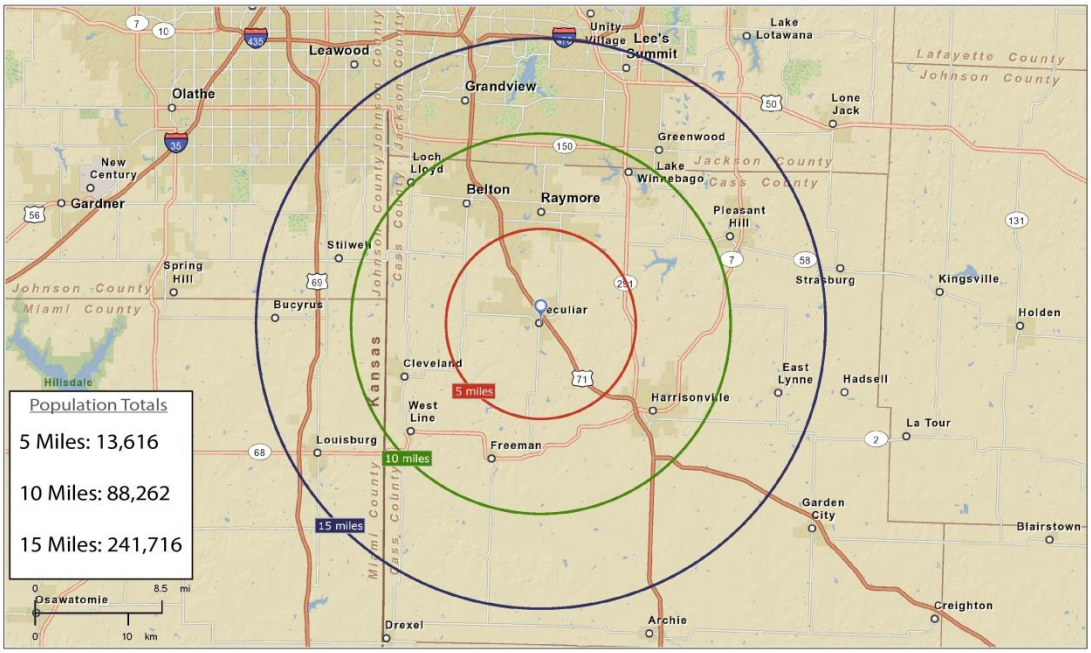


Figure 21. - Population Totals

Figure 21. identifies population totals with a 5 mile, 10 mile and 15 mile diameter of the PMA. Data shows the total population within each distance.

Additionally, drive time data was utilized to provide population comparisons. Five and ten minute drive times were used for this analysis because they are representative of distances traveled by consumers of neighborhood retail. They do not represent destination retail markets. Data shows there is an oversupply of full service restaurants and gas stations in both five and ten minute drive times.

Table 18. - Drive Time Comparison

	5 Minute Drive Time	10 Minute Drive Time
Total Population[14]	4,903	15,637
Households[15]	1,813	5,759
Average Median Disposable Income	$44,206	$46,987
Average Per Capita Income	$24,085	$24,916

[14] Population is based on ESRI forecasts.
[15] Number of households based on ESRI forecasts.

Table 19. - Retail Marketplace Profile – 5 minute drive time.

Retail MarketPlace Profile

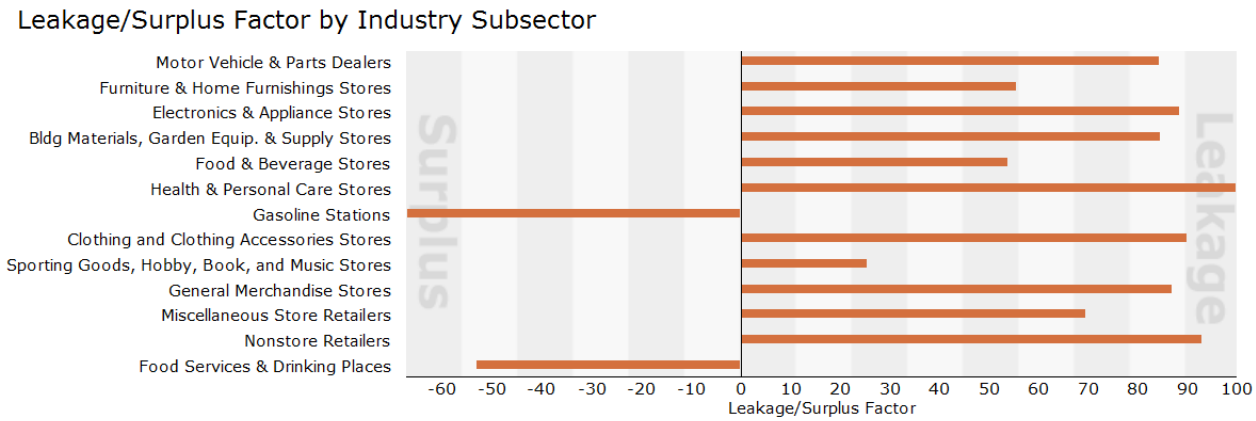
Peculiar, MO
Drive Time: 5 Minutes

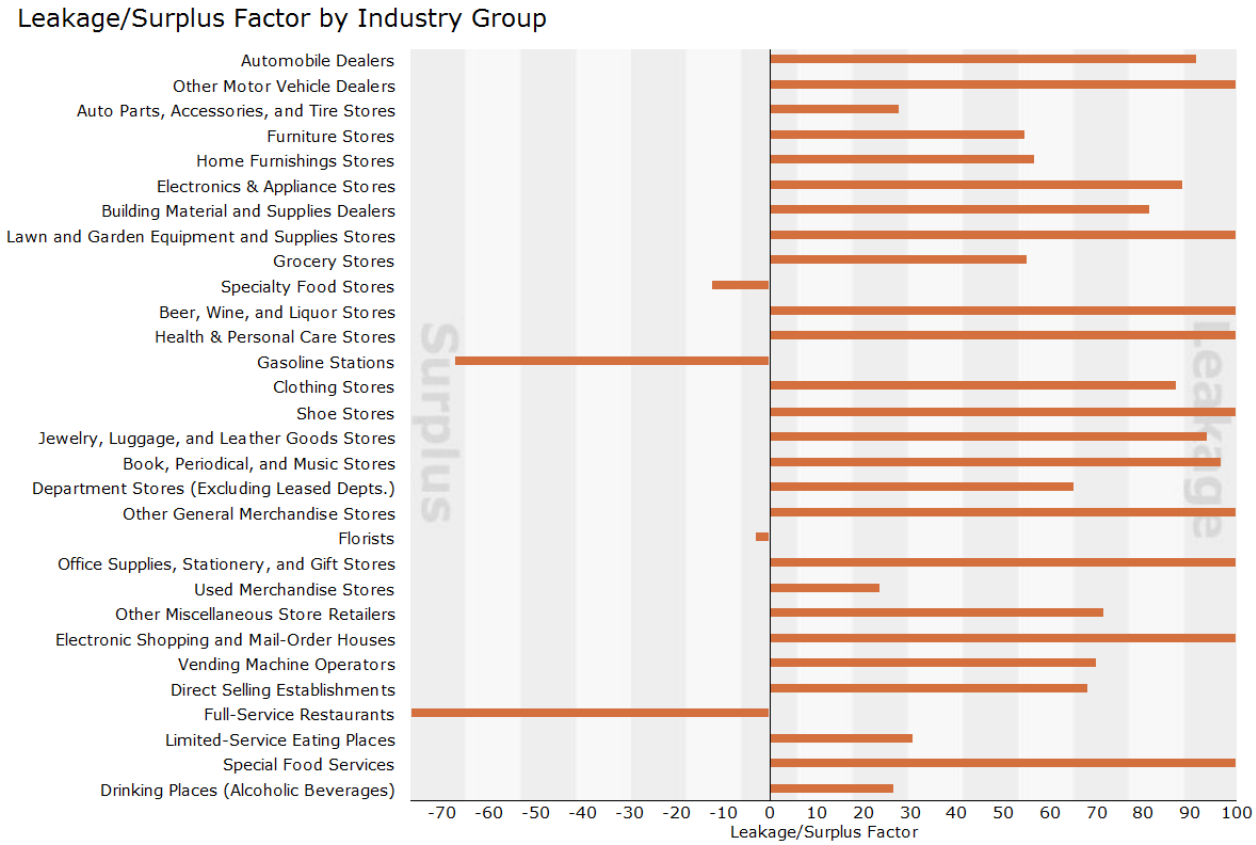
Summary Demographics						
2012 Population						4,903
2012 Households						1,813
2012 Median Disposable Income						$44,206
2012 Per Capita Income						$24,085
Industry Summary	**NAICS**	**Demand** (Retail Potential)	**Supply** (Retail Sales)	**Retail Gap**	**Leakage/Surplu Factor**	**Number of**
Total Retail Trade and Food & Drink	44-45,722	$49,577,064	$48,048,796	$1,528,268	16	39
Total Retail Trade	44-45	$44,829,705	$32,531,735	$12,297,970	15.9	32
Total Food & Drink	722	$4,747,359	$15,517,061	-$10,769,702	-53.1	7
Industry Group	**NAICS**	**Demand** (Retail Potential)	**Supply** (Retail Sales)	**Retail Gap**	**Leakage/Surplu Factor**	**Number of**
Motor Vehicle & Parts Dealers	441	$8,716,596	$733,945	$7,982,651	84.5	4
Automobile Dealers	4411	$7,512,601	$335,001	$7,177,601	91.5	1
Other Motor Vehicle Dealers	4412	$497,067	$0	$497,067	100.0	0
Auto Parts, Accessories & Tire Stores	4413	$706,928	$398,944	$307,983	27.8	3
Furniture & Home Furnishings Stores	442	$955,571	$272,466	$683,105	55.6	3
Furniture Stores	4421	$550,183	$160,592	$389,591	54.8	1
Home Furnishings Stores	4422	$405,388	$111,874	$293,513	56.7	2
Electronics & Appliance Stores	4431	$1,299,828	$78,691	$1,221,137	88.6	1
Bldg Materials, Garden Equip. & Supply Stores	444	$1,553,273	$128,674	$1,424,599	84.7	3
Bldg Material & Supplies Dealers	4441	$1,270,310	$128,674	$1,141,636	81.6	3
Lawn & Garden Equip & Supply Stores	4442	$282,963	$0	$282,963	100.0	0
Food & Beverage Stores	445	$5,681,922	$1,697,450	$3,984,473	54.0	5
Grocery Stores	4451	$5,331,071	$1,536,859	$3,794,212	55.2	2
Specialty Food Stores	4452	$124,955	$160,591	-$35,636	-12.5	3
Beer, Wine & Liquor Stores	4453	$225,897	$0	$225,897	100.0	0
Health & Personal Care Stores	446,4461	$3,805,477	$0	$3,805,477	100.0	0
Gasoline Stations	447,4471	$5,460,503	$28,028,307	-$22,567,804	-67.4	3
Clothing & Clothing Accessories Stores	448	$2,492,401	$128,977	$2,363,424	90.2	1
Clothing Stores	4481	$1,736,667	$117,338	$1,619,329	87.3	1
Shoe Stores	4482	$382,621	$0	$382,621	100.0	0
Jewelry, Luggage & Leather Goods Stores	4483	$373,113	$11,639	$361,474	93.9	0
Sporting Goods, Hobby, Book & Music Stores	451	$745,734	$442,009	$303,725	25.6	5
Sporting Goods/Hobby/Musical Instr Stores	4511	$687,600	$441,106	$246,494	21.8	5
Book, Periodical & Music Stores	4512	$58,135	$903	$57,232	96.9	0
General Merchandise Stores	452	$10,070,715	$699,081	$9,371,634	87.0	1
Department Stores Excluding Leased Depts.	4521	$3,328,975	$699,081	$2,629,894	65.3	1
Other General Merchandise Stores	4529	$6,741,740	$0	$6,741,740	100.0	0
Miscellaneous Store Retailers	453	$1,238,918	$222,060	$1,016,858	69.6	5
Florists	4531	$53,473	$56,834	-$3,361	-3.0	1
Office Supplies, Stationery & Gift Stores	4532	$372,527	$0	$372,527	100.0	0
Used Merchandise Stores	4533	$67,681	$41,852	$25,829	23.6	1
Other Miscellaneous Store Retailers	4539	$745,237	$123,374	$621,863	71.6	3
Nonstore Retailers	454	$2,808,767	$100,075	$2,708,692	93.1	1
Electronic Shopping & Mail-Order Houses	4541	$2,268,806	$0	$2,268,806	100.0	0
Vending Machine Operators	4542	$152,179	$26,807	$125,372	70.0	0
Direct Selling Establishments	4543	$387,782	$73,268	$314,514	68.2	1
Food Services & Drinking Places	722	$4,747,359	$15,517,061	-$10,769,702	-53.1	7
Full-Service Restaurants	7221	$1,834,661	$14,073,156	-$12,238,494	-76.9	2
Limited-Service Eating Places	7222	$2,297,730	$1,217,869	$1,079,861	30.7	4
Special Food Services	7223	$224,641	$0	$224,641	100.0	0
Drinking Places - Alcoholic Beverages	7224	$390,327	$226,037	$164,290	26.7	1

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf.

Source: Esri and Dun & Bradstreet. Copyright 2012 Dun & Bradstreet, Inc. All rights reserved.

Table 20. - Leakage Factors by Industry Subsector and Group – 5 minute drive time.





DEVELOPMENT INITIATIVES

Table 21. - Retail Marketplace Profile - 10 minute drive time.

Retail MarketPlace Profile

Peculiar, Missouri
Drive Time: 10 minutes

Summary Demographics						
2012 Population						15,637
2012 Households						5,759
2012 Median Disposable Income						$46,987
2012 Per Capita Income						$24,916
Industry Summary	**NAICS**	**Demand** (Retail Potential)	**Supply** (Retail Sales)	**Retail Gap**	**Leakage/Surplu Factor**	**Number of**
Total Retail Trade and Food & Drink	44-45,722	$159,983,094	$308,644,042	-$148,660,948	-31.7	169
Total Retail Trade	44-45	$144,504,614	$274,257,776	-$129,753,162	-31.0	141
Total Food & Drink	722	$15,478,480	$34,386,266	-$18,907,785	-37.9	29
Industry Group	**NAICS**	**Demand** (Retail Potential)	**Supply** (Retail Sales)	**Retail Gap**	**Leakage/Surplu Factor**	**Number of**
Motor Vehicle & Parts Dealers	441	$27,959,782	$10,670,028	$17,289,754	44.8	15
Automobile Dealers	4411	$23,993,266	$6,981,223	$17,012,043	54.9	6
Other Motor Vehicle Dealers	4412	$1,659,406	$619,805	$1,039,601	45.6	1
Auto Parts, Accessories & Tire Stores	4413	$2,307,109	$3,069,000	-$761,891	-14.2	7
Furniture & Home Furnishings Stores	442	$3,119,757	$3,001,907	$117,849	1.9	11
Furniture Stores	4421	$1,791,224	$2,246,437	-$455,213	-11.3	3
Home Furnishings Stores	4422	$1,328,533	$755,470	$573,063	27.5	8
Electronics & Appliance Stores	4431	$4,240,246	$856,281	$3,383,965	66.4	7
Bldg Materials, Garden Equip. & Supply Stores	444	$5,140,418	$10,049,973	-$4,909,555	-32.3	11
Bldg Material & Supplies Dealers	4441	$4,243,389	$9,603,073	-$5,359,684	-38.7	9
Lawn & Garden Equip & Supply Stores	4442	$897,030	$446,900	$450,130	33.5	1
Food & Beverage Stores	445	$18,398,183	$44,500,163	-$26,101,980	-41.5	14
Grocery Stores	4451	$17,260,178	$43,604,412	-$26,344,234	-43.3	6
Specialty Food Stores	4452	$406,251	$467,413	-$61,162	-7.0	6
Beer, Wine & Liquor Stores	4453	$731,754	$428,338	$303,416	26.2	2
Health & Personal Care Stores	446,4461	$12,104,004	$49,765,731	-$37,661,727	-60.9	7
Gasoline Stations	447,4471	$17,247,370	$58,785,736	-$41,538,366	-54.6	9
Clothing & Clothing Accessories Stores	448	$8,161,943	$3,166,681	$4,995,262	44.1	12
Clothing Stores	4481	$5,689,828	$1,367,791	$4,322,037	61.2	8
Shoe Stores	4482	$1,252,152	$388,236	$863,915	52.7	1
Jewelry, Luggage & Leather Goods Stores	4483	$1,219,963	$1,410,653	-$190,690	-7.2	3
Sporting Goods, Hobby, Book & Music Stores	451	$2,465,452	$1,750,700	$714,752	17.0	12
Sporting Goods/Hobby/Musical Instr Stores	4511	$2,272,671	$1,725,419	$547,252	13.7	12
Book, Periodical & Music Stores	4512	$192,781	$25,281	$167,501	76.8	1
General Merchandise Stores	452	$32,607,805	$84,129,425	-$51,521,620	-44.1	5
Department Stores Excluding Leased Depts.	4521	$10,825,017	$22,239,302	-$11,414,285	-34.5	2
Other General Merchandise Stores	4529	$21,782,788	$61,890,122	-$40,107,334	-47.9	3
Miscellaneous Store Retailers	453	$3,929,577	$5,263,066	-$1,333,489	-14.5	31
Florists	4531	$172,336	$98,968	$73,368	27.0	2
Office Supplies, Stationery & Gift Stores	4532	$1,201,473	$1,079,282	$122,190	5.4	7
Used Merchandise Stores	4533	$221,233	$469,488	-$248,255	-35.9	4
Other Miscellaneous Store Retailers	4539	$2,334,535	$3,615,328	-$1,280,793	-21.5	18
Nonstore Retailers	454	$9,130,077	$2,318,086	$6,811,991	59.5	8
Electronic Shopping & Mail-Order Houses	4541	$7,391,547	$1,290,567	$6,100,980	70.3	1
Vending Machine Operators	4542	$494,228	$417,962	$76,265	8.4	2
Direct Selling Establishments	4543	$1,244,303	$609,557	$634,746	34.2	5
Food Services & Drinking Places	722	$15,478,480	$34,386,266	-$18,907,785	-37.9	29
Full-Service Restaurants	7221	$5,988,345	$20,777,773	-$14,789,428	-55.3	12
Limited-Service Eating Places	7222	$7,454,413	$13,213,759	-$5,759,347	-27.9	14
Special Food Services	7223	$747,446	$58,688	$688,758	85.4	1
Drinking Places - Alcoholic Beverages	7224	$1,288,276	$336,045	$952,231	58.6	2

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf.

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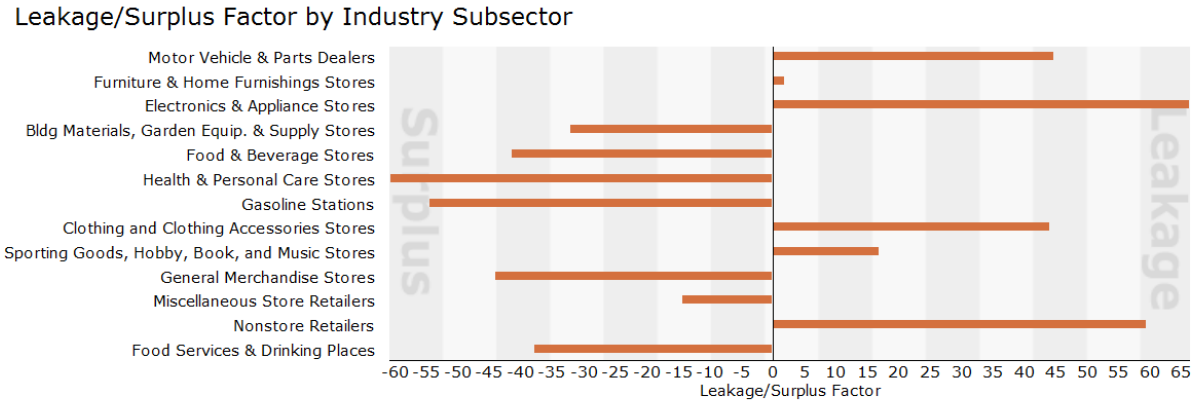
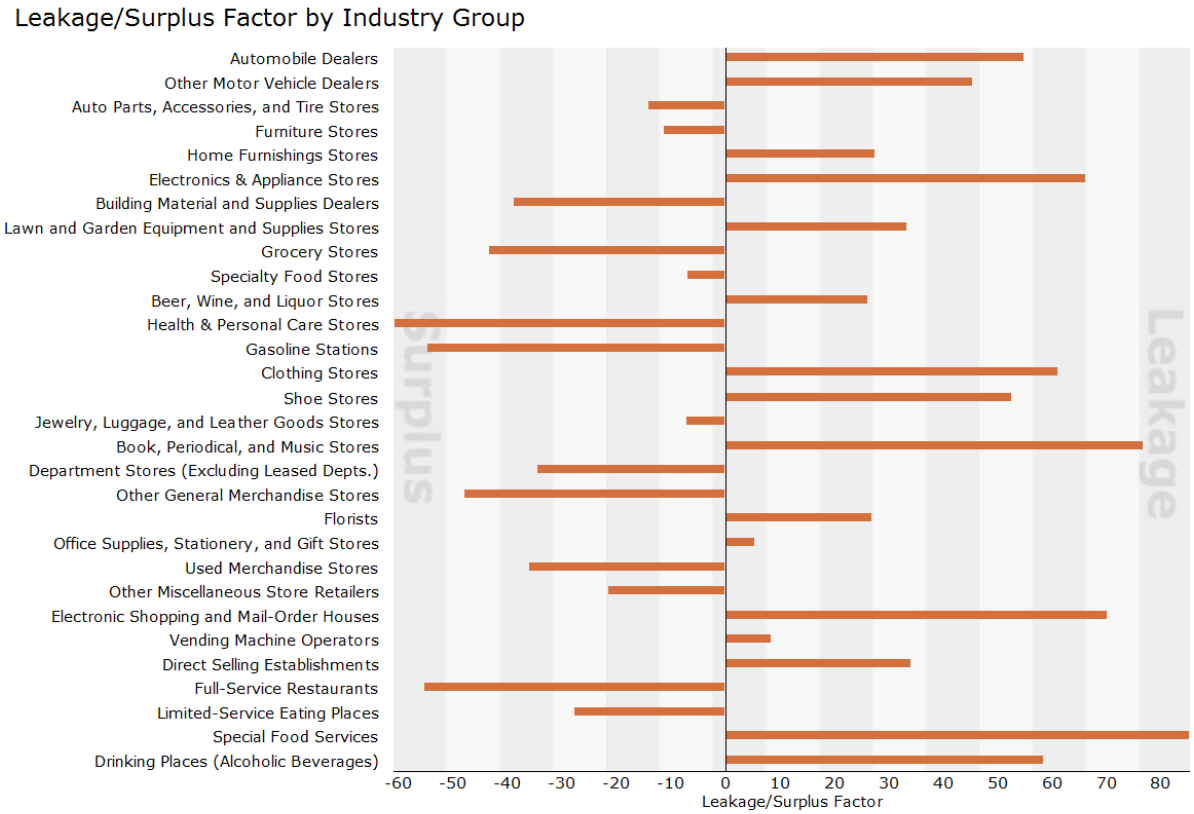
Table 22. - Leakage Factors by Industry Subsector and Group – 5 minute drive time.





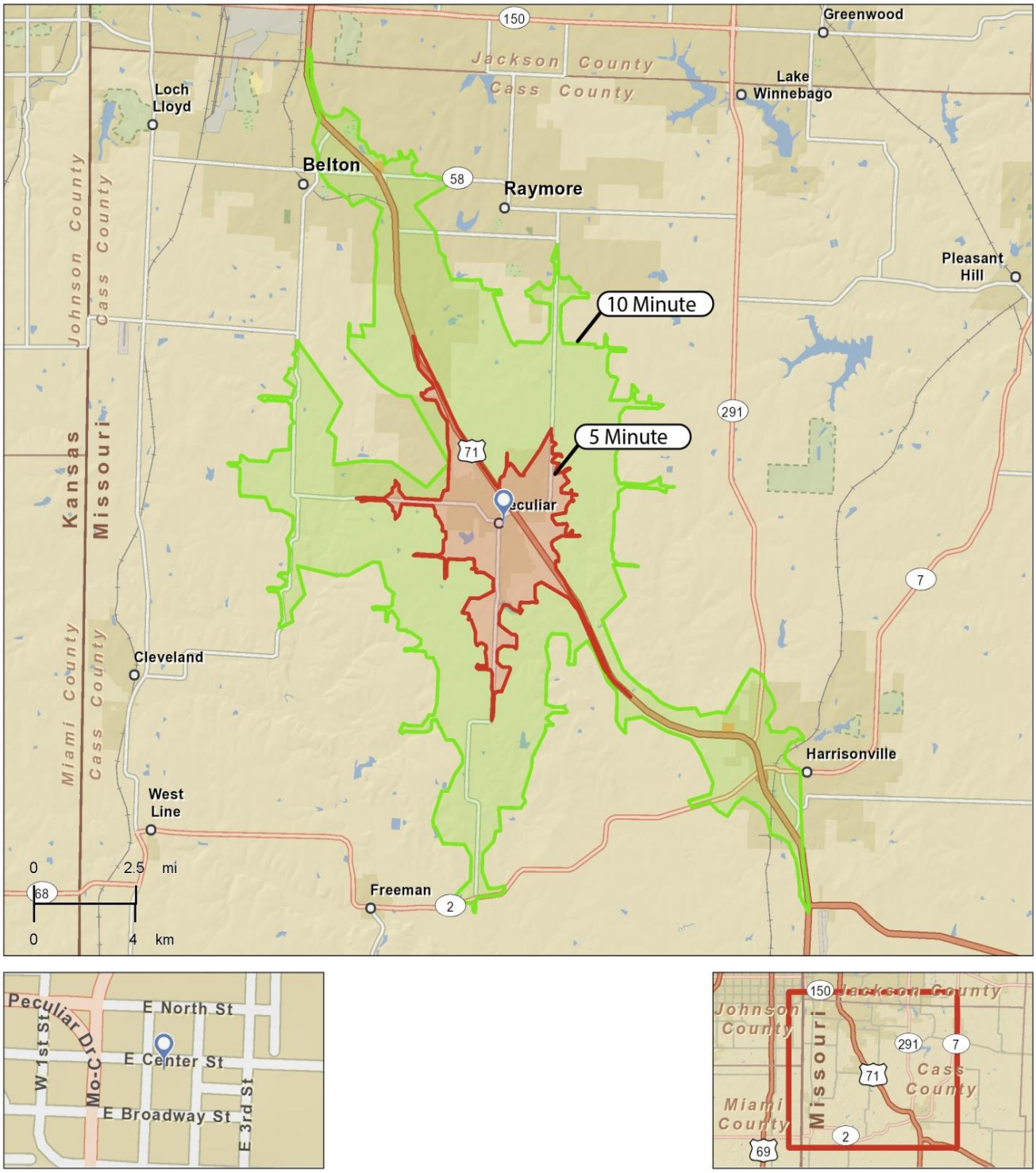


Figure 22. - Drive Time from the City of Peculiar.

The Huff Model

The Huff Model is a spatial interaction model that calculates gravity-based probabilities of consumers at each origin location patronizing each store in the store dataset. From these probabilities, sales potential can be calculated for each origin location based on disposable income, population, or other variables. The probability values at each origin location can optionally be used to generate probability surfaces and market areas for each store in the study area.

$$P_{ij} = \frac{A_j^{\alpha} D_{ij}^{-\beta}}{\sum_{j=1}^{n} A_j^{\alpha} D_{ij}^{-\beta}}$$

Huff Model Equation

- A*j* is a measure of attractiveness of store j, such as square footage.
- D*ij* is the distance from *i* to *j.*
- α is an attractiveness parameter estimated from empirical observations.
- β is the distance decay parameter estimated from empirical observations.
- *n* is the total number of stores including store *j*.

The quotient received from dividing A_j^{α} by D_{ij}^{β} is known as the perceived utility of store *j* by a consumer located at *i*. The α parameter is an exponent to which a store's attractiveness value is raised, and enables the user to account for nonlinear behavior of the attractiveness variable. The β parameter models the rate of decay in the drawing power of the store as potential customers are located further away from the store. Increasing the exponent would decrease the relative influence of a store on more distant customers.

This model provides an answer to a basic question: *What is the probability that a customer will decide to shop at a particular store, given the presence of competing stores?* As a gravity model, the Huff Model depends heavily on the calculation of distance. This tool can use two conceptualizations of distance - traditional Euclidean (straight-line) distance as well as travel time along a street network. To account for differences in the attractiveness of a store relative to other stores, a measure of store utility such as sales volume, number of products in inventory, square footage of sales floor, store parcel size, or gross leasable area is used in conjunction with the distance measure. Potential store locations can also be input into the model to determine new

sales potential as well as the probabilities of consumers patronizing the new store instead of other stores.

The Huff Model can be used:

- To delineate probability-based markets for store locations in the study area
- To model the economic impact of adding new competitive store locations
- To forecast areas of high and low sales potential, which can guide new store location placement or refined marketing or advertising initiatives

The following maps show predicted market trade areas for each major shopping center in the local area around the City. The trade area is conceptualized as a probability surface, which represents the likelihood of customer patronage. The probability surface is contoured to produce regions of patronage probability, which are used as weights in the preparation of market profile. Each market trade area is differentiated by color and labeled with the accompanying shopping center's name. Probabilities for consumer use are greater than 60 percent for each model.

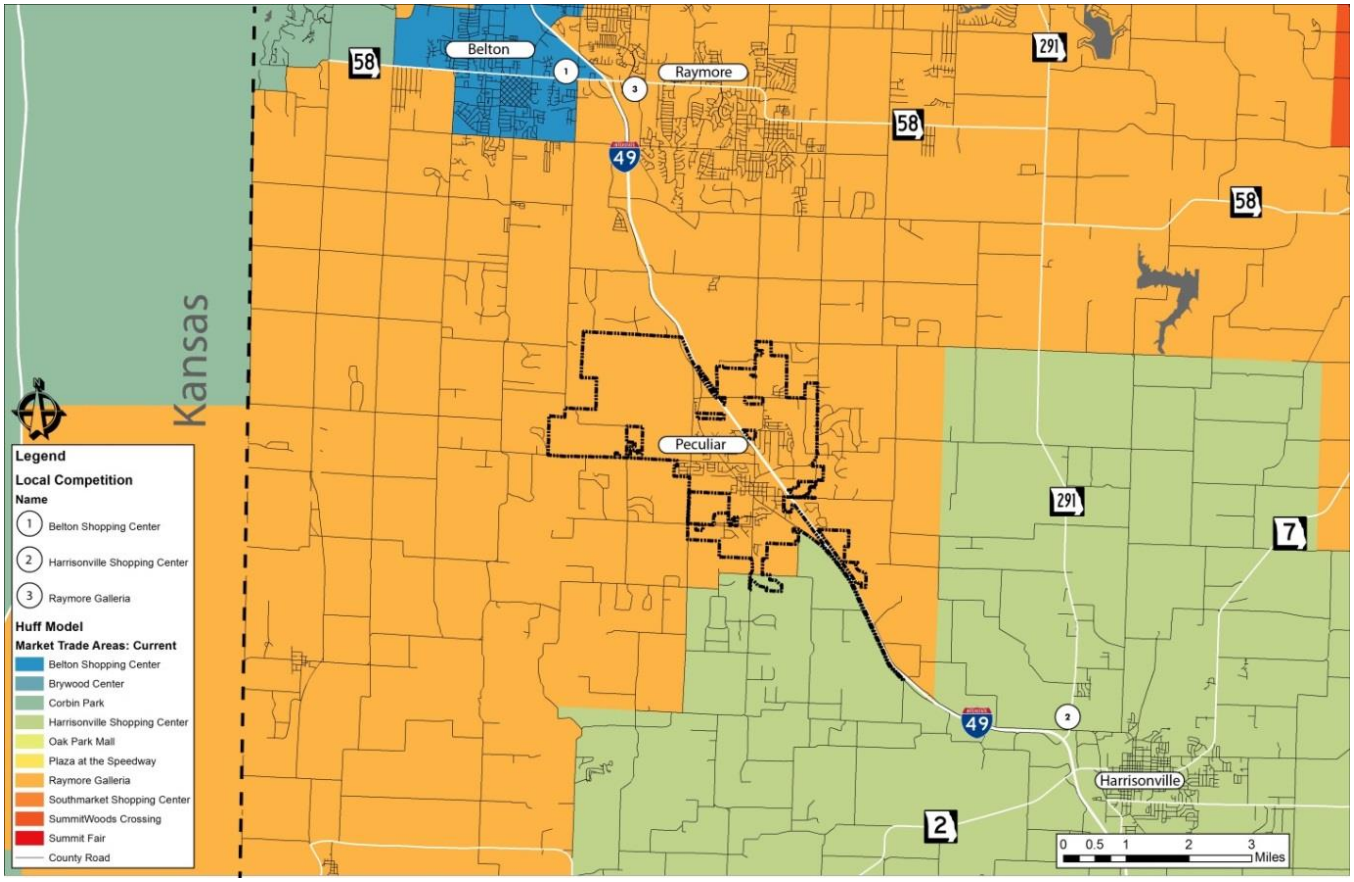


Figure 23. - Huff Model: Market Trade Areas – Current.

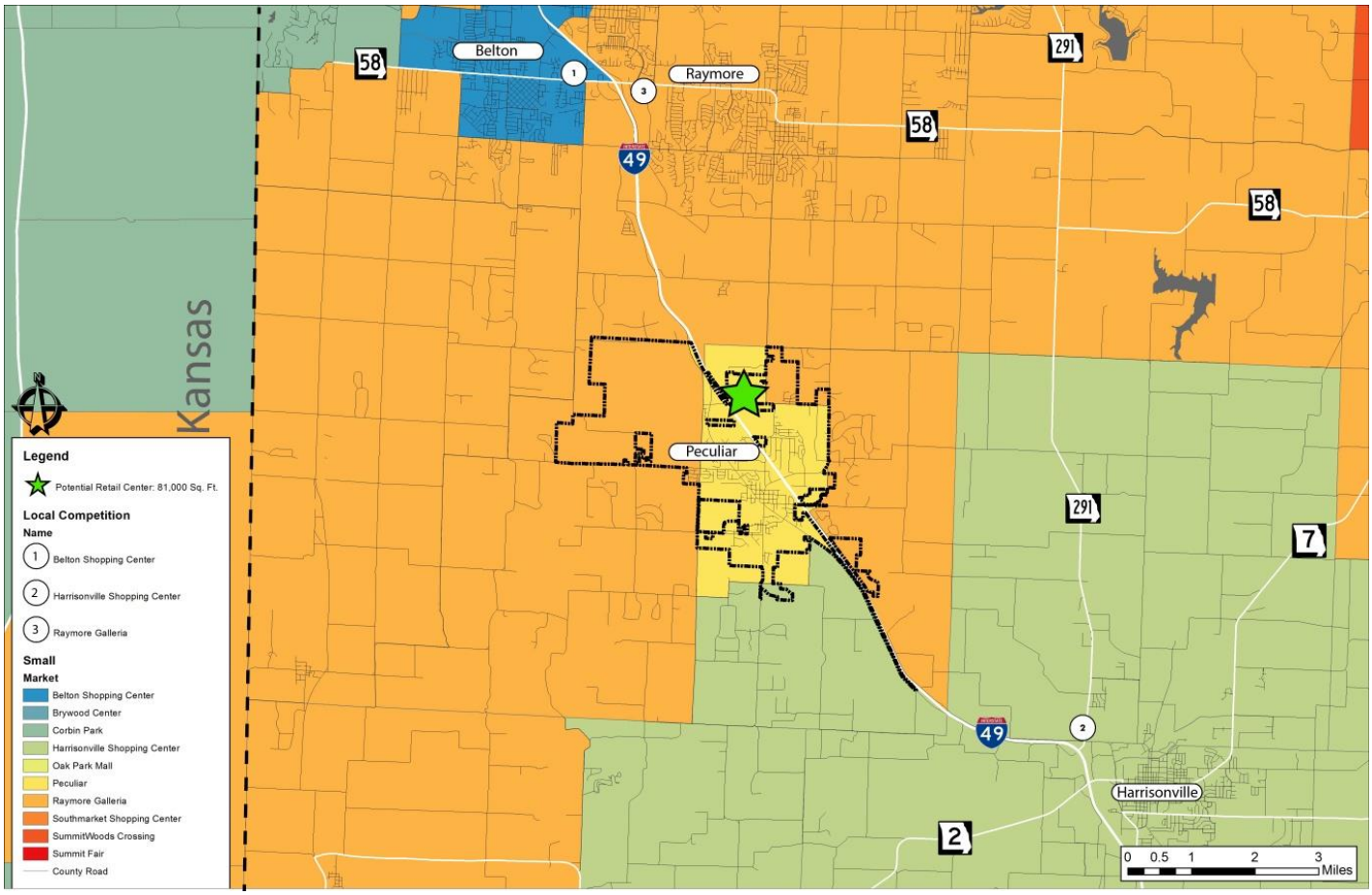


Figure 24. - Market Trade Area – 81,000 square feet projected.

Huff Model: Market Trade Area for new <u>Neighborhood Retail Center of 81,000 sq.ft. retail development.</u>
(Yellow is captured market).

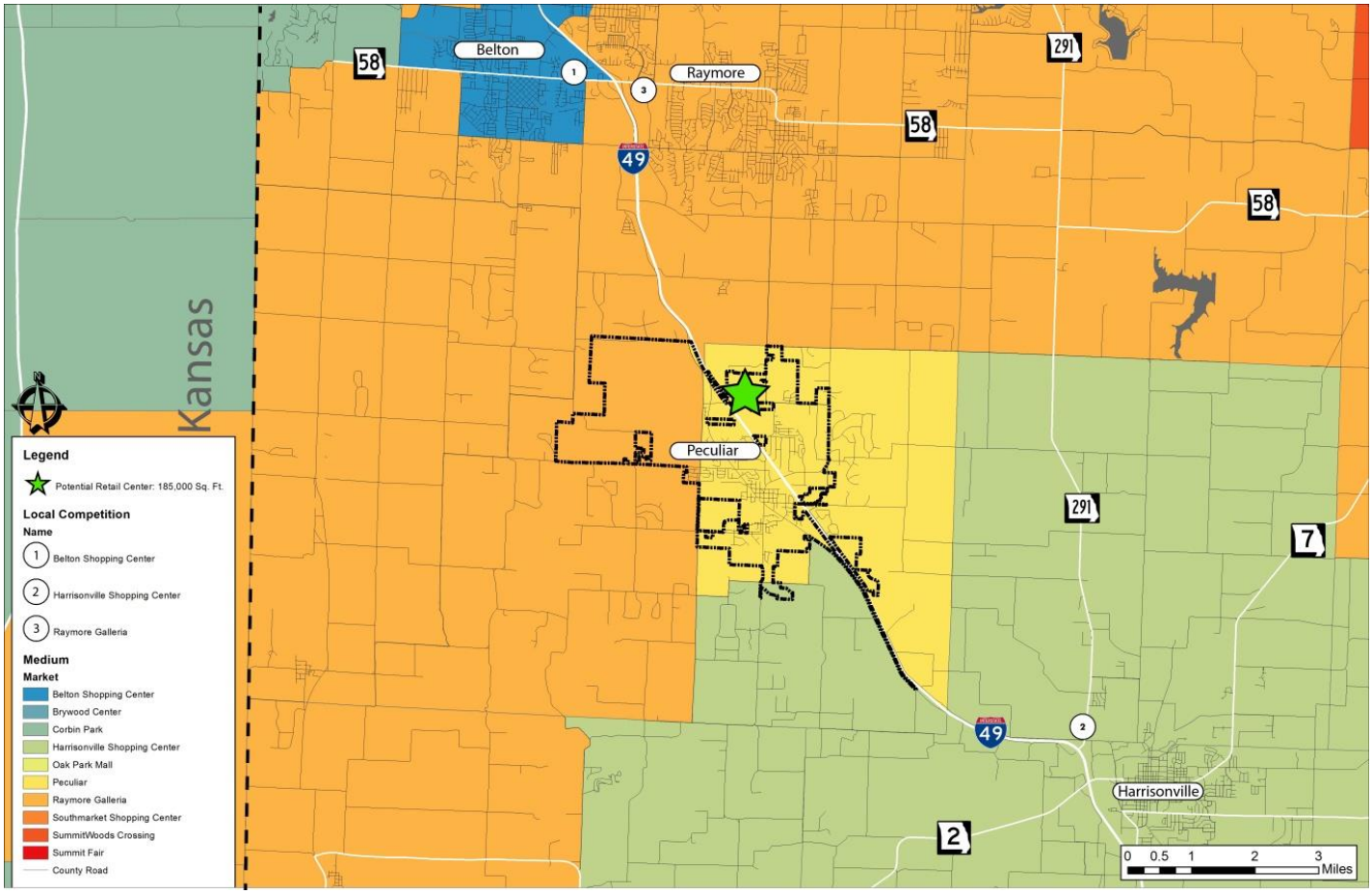


Figure 25. - Market Trade Area - 185,000 square feet projected.

Huff Model: Market Trade Area for new Community Center 185,000 sq.ft. retail development. (Yellow is captured market).

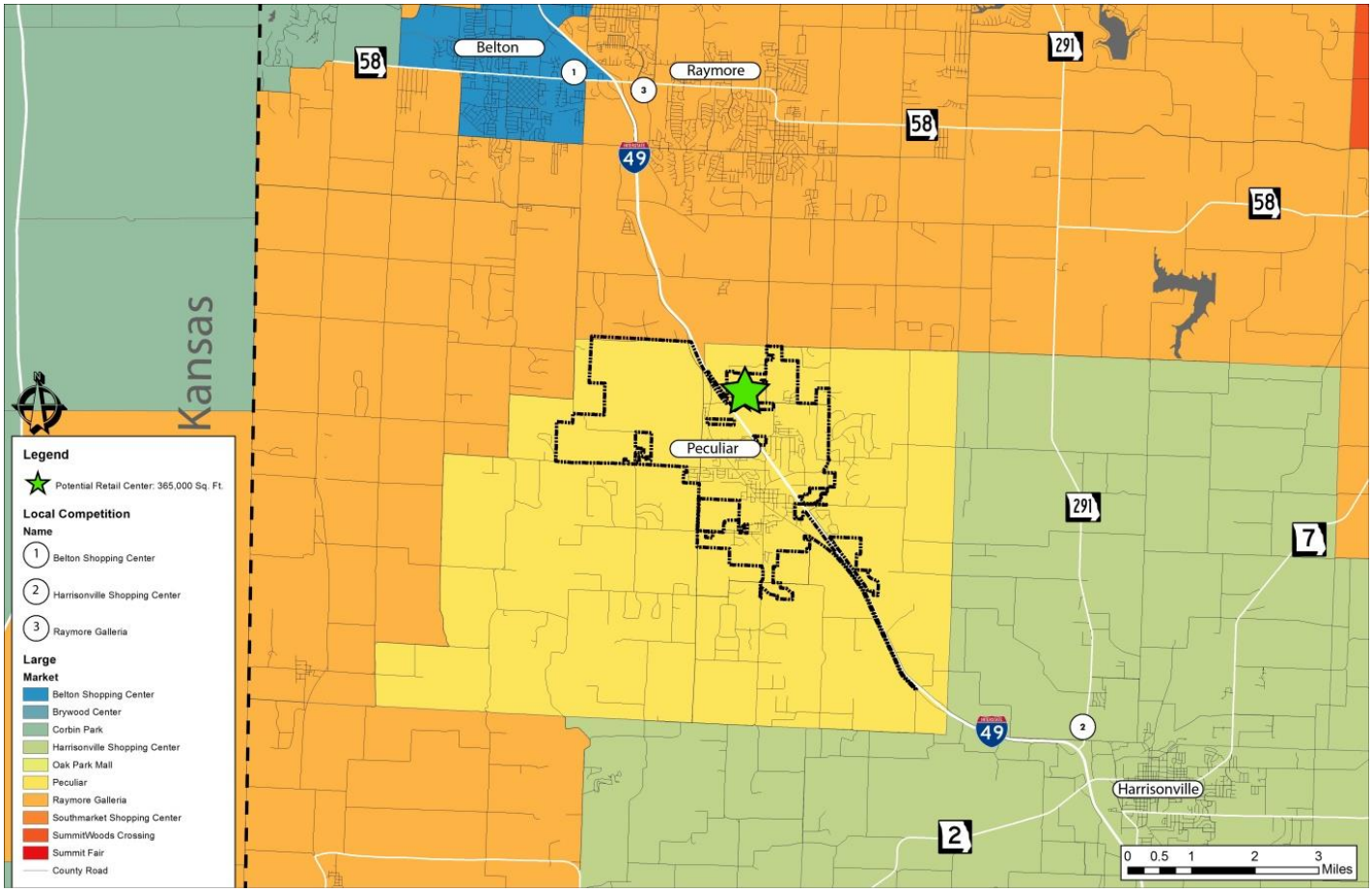


Figure 26. - Market Trade Area - 365,000 square feet projected.

Huff Model: Market Trade Area for new 365,000 sq.ft. Lifestyle Center retail development (yellow is captured market)

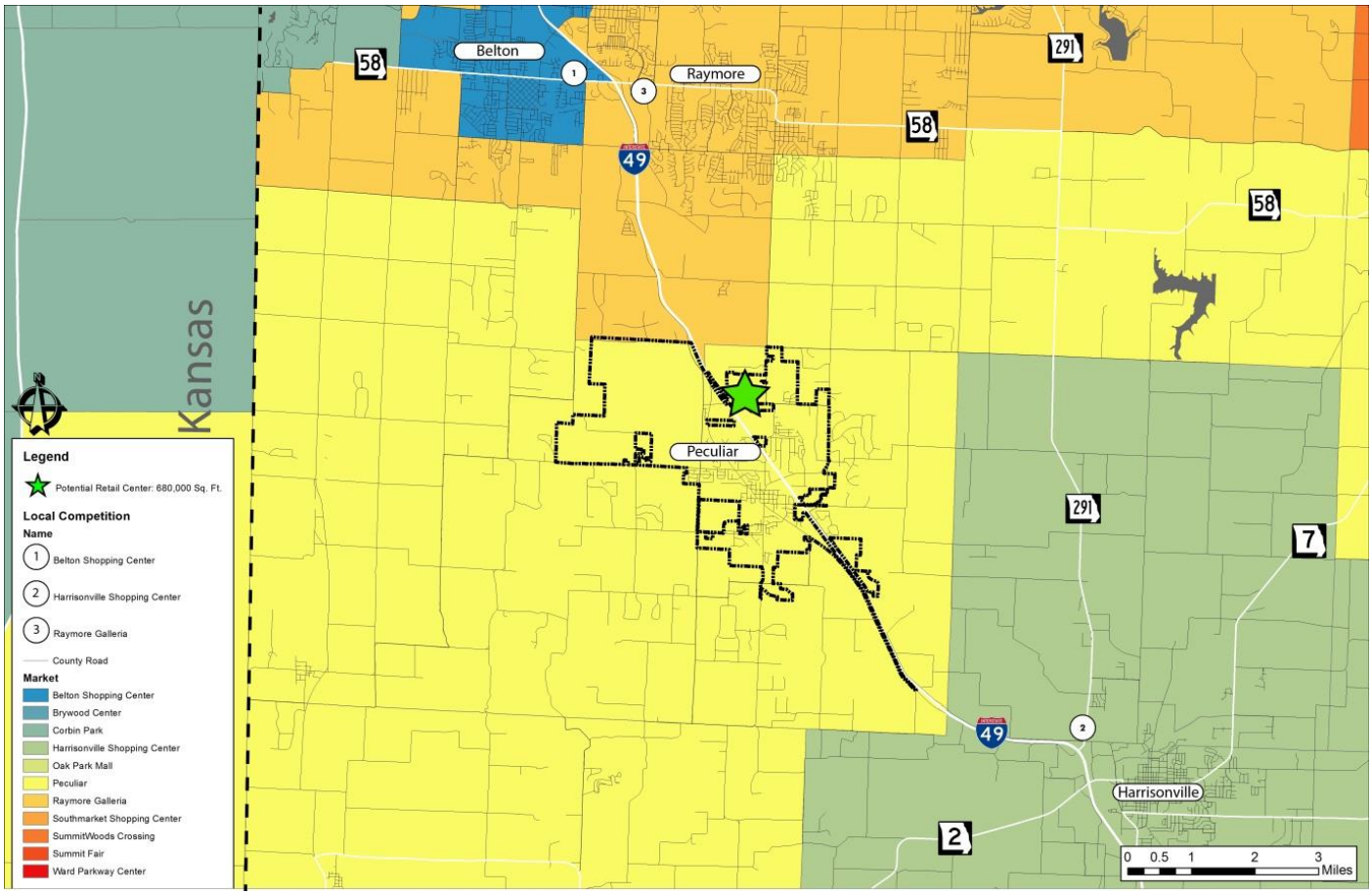


Figure 27. - Market Trade Area - 680,000 square feet projected.

Huff Model: Market Trade Area for new 680,000 sq.ft. Regional Mall retail development (yellow is captured market)

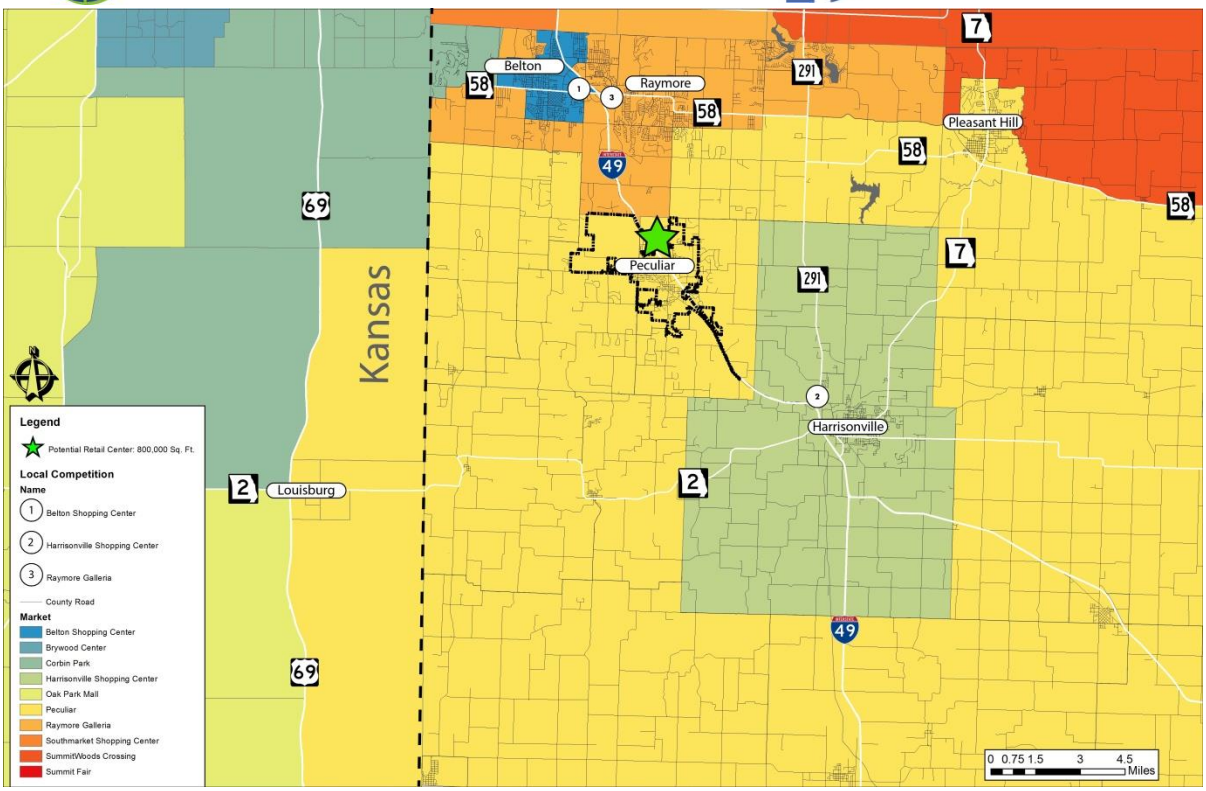


Figure 28. - Market Trade Area - 790,300 square feet projected.

Huff Model: Market Trade Area for new 790,300 sq.ft. Regional Mall retail development (yellow is captured market)

Three data sets were used for proposed retail developments of varying sizes; 81,000[16], 185,00, 365,000, 680,000 and 790,300 square feet.

The Gross Leasable Area (GLA) was used as an attractiveness variable. A potential consumer is assumed to be located at every census block group. Each consumer is assigned a per capita income from that block group[17]. The probability of a customer patronizing a selected retail center is positively related (directly proportional) to the attractiveness of the mall and negatively related (inversely proportional) to the distance between the mall and the customer, given the presence of three competing retail developments in the area: Raymore Galleria, Harrisonville Mall, and Belton Commons.

As Figures 24-28 show, as the square footage of retail development project grew, the trade area would also need to expand and draw from existing retail developments. Data shows that 365,000

[16] Amount of expected retail demand(GLA) outlined in the *Access Justification Report, MoDOT: June 18, 2013*
[17] US Census, ACS 2012

square feet of retail could adequately serve the City and still have proximity benefits of neighboring centers, without reaching into the Harrisionville market share. Larger retail centers of 680,000 and 790,300 show the difficulty of capturing southeast Johnson County market share. The larger retail models begin to deteriorate in probability as they draw from rural areas east, south and west of the PMA. However, in many instances, it is not realistic as we don't anticipate customers leapfrogging the existing market of Harrisonville.

However, quantitative analysis should only be used to understand *possible* outcomes and results. The quality and type of retail also drives the demand for the product. Creating a higher quality shopping experience or retailers that are unique to the market area would increase consumer demand and would cannibalize surrounding markets that are being served by neighboring retail centers.

To sustain the retail that the data shows is viable; it is recommended that quality of development be noticeably better than competing locations in surrounding markets of Belton and Harrisonville. The ability to create a place that consumers enjoy visiting from access, to parking and the architecture is paramount to changing consumer patterns.

211th Corridor Study by GBA

The engineering firm of GBA completed an analysis of potential retail development that could occur surrounding the 211th Street Corridor by the year 2035. According to the Access Justification Report, prepared in June 2013 GBA estimates the 211th Street Corridor to have 81,000 square feet of new retail development by the year 2035; due to the anticipated trip generation through the corridor.

Table 23. - 211th Street Corridor Estimated New Retail

Square footage of new retail (year 2035)	Square Feet
Retail	81,000

Source: Access Justification Report, George Butler & Associates, 2013

This number seems exceptionally small and would be unable to even support the current retail needs of the PMA without resulting in leakage. The analysis shows the potential demand for much more retail than the Access Justification Report report indicates. The availability of land **is not a constraint** of retail development and with the improvements of the 211th Corridor, the accessibility of the sites will be sufficient.

Examples of existing developments

The City has an abundance (over 40%) of vacant/agricultural land as previously discussed. In order to understand the scale and massing of retail centers that would fit onto the 211th Street Corridor development site, we have overlaid existing Kansas City Metro Retail Centers onto the aerial map of the site. Each retail center is shown to scale.

Figure 29. - Sample Development: Belton Shopping Center Overlay

365,916 square feet.

Figure 30. - Sample Development: Summit Woods Shopping Center Overlay

680,000 square feet.

Figure 31. - Sample Development: Leawood Town Center & Hawthorne Plaza Overlay

790,300 square feet.

Analysis shows the appropriate amount of gross retail square footage needed is between 300,000 and 365,000 square feet. This amount of retail square footage would capture as much market share as possible without the substantial cannibalization of other market trade areas.

This is nowhere near the amount of gross leasable square footage associated with a destination retail centers (over 1,000,000 sq. ft.). It is suggested, that without extremely aggressive incentive policies and special private/corporate investment, a destination retail center within the PMA is not sustainable now, or in the near future. As part of the analysis, a million square foot destination retail oriented development was projected within the 211th Street Corridor to gauge its implications. The data concluded that the market demand area would have to reach as far north as Independence, Missouri. This type of retail is not feasible within without a unique draw that is not currently in the Kansas City Metropolitan Region.

Another example of a destination retail development is the Zona Rosa retail center located on Interstate 29, in Kansas City Missouri. The entire Zona Rosa development is composed of approximately one million square feet of mixed-use (retail, office and residential) tenants. The project was developed in 2004 then expanded in 2009 by Steiner + Associates. The center has large retail anchors that include Dillard's, Old Navy, Barnes & Noble, Dick's Sporting Goods and Staples. Restaurants at Zona Rosa include Buffalo Wild Wings, Granite City Brewery, Smokehouse Barbecue, and Hereford House. This is an example of a large lifestyle center that has regional draw.

Another destination retail example is the Village West development in Wyandotte County, Kansas. The project has some similar characteristics as the PMA currently under analysis. The primary advantage of Village West becoming destination retail is the unique draws of the Kansas Speedway, Sporting Kansas City Park, and unique retailers that are exclusive to the regional marketplace.

The lack of existing retail options for existing residents of the City creates the need for retail, and this demand is currently being primarily served by other communities. This was documented in the 2012 Economic Development Report citizen survey. If population trends can increase proportionally to the Cass County projections, the need for additional retail only grows.

Table 23. shows our recommendations for the retail market within the PMA. Many of these recommendations have been discussed in the Economic Incentive Analysis Report provided under a separate cover.

Table 23. - Retail Recommendation Matrix

Recommendation	Action Item	Party	Timing
Complete action items and recommendations from the economic incentive report and residential recommendations in this report.	Various	Various	Various
Provide development assistance to increase retail and restaurants between I-49 and downtown	Create specific incentives and design criteria to attract specific retailers that will fulfill existing market demand	Property Owners, Retail Developers, City, Consultants	Six months to year
Provide development assistance to create retail projects in the 211th Street Corridor that will not compete with downtown retail market	Create specific incentives to attract specific retailers that will fulfill existing market demand	Property Owners, Retail Developers, City, DPACD, Consultants	Six months to year
Create development agreements that are create design criteria for both downtown retail and 211th Street retail centers	Ensure that the public private partnerships creates binding agreement for enhanced design for exchange for public assistance.	Consultants, Attorneys, Developers, City	1 year
Enact marketing campaign to buy local	Examine marketing programs that other communities have used to urge residents to purchase goods and services within their City	Chamber, DPACD, Neighborhood Groups, etc	6 months to 1 year

Section 8: Industrial Market

It is difficult to gauge the industrial marketplace for the City, since the existing industrial market is largely undeveloped. Attracting industry starts with creating viability of sites and industrial parks the size and scale of current market demands.

Again in the 2012 Economic Development, the residents of the City also expressed a strong desire to increase industrial development in the City. Table 24. shows the response from the community:

Table 24. - The City of Peculiar Economic Development Survey

Would you like to see the following locate in Peculiar?	Yes	No
Manufacturing	66.7%	33.3%
Warehousing	60.3%	39.7%
Sports Related Entertainment	55.6%	44.4%

There are many advantages that this region has to offer including wage rates, available land, low tax rates, utility rates, and proximity to the interstate and intermodal hub.

As mentioned earlier, the potential benefits of the I-49 corridor, combined with the Centerpointe Intermodal Center-KC on the old site of the Richards Gebaur Air Station should have a significant impact to the City's success in attracting new jobs and investments.

Some other existing market conditions that can play a factor in the ability to expand the industrial marketplace include:

- The State of Missouri has the highest rate of technology employment in the nation for two years in a row.
- Cass County has one of the highest percentages of residents that work outside of county.
- Cass County is also diversified in employment, without a dominate industry sector.
- Only 10-15 percent of new jobs are created by relocation or attraction of new jobs. The majority of job growth is expansion of existing businesses.
- Competition for these new jobs by relocating companies is ultra-competitive.

One of the main factors to consider is how the community is perceived by the outside marketplace. Kansas City Area Development Corporation (KCADC) is the leading agency in the Kansas City Metropolitan Area responsible for selling the metropolitan region to out of market firms looking to relocate. One of the main selling points to incoming industries and businesses for Cass County is the transportation benefits.

As with the potential for new retail, industrial land availability is not a constraint of development. Access is excellent with the new 211th Street Interchange. It has been stated that there is also a high probability of development in this area because of utilities; the high-line electric availability exceeds any site in the Kansas City area.

211th Corridor Study- Industrial

As previously mentioned, the 2013 Access Justification Report completed an analysis of potential industrial development that could occur surrounding the 211th Street Corridor by the year 2035. The following table shows their findings.

Table 25. - 211th Street Corridor: Estimated New Industrial

Square footage of new retail (year 2035)	Square Feet
Light Industrial	910,172
Heavy Industrial	225,325

Source: Access Justification Report, Prepared by GBA in 2013

Kansas City Metro. Industrial & Intermodal Importance

"Kansas City is currently experiencing an unparalleled period of growth in transportation and logistics-related investment. This is in large part being driven by a dramatic increase in products shipped into the United States from Asia that has stretched our country's busiest coastal ports to capacity. As a result, Kansas City has emerged as an ***"inland port"*** *that allows companies to diversify its import flow and use alternate routes for these goods to reach its customer base across the interior of the North American continent. KC's central location and physical transportation infrastructure allow it to provide excellent support to the growth of the global market."*

www.kcadc.com

Industrial Development Characteristics

What are the primary factors that industrial companies looking to relocate seek, and how can the City be posed to take advantage of upcoming growth of the industrial market. The attractiveness of a region to businesses derives in large part from the region's ability to provide some local factors of production better than competing regions. These local factors are the following:

- Availability of buildings or sites applicable to the company's specific needs, including the price and availability of land as well as built space.
- "Certified/shovel ready" sites.
- Adequate infrastructure and the availability of utility infrastructure (electric, gas, water, sewer, etc.) to service the development.
- Workforce, including labor costs and skills.
- Access to markets, including proximity to markets, and transportation and telecommunications systems to bridge the distance.
- Business climate, including customer service quality of the local government, regulations and taxes, and the cost of utilities.
- Business formation and acceleration, including three main components: innovative capacity represented by universities and other research centers, access to capital, and economies of concentration (known as "clusters").
- Quality of life, including the quality of the educational system, the crime rate, the cost of living, and recreational opportunities.

The four main considerations for each factor are:

- *Quantity.* There needs to be sufficient amount and availability of the direct factors of production (e.g., workers, building space, public services).
- *Quality.* Direct and indirect factors need to be provided as well; cheap and plentiful inputs are not useful if they cannot meet the requirements of business operations.
- *Price.* Quality must be found at a reasonable price that allows businesses to remain profitable.
- *Location.* In some cases, this means widespread availability so that businesses can have a lot of choice in how to optimize their location decision; in other cases, it means using resources to make the factors available where businesses find them most valuable.

Overlay Examples

Figures 32 - 34 are three examples of business and industry attraction projects that Kansas City Area Development Corporation has successfully landed in the Kansas City Metropolitan Area. These examples are overlaid onto vacant land that is targeted for future industrial use north of the 211th Street Corridor and west of I-49.

Figure 32. – Sample Development. E.C. Manufacturing Industrial Overlay.

142,460 square feet

E.C. Manufacturing, an advanced manufacturing startup, operates in Shawnee, Kansas in a 142,460 square foot facility at 23501 W. 84th Street. The company is expected to create 252 new jobs over the next three years and make an estimated capital investment of more than $6 million. The company will produce advanced, small electrical components.

Figure 33. - Sample Development. Logoplaste Industrial Overlay.

200,000 square feet

Logoplaste, a manufacturer of rigid plastic packaging, selected the Kansas City region for its new manufacturing operation at 6920 Executive Drive. The company will invest $31.5 million in a 200,000-sq.-ft. facility, creating approximately 80 new jobs.

Figure 34. - Sample Development. LMV Automotive

253,600 square feet

LMV Automotive will build a new 253,600-sq.-ft. manufacturing operation and create 166 new jobs. Initial capital investment is estimated at $49.7 million. LMV Automotive is a division of Magna International, one of the world's largest suppliers of automobile parts. The expansion follows a 2012 investment by LMV Automotive Systems in a $42 million, 212,550-sq.-ft. manufacturing complex in Liberty, where it now employs more than 150.

Industrial Recommendations

The Director of the Department of Economic Development for the State of Missouri, Mr. Mike Downing; states that the new playbook for economic development is :

1. Make attracting, developing, and retaining **talented people** in your communities your top economic development priority.
2. Focus resources on high-impact, in-state companies for **greatest job growth** and **business creation** potential.
3. Develop business plans around **competitive advantages** and **assets**.

Mr. Downing also recommends that communities be ready for industries. The State of Missouri presently has in place an economic development program called the Certified Site Program. The purpose of the program is to have communities complete the due diligence needed to complete a development and provide the information on a uniform standard whereby industrial users can compare sites quickly and make decisions based upon the data provided. The City is presently under-going this certification process.

Also in an effort to attract companies, Mr. Downing recommends the Work Ready Communities Program. ACT, a private, not-for-profit organization, that specializes in college based testing now brings testing standards that assist placement of workers that may not have the work history needed to justify employment. Testing shows employment capability and provides benefits to both employers and employees.

Creating an educated workforce starts early. Promoting education in the fields of Science Technology, Engineering and Mathematics (STEM) must start at an early age. Partnerships can by created, with local school districts. An example of this is the Innovation Campus in Lee's Summit. The Campus provide students with classroom and on the job training, effectively preparing students for employment in these sectors faster, burdened with less debt and more attractive to potential employers. The skills in demand are in STEM Fields, and demand shows that there are 3.1 jobs for every unemployed person with those skills, while people without those skills have 3.7 people for every job available.

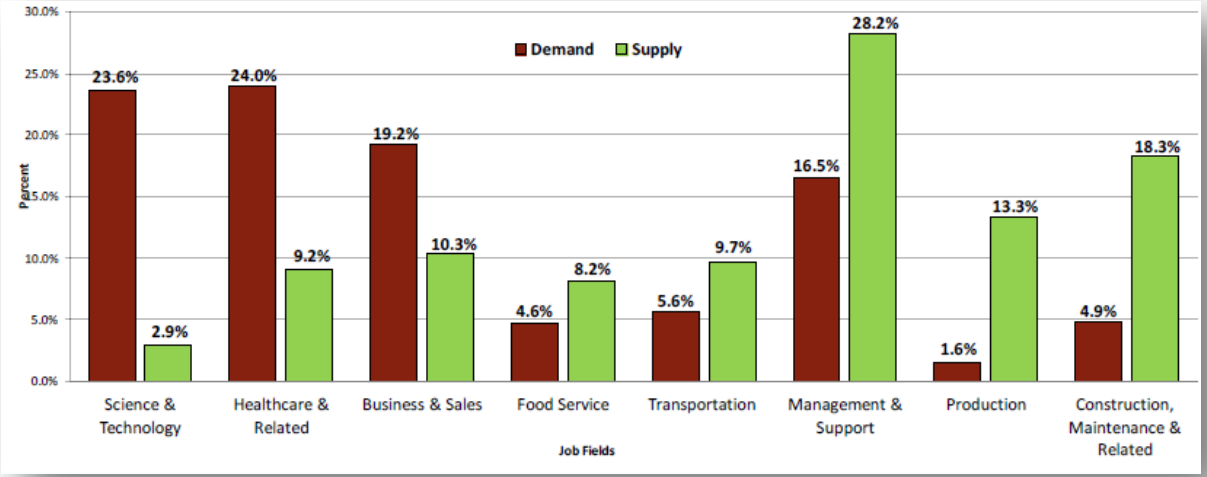


Figure 35. - Missouri Labor Supply and Demand, March 2014

Figure 36. shows the demand for workers and the supply of workers within certain industries, including STEM. This shows the need for education in STEM fields, as businesses will locate around skilled workforce.

Again, while specific quantifiable estimations of new industrial space needed by the marketplace cannot currently be estimated, it is clear that future residential growth within Cass County and the competitive advantages that the City offers will be attractive to future industrial development.

Table 26. outlines specific recommendations for increasing the attractiveness of the City enabling it to capture increased industrial market share.

Table 26. - Industrial Recommendation Matrix

Recommendation	Action Item	Party	Timing
Comprehensive plan updates to ensure any land use conflicts are addressed.	Adopt updates to comp plan, create transition districts with conflicting uses	City, Planning Staff, and Consultants	Immediate
Ensure infrastructure is available	Fund infrastructure through general funds, bond issuances, or incentive tools to bring needed infrastructure to industrial sites	City	Immediate to 3 years
Pro-active incentive tools in place to attract development and build infrastructure	Create Chapter 100 bond policies that are designed to attract jobs and industries, create working relationship with CCED, KCADC, and DED.	City, CCED, KCADC, DED	Immediate
Attract a talented educated population by having quality neighborhoods and commercial districts	Enact recommendations from housing and retail recommendations	various	Immediate
Partner with School District to ensure education is matching up with needed skills (STEM)	Create an advisory committee of business and educators to determine gaps or opportunities in job placement or skills	Chamber, City, School District	3-6 months
Work Ready Communities, ACT testing	Work with CCED to enact these	City, and CCED	3-4 months.
Certified Site Programs	Enroll local industrial sites into the State Certified Site Program	City, CCED, DED and Consultants	Immediate to six months
Fast and Impressive responses to potential new industries/companies looking to relocate	Create marketing package for industry that can be used and modified for inquiries from site selectors	City, Consultants	3-4 months

Section 8: Conclusion

In conclusion, while there are many positive market trends, the projected residential growth is stagnant and steps must be taken to benefit from the growth of the region.

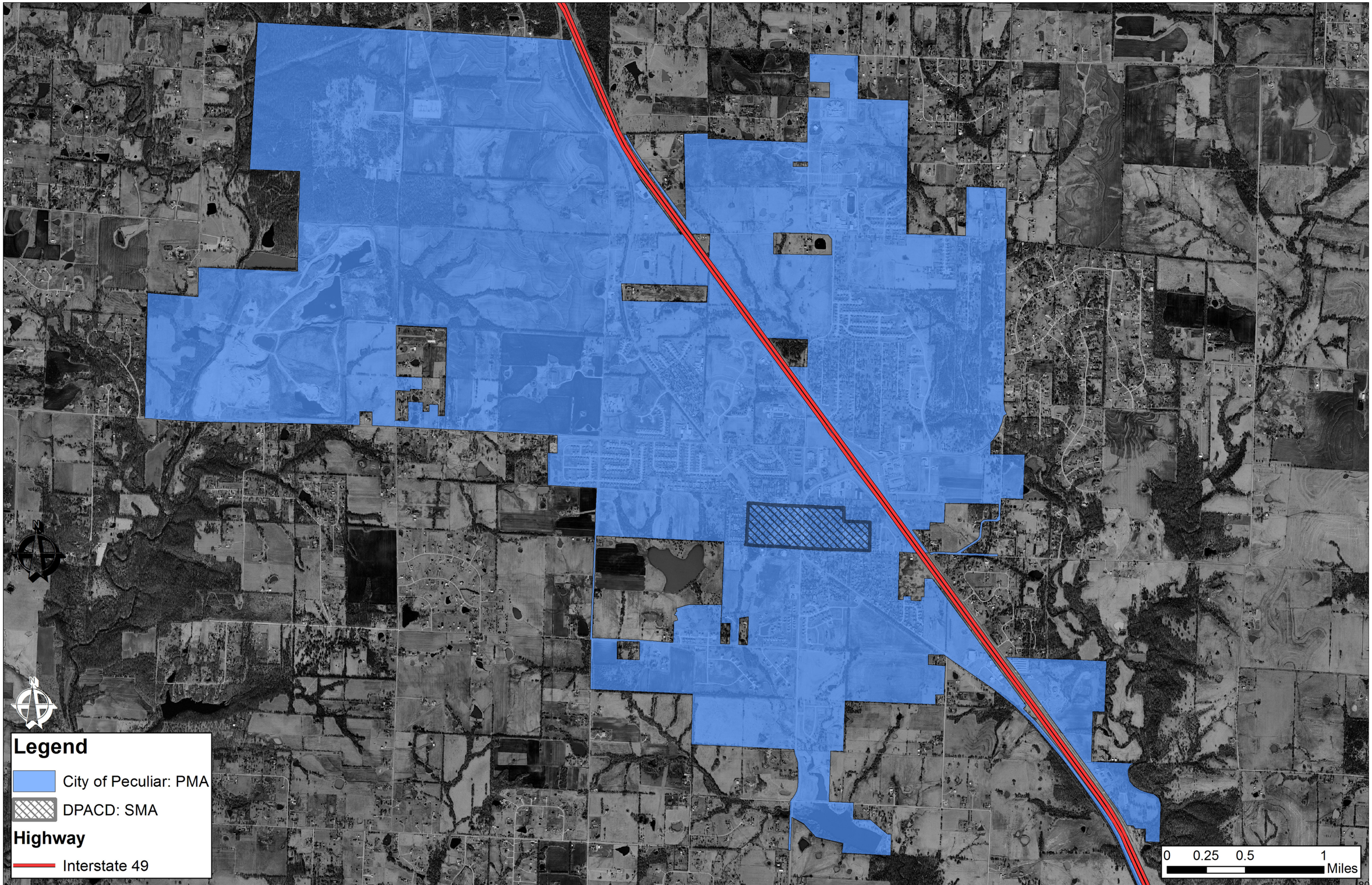
Table 27. shows the projected development in these three categories (residential, retail, and industrial) can have on the investment, jobs and taxes that would benefit the City of Peculiar.

Table 27. - Estimated New Development Impact

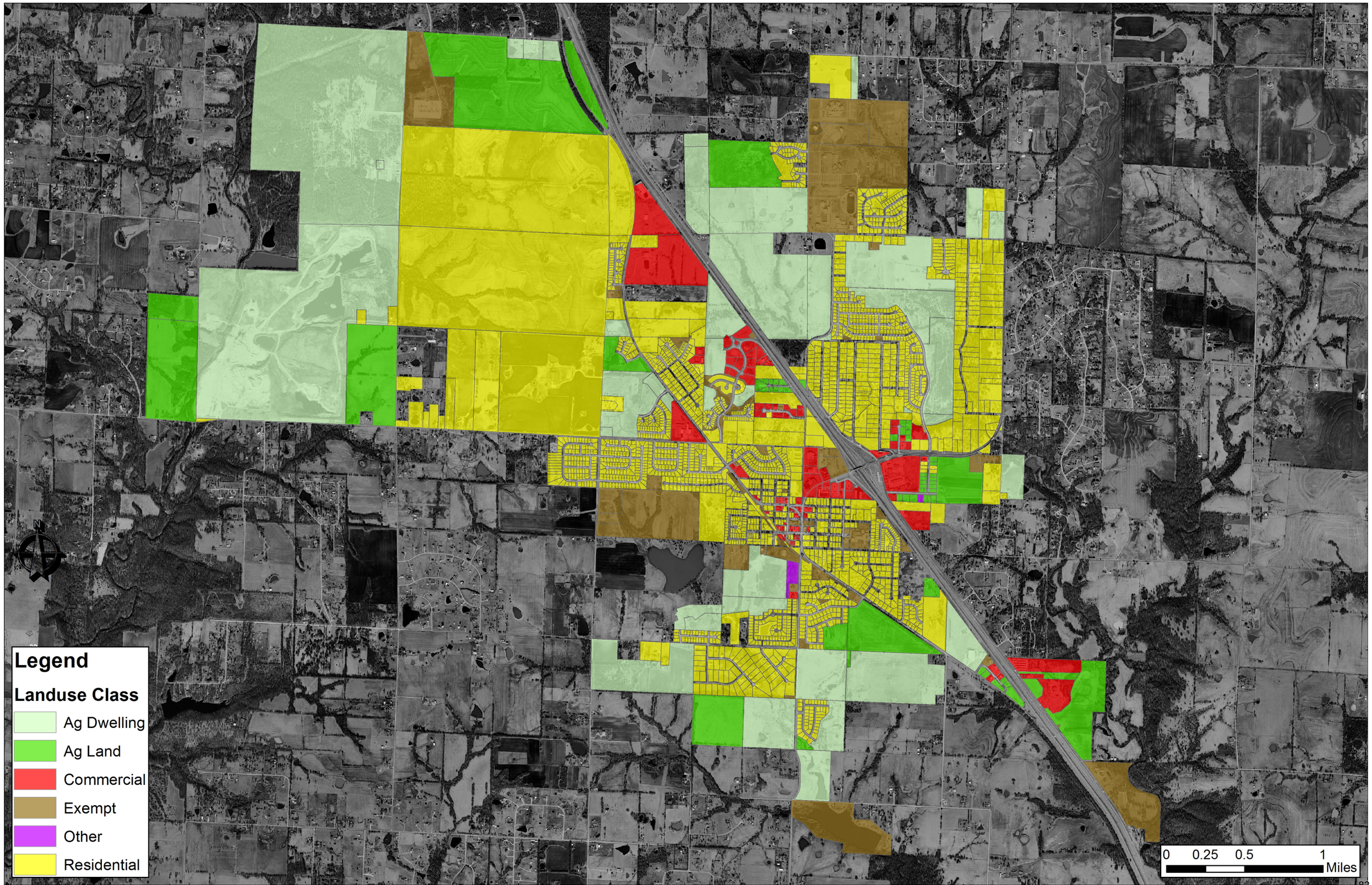
Projected new development (Residential, Retail and Industrial)				
	Market Opportunity (sq. ft. or units)	Investment Created	Jobs Created	Annual Sales
Residential	73 homes 162,936[18] sq.ft.	$11,132,500[19]	219[20]	n/a
Retail	365,000 sq.ft.	$51,539,250[21]	799[22]	$61,320,000[23]
Industrial	Not forecasted, 1,000,000 sq.ft. example	$105,550,000[24]	1,720[25]	n/a
TOTALS	**1,527,936**	**$168,221,750**	**2,738**	**$61,320,000**

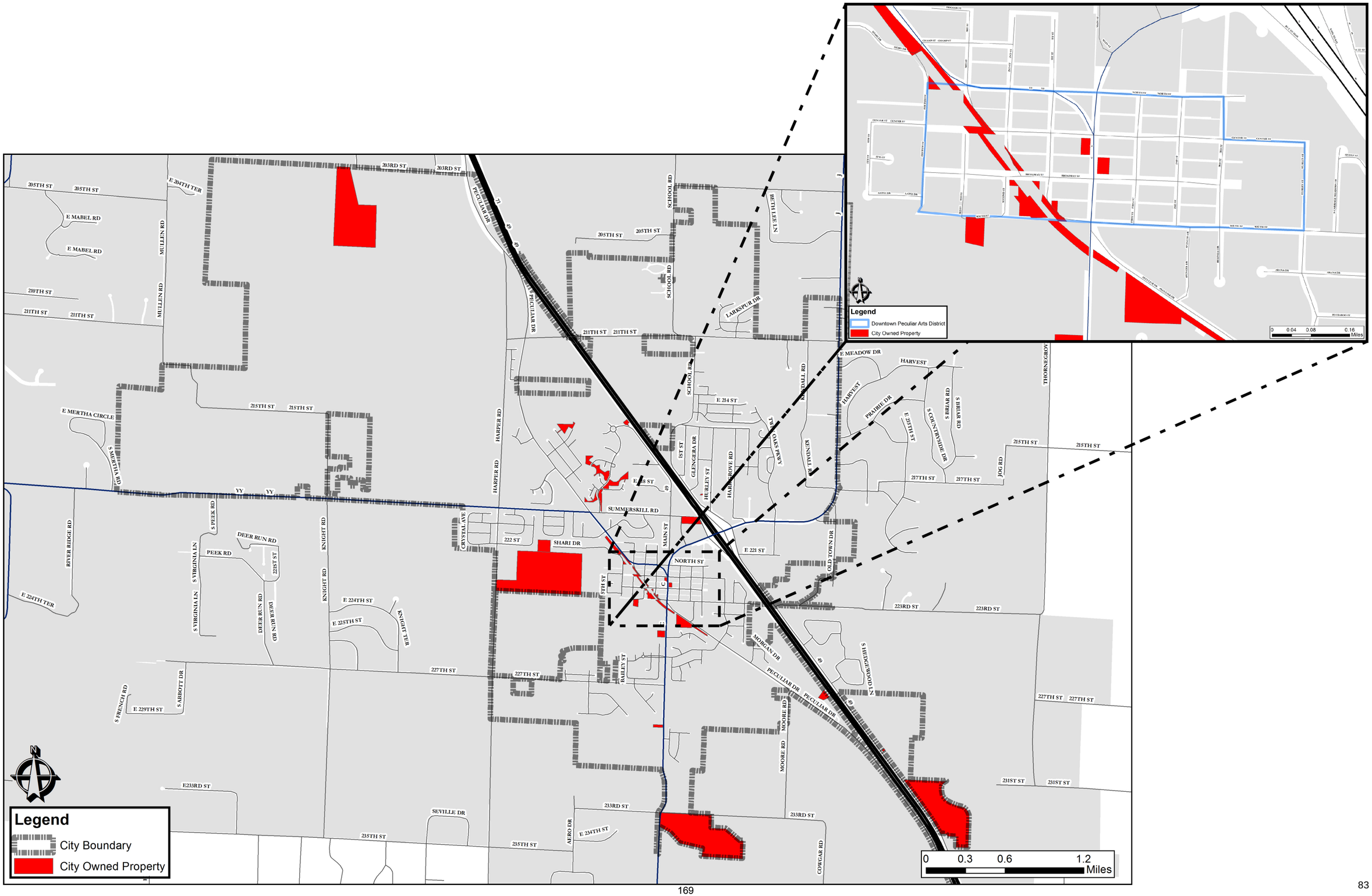
[18] Source: Reece and Nichols, Average size of new home Cass County.
[19] Source: Average cost of Building Permit- Single Family House, Peculiar, Missouri.
20 Source: National Association of Home Builders estimates 3 jobs are created for each new single-family home built.
21 Source: Reed Construction Costs, 2013 $241 restaurant, $131.5 supermarket, movie theater $166, Department Store $113.25.
22 Source: Econsult Corporation (2007).
[23] Source: ULI Dollars and Cents (2008) Supper Community and Community Center, avg sales $168, small town, rural.
[24] Source: Reed Construction Costs, 2013 industrial construction $105.55 psf.
[25] Source: Econsult Corporation (2007). 1.72/1,000 square feet.

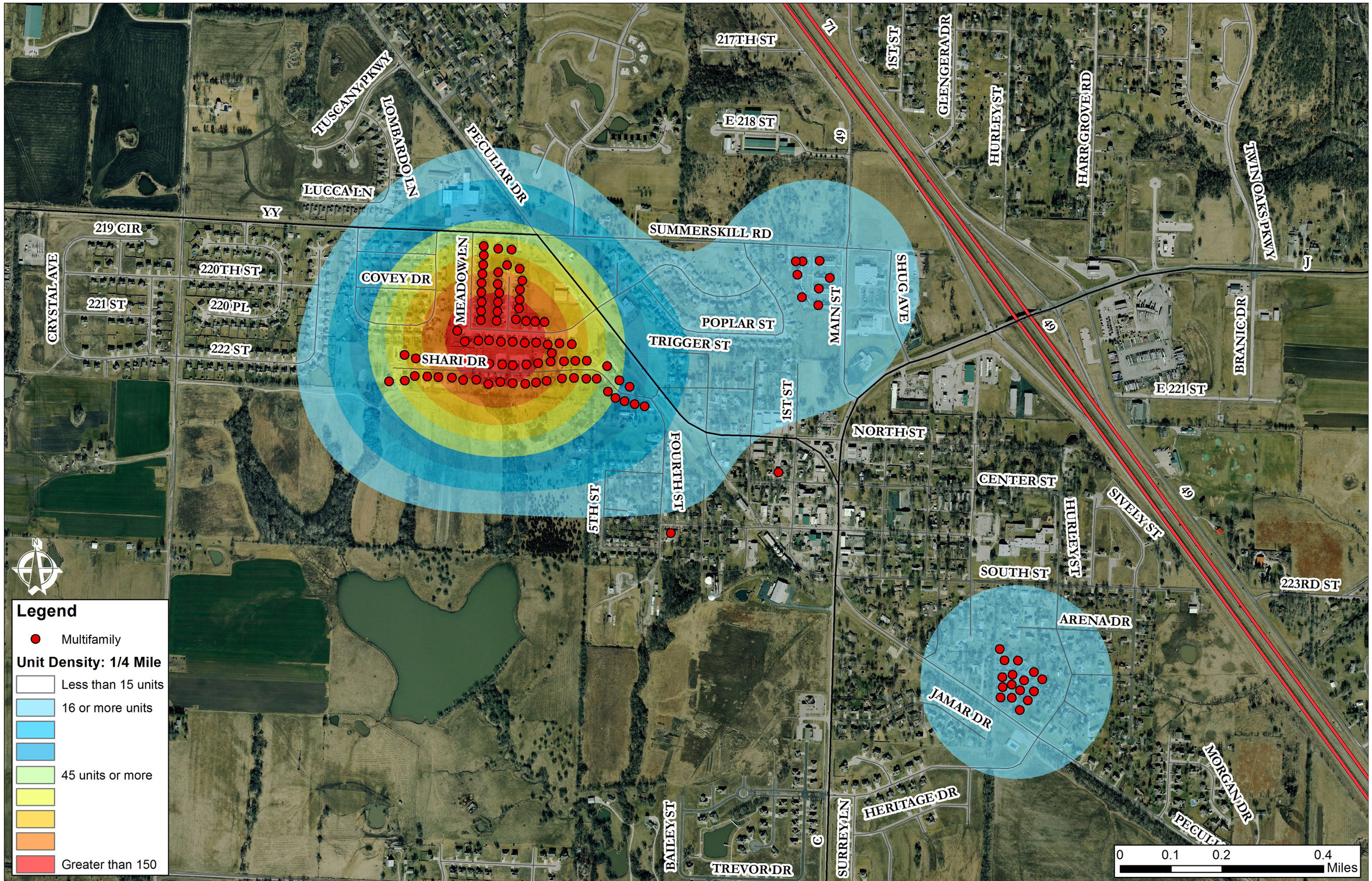
Exhibit A - Maps and Foldouts

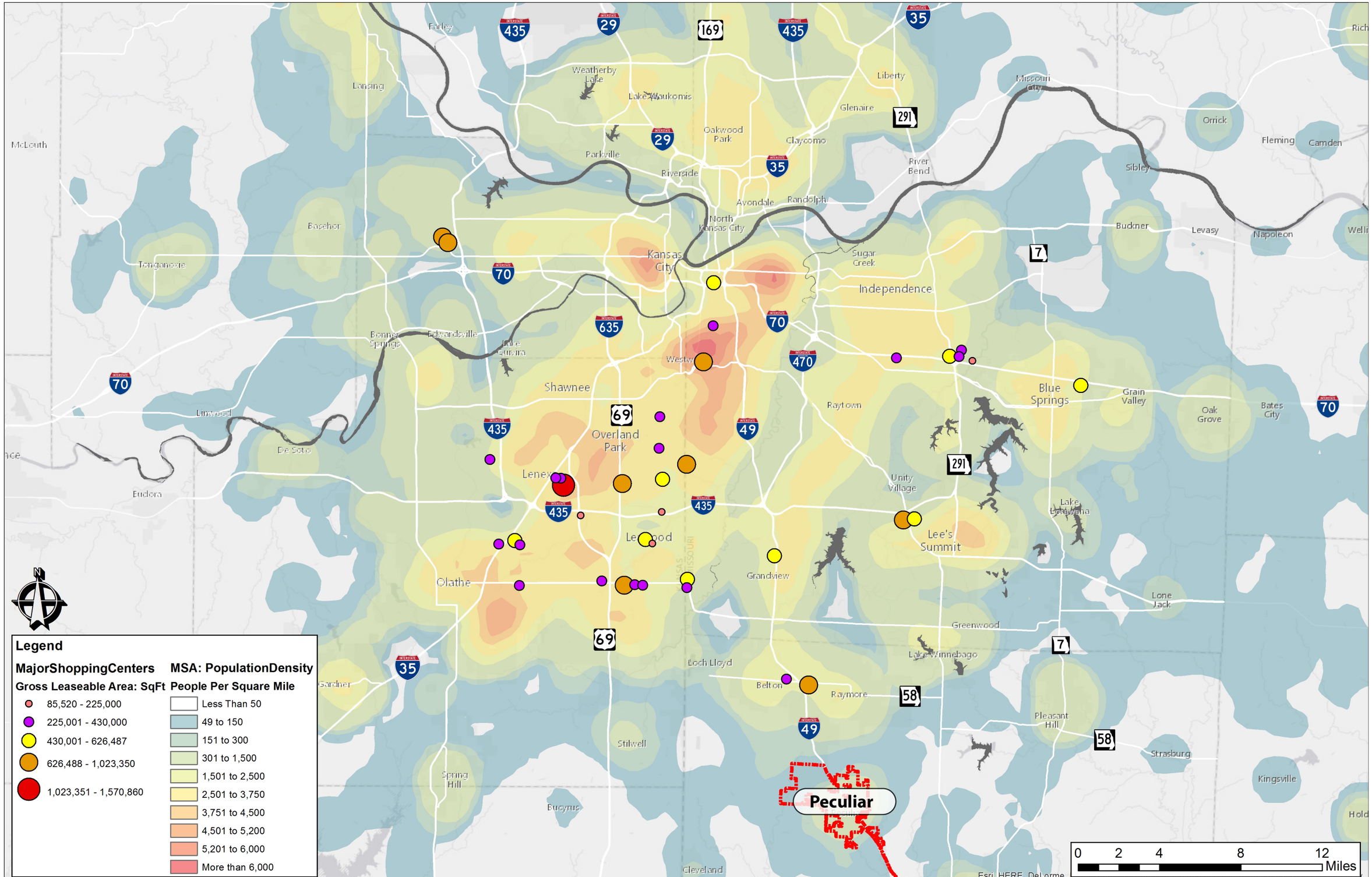

Legend
City of Peculiar: PMA
DPACD: SMA
Highway
Interstate 49
0 0.25 0.5 1
Miles

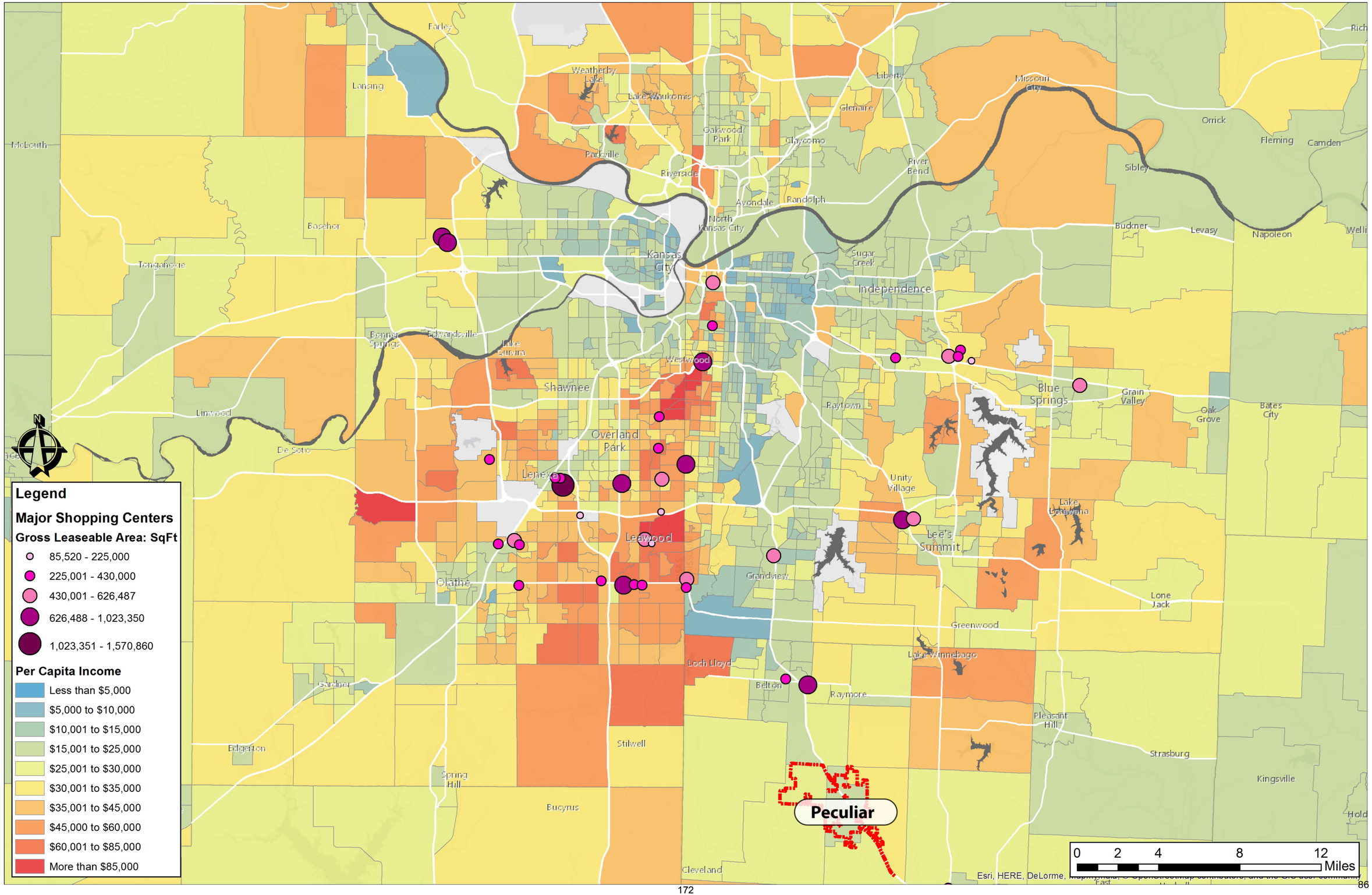
SUMMERSKILL RD
BIRCH ST
WILLOW ST
YY NORTH ST
WILLOW LN
POPLAR ST
TRIGGER ST
SHARI DR
CHAMP ST
2ND ST
3RD ST
1ST ST
MAIN ST
SHUG AVE
C
J
E 221 ST
FOURTH ST
CENTER ST
5TH ST
5TH CT
LIONS DR
BROADWAY ST
3RD ST
SECOND ST
SOUTH ST
FIRST ST
2ND ST
3RD ST
CENTER ST
HURLEY ST
SOUTH ST
N CARRIAGE MEADOWS TR
SPENCER DR
BELINDA CIR
PECULIAR DR
ARENA DR
SIVELY ST
Legend
Infill Opportunity
DPACD
Structure
County Roads
Designation
Interstate
US Highway
Route
Local Road
0 0.0425 0.085 0.17
Miles

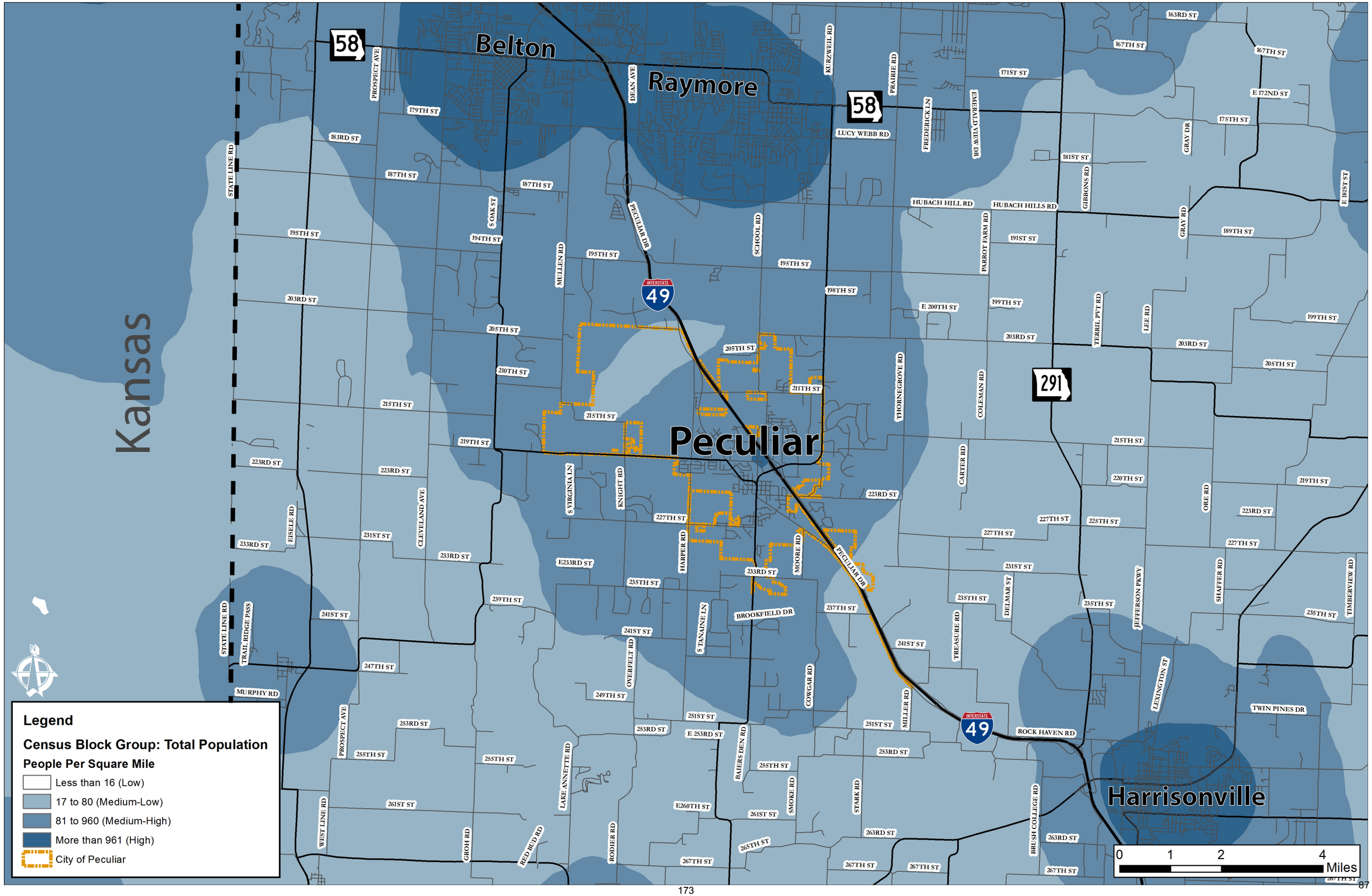

Legend
Landuse Class
Ag Dwelling
Ag Land
Commercial
Exempt
Other
Residential
0 0.25 0.5 1
Miles


Legend
Downtown Peculiar Arts District
City Owned Property
0 0.04 0.08 0.16 Miles
Legend
City Boundary
City Owned Property
0 0.3 0.6 1.2 Miles
205TH ST
E MABEL RD
MULLEN RD
210TH ST
211TH ST
E MERTHA CIRCLE
S MERTHA RD
215TH ST
203RD ST
E 204TH TER
PECULIAR DR
SCHOOL RD
BETH LEE LN
LARKSPUR DR
E 214 ST
HARPER RD
NORTH ST
HARVEST
PRAIRIE DR
E MEADOW DR
THORNEGROV
S BRIAR RD
S COUNTRYSIDE DR
JOG RD
217TH ST
E 218 ST
SUMMERSKILL RD
CRYSTAL AVE
222 ST
SHARI DR
MAIN ST
E 221 ST
OLD TOWN DR
RIVER RIDGE RD
S PEEK RD
PEEK RD
DEER RUN RD
S VIRGINIA LN
KNIGHT RD
E 224TH TER
E 224TH ST
E 225TH ST
KNIGHT TER
223RD ST
MORGAN DR
S HEDGEWOOD LN
227TH ST
BAILEY ST
S FRENCH RD
S ABBOTT DR
E 229TH ST
MOORE RD
231ST ST
E233RD ST
SEVILLE DR
233RD ST
235TH ST
AERO DR
E 234TH ST
COWGAR RD


Legend
Multifamily
Unit Density: 1/4 Mile
Less than 15 units
16 or more units
45 units or more
Greater than 150
0 0.1 0.2 0.4 Miles
217TH ST
E 218 ST
TUSCANY PKWY
LOMBARDO LN
PECULIAR DR
LUCCA LN
YY
219 CIR
220TH ST
221 ST
220 PL
222 ST
CRYSTAL AVE
COVEY DR
MEADOW LN
SHARI DR
SUMMERSKILL RD
POPLAR ST
TRIGGER ST
MAIN ST
SHUG AVE
1ST ST
GLENGER DR
HURLEY ST
HARR GROVE RD
TWIN OAKS PKWY
J
BRANIC DR
E 221 ST
NORTH ST
CENTER ST
SOUTH ST
SIVELY ST
223RD ST
ARENA DR
JAMAR DR
MORGAN DR
HERITAGE DR
SURREY LN
C
TREVOR DR
BAILEY ST
5TH ST
FOURTH ST
71
49


Legend
MajorShoppingCenters
Gross Leaseable Area: SqFt
85,520 - 225,000
225,001 - 430,000
430,001 - 626,487
626,488 - 1,023,350
1,023,351 - 1,570,860
MSA: PopulationDensity
People Per Square Mile
Less Than 50
49 to 150
151 to 300
301 to 1,500
1,501 to 2,500
2,501 to 3,750
3,751 to 4,500
4,501 to 5,200
5,201 to 6,000
More than 6,000
Peculiar
Kansas City
Independence
Shawnee
Overland Park
Lenexa
Olathe
Lee's Summit
Blue Springs
Raymore
Belton
Grandview
Raytown
Westwood
Parkville
Riverside
Liberty
Glenaire
Claycomo
Oakwood Park
Weatherby Lake
Lake Waukomis
Lansing
Farley
McLouth
Basehor
Tonganoxie
Bonner Springs
Edwardsville
Lake Quivira
Linwood
De Soto
Eudora
Gardner
Spring Hill
Bucyrus
Stilwell
Cleveland
Loch Lloyd
Lake Winnebago
Greenwood
Unity Village
Lake Lotawana
Lone Jack
Pleasant Hill
Strasburg
Kingsville
Grain Valley
Oak Grove
Bates City
Buckner
Levasy
Napoleon
Sibley
Orrick
Fleming
Camden
Missouri City
River Bend
Randolph
Avondale
North Kansas City
Sugar Creek
0 2 4 8 12 Miles
Esri, HERE, DeLorme,


Legend
Major Shopping Centers
Gross Leaseable Area: SqFt
85,520 - 225,000
225,001 - 430,000
430,001 - 626,487
626,488 - 1,023,350
1,023,351 - 1,570,860
Per Capita Income
Less than $5,000
$5,000 to $10,000
$10,001 to $15,000
$15,001 to $25,000
$25,001 to $30,000
$30,001 to $35,000
$35,001 to $45,000
$45,000 to $60,000
$60,001 to $85,000
More than $85,000
Peculiar
Kansas City
Independence
Shawnee
Overland Park
Lenexa
Leawood
Olathe
Lee's Summit
Blue Springs
Grandview
Raymore
Belton
Stilwell
Bucyrus
Greenwood
Lone Jack
Strasburg
Kingsville
Pleasant Hill
Lake Winnebago
Loch Lloyd
Unity Village
Raytown
Westwood
Edgerton
Gardner
Spring Hill
Cleveland
Tonganoxie
Basehor
Lansing
Farley
McLouth
Weatherby Lake
Lake Waukomis
Parkville
Riverside
North Kansas City
Avondale
Randolph
Oakwood Park
Claycomo
Glenaire
Liberty
Missouri City
River Bend
Sugar Creek
Sibley
Buckner
Levasy
Napoleon
Orrick
Fleming
Camden
Grain Valley
Oak Grove
Bates City
Lake Jacomo
Lake Quivira
Edwardsville
Bonner Springs
Linwood
De Soto
0 2 4 8 12 Miles
Esri, HERE, DeLorme,


Belton
Raymore
Peculiar
Harrisonville
Kansas
58
291
INTERSTATE 49
Legend
Census Block Group: Total Population
People Per Square Mile
Less than 16 (Low)
17 to 80 (Medium-Low)
81 to 960 (Medium-High)
More than 961 (High)
City of Peculiar
0 1 2 4 Miles
PROSPECT AVE
STATE LINE RD
DEAN AVE
KURZWELL RD
PRAIRIE RD
FREDERICK LN
EMERALD VIEW DR
LUCY WEBB RD
GRAY DR
E 172ND ST
E IRIST ST
GIBBONS RD
HUBACH HILL RD
HUBACH HILLS RD
GRAY RD
PECULIAR DR
S OAK ST
MULLEN RD
SCHOOL RD
PARROT FARM RD
TERRIL PVT RD
LEE RD
THORNEGROVE RD
COLEMAN RD
CARTER RD
ORE RD
CLEVELAND AVE
EISELE RD
S VIRGINIA LN
KNIGHT RD
HARPER RD
MOORE RD
BROOKFIELD DR
S TANAINE LN
OVERFELT RD
COWGAR RD
MILLER RD
TREASURE RD
DELMAR ST
JEFFERSON PKWY
SHAFFER RD
TIMBERVIEW RD
LEXINGTON ST
TWIN PINES DR
ROCK HAVEN RD
TRAIL RIDGE PASS
MURPHY RD
WEST LINE RD
GROH RD
RED BUD RD
RODIER RD
LAKE ANNETTE RD
BAIERS DEN RD
SMOKE RD
STARK RD
BRUSH COLLEGE RD
E 253RD ST
E260TH ST
E233RD ST
E 200TH ST
163RD ST
167TH ST
171ST ST
175TH ST
179TH ST
181ST ST
183RD ST
187TH ST
189TH ST
191ST ST
194TH ST
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235TH ST
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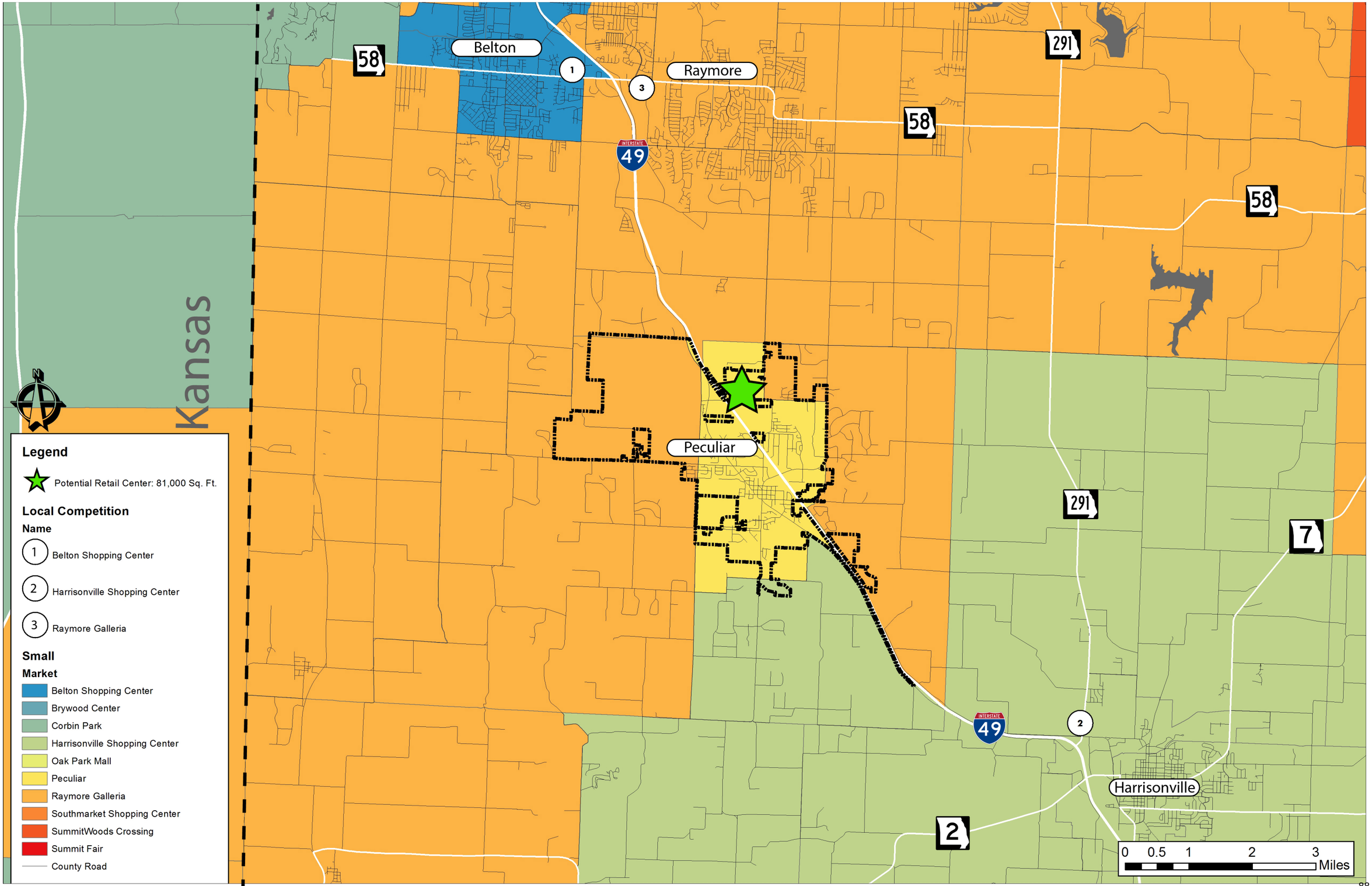
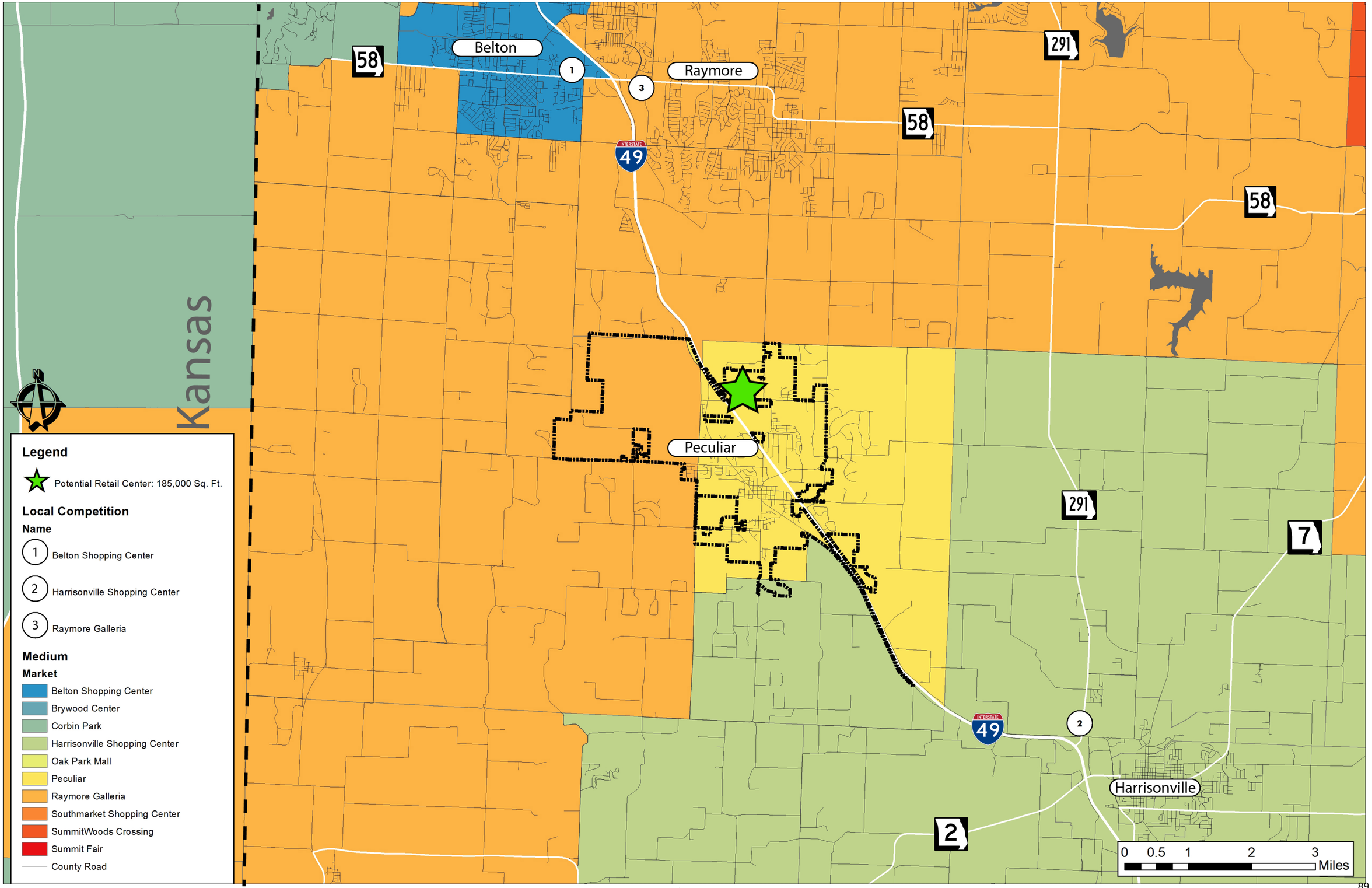
265TH ST
267TH ST


Belton
Raymore
Peculiar
Harrisonville
Kansas
58
291
49
7
2
1
3
Legend
Potential Retail Center: 81,000 Sq. Ft.
Local Competition
Name
1 Belton Shopping Center
2 Harrisonville Shopping Center
3 Raymore Galleria
Small
Market
Belton Shopping Center
Brywood Center
Corbin Park
Harrisonville Shopping Center
Oak Park Mall
Peculiar
Raymore Galleria
Southmarket Shopping Center
SummitWoods Crossing
Summit Fair
County Road
0 0.5 1 2 3
Miles


Belton
Raymore
Peculiar
Harrisonville
Kansas
58
291
49
7
2
1
3
Legend
Potential Retail Center: 185,000 Sq. Ft.
Local Competition
Name
1 Belton Shopping Center
2 Harrisonville Shopping Center
3 Raymore Galleria
Medium
Market
Belton Shopping Center
Brywood Center
Corbin Park
Harrisonville Shopping Center
Oak Park Mall
Peculiar
Raymore Galleria
Southmarket Shopping Center
SummitWoods Crossing
Summit Fair
County Road
0 0.5 1 2 3
Miles

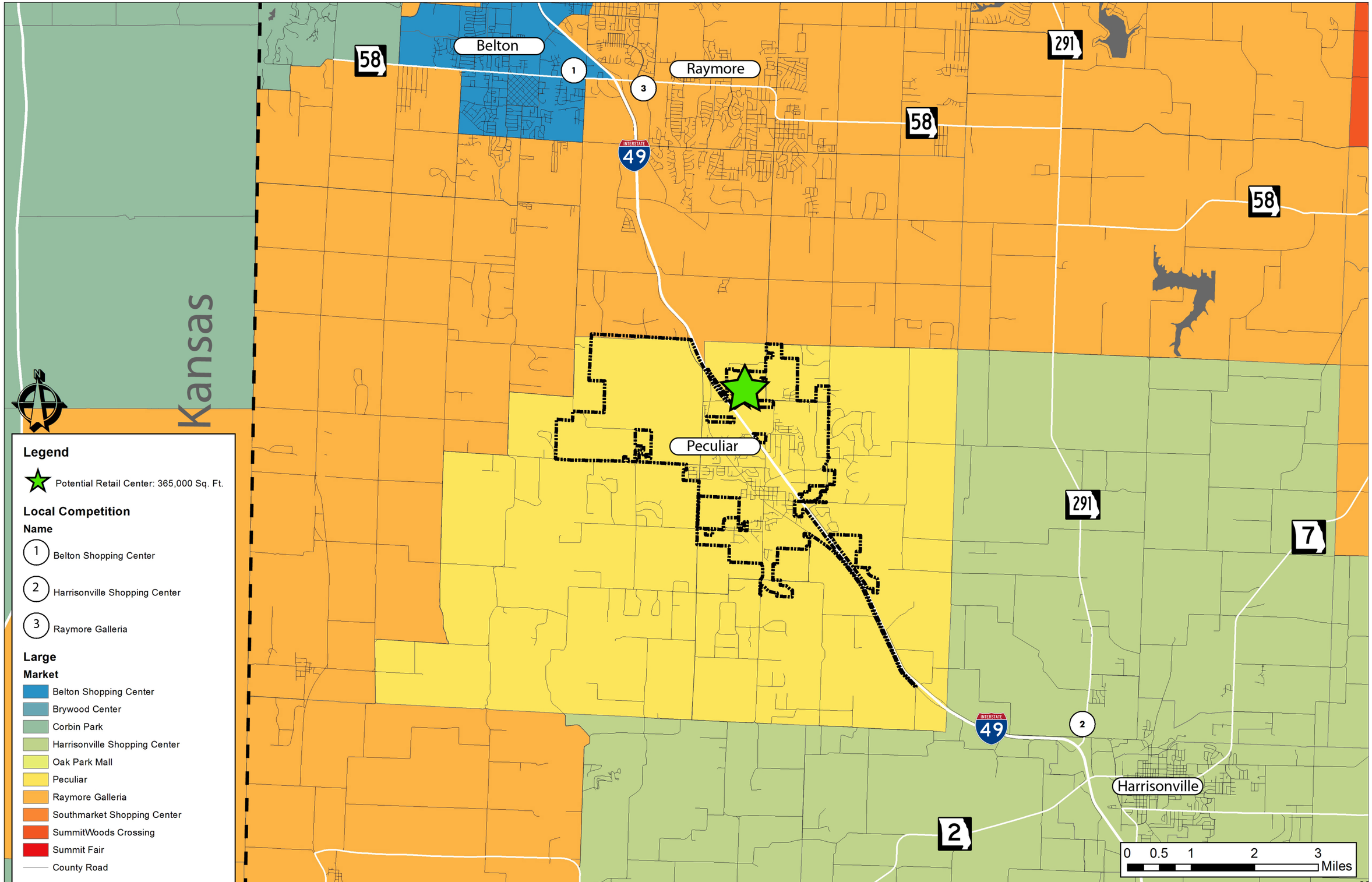

Belton
Raymore
Peculiar
Harrisonville
Kansas
58
291
49
7
2
1
3
Legend
Potential Retail Center: 365,000 Sq. Ft.
Local Competition
Name
1 Belton Shopping Center
2 Harrisonville Shopping Center
3 Raymore Galleria
Large
Market
Belton Shopping Center
Brywood Center
Corbin Park
Harrisonville Shopping Center
Oak Park Mall
Peculiar
Raymore Galleria
Southmarket Shopping Center
SummitWoods Crossing
Summit Fair
County Road
0 0.5 1 2 3
Miles

Exhibit B - Demographic Data

DEVELOPMENT INITIATIVES

Household Trend 2014

Place (see appendix for geographies), Total

Description	2010 Census	2014 Estimate	%Change 2010-2014	2019 Projection	%Change 2014-2019
Universe Totals					
Population	4,608	4,669	1.32%	4,898	4.90%
Households	1,709	1,716	0.41%	1,789	4.25%
Families	1,275	1,282	0.55%	1,336	4.21%
Housing Units	1,824	1,827	0.16%	1,900	4.00%
Group Quarters Population	2	2	0.00%	2	0.00%

Description	2000 Census	%	2014 Estimate	%	2019 Projection	%
Total Household Income	1,085		1,716		1,789	
Income Less than $15,000	136	12.53%	92	5.36%	81	4.53%
Income $15,000 - $24,999	101	9.31%	203	11.83%	177	9.89%
Income $25,000 - $34,999	123	11.34%	129	7.52%	143	7.99%
Income $35,000 - $49,999	245	22.58%	256	14.92%	234	13.08%
Income $50,000 - $74,999	268	24.70%	417	24.30%	427	23.87%
Income $75,000 - $99,999	131	12.07%	294	17.13%	295	16.49%
Income $100,000 - $124,999	44	4.06%	173	10.08%	208	11.63%
Income $125,000 - $149,999	15	1.38%	88	5.13%	120	6.71%
Income $150,000 - $199,999	9	0.83%	41	2.39%	68	3.80%
Income $200,000 - $249,000	5	0.46%	9	0.52%	19	1.06%
Income $250,000 - $499,999	6	0.55%	13	0.76%	14	0.78%
Income $500,000 or more	2	0.18%	1	0.06%	3	0.17%
Average Household Income	$53,613		$68,064		$74,461	
Median Household Income	$46,173		$60,671		$65,193	
Median HH Inc. by Single Race Class						
White Alone	46,092		60,973		65,481	
Black or African American Alone	42,500		36,875		42,500	
Amer Indian and Alaska Native Alone	0		22,143		30,000	
Asian Alone	54,167		82,500		57,500	
Native Hawaiian and Other Pacific Islan	0		62,500		62,500	
Some Other Race Alone	20,000		62,500		71,875	
Two or More Races	53,750		65,385		70,313	
Hispanic or Latino	22,500		72,500		84,167	
Not Hispanic or Latino	46,204		60,076		64,553	

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Household Trend 2014

Place (see appendix for geographies), Total

Description	2010 Census	%	2014 Estimate	%	2019 Projection	%
Households by Household Type and Size						
Nonfamily Households	434		434		453	
1-person household	357	82.26%	353	81.34%	367	81.02%
2-person household	65	14.98%	68	15.67%	73	16.11%
3-person household	10	2.30%	11	2.53%	11	2.43%
4-person household	1	0.23%	1	0.23%	1	0.22%
5-person household	1	0.23%	1	0.23%	1	0.22%
6-person household	0	0.00%	0	0.00%	0	0.00%
7 or more person household	0	0.00%	0	0.00%	0	0.00%
Family Households	1,275		1,282		1,336	
2-person household	495	38.82%	490	38.22%	503	37.65%
3-person household	315	24.71%	318	24.80%	333	24.93%
4-person household	268	21.02%	268	20.90%	279	20.88%
5-person household	131	10.27%	135	10.53%	142	10.63%
6-person household	48	3.76%	51	3.98%	56	4.19%
7 or more person household	18	1.41%	20	1.56%	23	1.72%

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Exhibit C: Huff Probability Model

Exhibit D: Certification

I certify that, to the best of my knowledge and belief…

1. Development Initiatives and none if its employees have no present or prospective interest in any property that is the subject of this report, and we have no personal interest with respect to the parties involved.

2. Development Initiatives and none of its employees has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

3. Our compensation for the preparation of this study is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

4. Development Initiatives agrees to answer any questions regarding this analysis from City staff and commissioners.

5. Development Initiatives has personally inspected the market area of this analysis.

Chris Sally, CCIM	Jim Potter, AICP	Adam Jones
Development Initiatives	Development Initiatives	Development Initiatives

Exhibit E: Assumptions

This analysis is subject to the following limited conditions and assumptions:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are Development Initiatives' unbiased professional analyses, opinions, and conclusions.

2. Information provided and utilized by various secondary sources is assumed to be accurate. Development Initiatives cannot guarantee information obtained from secondary sources.

3. In the formulation of this analysis, the consultant has relied extensively upon data which was provided by the client. Such information may have included; legal description, building plans, title policy and/or survey. All information supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.

4. All exhibits incorporated within this report are strictly for the purposes of assisting the reader in visualizing the property. The Consultant has made no property survey and assumes no liability concerning such matters. Additionally, it is assumed that there is no property encroachment or trespass unless noted within the report.

5. The Consultant assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the remediation of such defects existing as of the date of this report, or which may develop in the future.

6. This analysis report is made as of a certain date. Due to the principles of change and the anticipation of value, the value estimate is only valid as of the date of the report or valuation. The nature of real estate development is an unpredictable and often tumultuous. In particular, the natural course of residential development is difficult to predict and forecast. Development Initiatives deems our projections as reasonable considering the current and obtained information.

7. Development Initiatives has considered and analyzed the economic conditions in the primary and secondary market areas, and we have considered these conditions while making our projections. However, it should be understood that fluctuations in local, regional and/or national economies could have substantial effects on our projections.

8. The possession of this analysis report shall adhere to all applicable copyright statutes which are in effect as of the date of issuance.

9. The Consultant is not required to give testimony or attendance in legal or other proceedings relative to the data and analysis derived within this document without the

specific written notification of the Client.

10. The opinions contained within this analysis report are those of the Consultant and no responsibility is accepted by the Consultant for the results of actions taken by others based upon the information contained within said report.

11. Our analyses, opinions and conclusions were prepared in conformance with the requirements and guidelines of the Code of Professional Ethics and Standards of the American Institute of Certified Planners.

12. Acceptance of and/or use of this analysis report constitutes acceptance of all assumptions listed within the document and the previously mentioned conditions.

Exhibit E: Qualifications

Development Initiatives provides economic development and market analyses to both public and private sector clients. Since its inception in 1999, DI has had a cumulative impact on nearly $6.2 billion in client related development projects. Development Initiatives is a collaboration of professionals whose experience and education in real estate, community planning and economic development provides a holistic approach to the preparation of our market studies. Biographies of partners are included on the following pages.

Shockey Consulting Services, LLC, provides award-winning management, planning and public participation consulting services to federal, regional, state, and local governments and other public agencies. The firm was founded in 1998 and is headquartered in Lenexa, Kansas with an office in the St. Louis, Missouri region. A group of dedicated and talented professionals with diverse backgrounds make up the Shockey team. We have former government managers, strategic planners, environmental scientists, urban planners and communications specialists. We enjoy working with people who are dedicated to making their communities a better place. We specialize in facilitating difficult conversations involving diverse stakeholder perspectives and planning quality places.

Shockey's public policy and management consulting experience are in the areas of: housing, transportation, infrastructure and economic development. We excel at taking highly technical and complex policy information and making it easily understandable for all stakeholder groups. We have extensive experience engaging those typically underrepresented in public policy decision-making. We use cutting edge technologies mixed with good old fashion face-to-face engagement to reach a wide variety of audiences resulting in better, well-thought out decisions.

Shockey is a certified small business, disadvantaged business and women-owned business.

Partner Profile

Education
MASTER OF ARCHITECTURE, UNIVERSITY OF KANSAS

B.G.S. ENVIRONMENTAL STUDIES, UNIVERSITY OF KANSAS

B.S. GEOGRAPHY, UNIVERSITY OF KANSAS

Certifications
American Institute of Certified Planners (AICP)
American Planning Association

USGBC
LEED Green Associate

Kansas Licensed Real Estate Salesperson

Missouri Licensed Real Estate Salesperson

Professional Affiliations
MEMBER, AMERICAN PLANNING ASSOCIATION (APA)

PRESIDENT ELECT, KC METRO SECTION, APA

BOARD MEMBER, RIVER MARKET CID

BOARD MEMBER, SUSTAINABLE ADVISORY BOARD, LEAWOOD, KS

Member, USGBC

James C. Potter, AICP, LEED GA

Jim is the founding partner at Development Initiatives and is responsible for instilling the firm's vision of excellence in the staff. His background has run the spectrum of urban redevelopment to community planning projects. From environmental due diligence activities to managing multi-million dollar bond projects, Jim has experience in a myriad of development functions.

Jim has degrees in Environmental Science and Geography, as well as a Master of Architecture, all from the University of Kansas. His past employment with the Kansas City Economic Development Corporation has educated Jim in the intricacies of 60 to 80 different City, State, and Federal tax incentives programs.

Since the establishment of Development Initiatives in 1999, Jim has coordinated numerous urban renewal and tax increment financing projects for countless communities across the Midwest. Jim uses his experience and relationships with local and state development officials to maximize the effectiveness of the projects he manages and the incentives sought on behalf of our clients.

Jim has yet another layer of expertise that he adds to DI's repertoire, real estate development. Potter has partnered in such notable residential projects as 4646 Broadway on the Plaza, City Homes in the River Market and the 5 Delaware Condominiums all in Kansas City.

Jim resides in Leawood, Kansas with his wife Amy and their 5 year old son, Hayden.

Development Initiatives
140 Walnut, Suite 203 Kansas City, MO 64105
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jpotter@di-kc.com

Partner Profile

Chris Sally, CCIM

Education
B. A., Real Estate, University of Arizona

Certifications
Certified Commercial Investment Member (CCIM)

Missouri Real Estate Broker

Kansas Real Estate Broker

Professional Affiliations
Certified Commercial Investment Member (CCIM), Member

Missouri Growth Association (MGA), Member

Urban Land Institute (ULI), Member

Honors
Ingram's Magazine '40 under 40'

Graduate of the Centurions Leadership Program

Chris has been a partner at Development Initiatives since 2003. Chris is the firm's financial analyst. From development pro forma analysis to fiscal and economic impact analysis for taxing jurisdictions, his quantitative approach to real estate development is unparalleled.

Chris has seen all aspects of real estate development. First as the former Downtown Development Director for the Economic Development Corporation of Kansas City, he worked on over 2 billion dollars in projects to help revitalize downtown Kansas City.

Chris is also a real estate developer, specializing in boutique urban products. With his partners, Chris has developed 15 million dollars of successful new and historically renovated buildings, including 5 Delaware Condominiums, the Gallo Office Building and First and Main Lofts. Design and sustainability are cornerstones for each of his projects. In 2006 *Dwell* magazine featured 5 Delaware on the cover and highlighted his home in the annual 'Modern Across America' issue.

In the role of assisting clients pursuing development projects, he is most proud of the many times he has identified risk and advised clients not to pursue projects. His father, also a real estate developer, always said, "I made more money on projects I passed on than on projects I developed." Chris represents Development Initiatives in its role as a consultant to the Kansas City Missouri School District and has represented the taxing jurisdiction to ensure that the development process is fair and equitable.

Chris lives in Fairway, Kansas with his wife Julie and their twins, Katharine and Gibson.

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csally@di-kc.com

DEVELOPMENT INITIATIVES

Partner Profile

Education
B.A. Urban Planning and Urban Design, University of Missouri-Kansas City

Professional Affiliations
Member, American Planning Association (APA)

Member, Urban Land Institute (ULI)

Member, American Public Works Association (APWA)

Adam W. Jones

Adam joined Development Initiatives in 2012 and is the newest and youngest member of the DI team. His knowledge of quantitative analysis, urban planning processes, land use, and geographic information systems is unparalleled and unrivaled.

Adam is a candidate to receive a degree in Urban Planning and Urban Design from the University of Missouri-Kansas City in 2013. He is currently a member of the American Planning Association, Urban Land Institute, and the American Public Works Association. His past employment as a Regional Functionality Manager with Best Buy Co. has sent him across the US, managing complicated construction projects and store remodels.

Throughout his professional and academic career, Adam has been involved in a wide variety of public and private urban planning projects as well as community driven initiatives. He has also been recognized multiple times for excellence in the fields of research and design while at the University of Missouri-Kansas City. Adam has twice served as a finals judge in the Regional Future City Competition for grade school students.

Adam currently resides in the suburbs of South Kansas City. In his spare time he enjoys playing golf, reading, and traveling.

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ajones@di-kc.com

Private Sector

180 Degrees Design Studio
Kansas City, Missouri

4646 Broadway, LLC
Kansas City, Missouri

American Century Investments
Kansas City, MO

ARO Real Estate Company
Prairie Village, Kansas

Associated Wholesale Grocers
Kansas City, Kansas

Bridge Construction Management
Kansas City, Missouri

Bridgeworks Homes
Kansas City, Missouri

Blue Hills Community Corp.
Kansas City, Missouri

Botwin & Company
Kansas City, Missouri

Builders Development Corporation
Kansas City, Missouri

Cabela's
Sidney, Nebraska

Cameron Group
East Syracuse, New York

Caymus Real Estate, LLC
Kansas City, Missouri

Classical Developments
Kansas City, Missouri

Clockwork Architects
Kansas City, Missouri

Cogent Companies/Lee Mathews
Kansas City, Missouri

Cohen-Esrey Housing Prtnrs
Kansas City, Missouri

Compass Environmental
Chicago, Illinois

Consolidated Development Partners
Kansas City, Missouri

Cougar Capital
Parkville, Missouri

Centro Properties
Chicago, Illinois

CPR Partners
Columbia, South Carolina

Craft Fridkin & Rhyne
Kansas City, Missouri

Davis Preservation
Topeka, Kansas

DELofts
Kansas City, Missouri

DST Realty
Kansas City, Missouri

Design Build Services
Kansas City, Missouri

DesignWorkShop
Denver, Colorado

Duenke Family Trust
Osage Beach, Missouri

East Lawrence Preservation Ptrnrs
Lawrence, Kansas

EBY Group/EBCO
Olathe, Kansas

Ehinger Trust
Kansas City, Missouri

El Dorado Architects
Kansas City, Missouri

FB Westhaven
Kansas City, Missouri

Family Enterprises
Osage Beach, Missouri

First + Main, LLC
Kansas City, Missouri

First Tier Realtors
Columbia, Missouri

Fishman & Company
Olathe, Kansas

Froehlic Pycior Co.
Lee's Summit, Missouri

Gailoyd Enterprises Corp.
Carmel, New York

Gale Communities
Lee's Summit, Missouri

Gilmore & Bell, P.C.
Kansas City, Missouri

Glaze Commercial Real Estate
Kansas City, Missouri

Greater Missouri Builders
St. Charles, Missouri

Green Development
Lee's Summit, Missouri

Gould Evans
Kansas City, Missouri

Grubb & Ellis/
The Winbury Group
Kansas City, Missouri

GTE Properties
St. Louis, Missouri

Havens Construction
Lee's Summit, Missouri

HOK Design+Build
Kansas City, Missouri

Housing Development Group
Kansas City, Missouri

Husch Blackwell
Kansas City, Missouri

IAAO
Kansas City, Missouri

Iceberg Development
Bettendorf, Iowa

Insight Real Estate
North Richland Hills, Texas

JCS Development
St. Joseph, Missouri

KAW Valley Assisted Development
Kansas City, Kansas

King Hershey
Kansas City, Missouri

Landmark Investment Group
Leawood, KS

Development Initiatives
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DEVELOPMENT INITIATIVES

Client Listing

Lathrop & Gage
Kansas City, Missouri

Lenge Family Trust
Kansas City, Missouri

Lioness Realty Group
Kansas City, Missouri

Llangollen Properties, LLC
Kansas City, Missouri

MAC Healthcare
Kansas City, Missouri

Manifesto
Kansas City, Missouri

Manhattan Condominium Assoc.
Kansas City, Missouri

Marabella Condominium Assoc.
Overland Park, Kansas

Market View Properties, LLC
Kansas City, Missouri

Maxus Properties
North Kansas City, Missouri

McCown Gordon Construction
Kansas City, Missouri

MC Properties, LLC
Independence, Missouri

MCZ Corporation
Chicago, Illinois

Midland Atlantic Properties
Indianapolis, Indiana

Mitchell Development Services
Osage Beach, Missouri

MJS Investments
Lenexa, Kansas

National Development Company
Hannibal, MO

Net Giver
Kansas City, Missouri

NHS of Richland County,
Wisconsin

Northland Neighborhoods
Kansas City, Missouri

Pemberton KCK
Kansas City, Kansas

Pershing Station Partners
Kansas City, Missouri

Phoenix Real Estate Services
Lake St. Louis, MO

Pioneer Sunflower Development
Kansas City, Missouri
Topeka, Kansas

Polsinelli Shughart
Kansas City, Missouri

Prewitt Enterprises
Lake Ozark, Missouri

Price Brothers Development
Kansas City, Missouri

Pycior + Company
Lee's Summit, Missouri

Quadra Development
Harrisonville, Missouri

Raul Walters Companies
Columbia, Missouri

Realty Trust Group
Lee's Summit, Missouri

RED Development
Kansas City, Missouri

S&G Realty Management
St. Joseph, Missouri

Shugart Thomson & Kilroy
Kansas City, Missouri

Silverlion Development
Kansas City, Missouri

Sizewise
Kansas City, Missouri

Slaggie Architects
Kansas City, Missouri

SLP, LLC
Hannibal, MO

Soda Lofts
Kansas City, Missouri

Spectrum Real Estate
Kansas City, Missouri

Spencer Fane Brit & Browne
Kansas City, Missouri

Steiner+Associates
Columbus, Ohio

Stinson Morrison & Hecker
Kansas City, Missouri

Stonerose Development
Lee's Summit, Missouri

Sunlight Saunas
Lenexa, Kansas

Sunset Ridge
Basehor, Kansas

Tall Grass Residences, LLC
Kansas City, MO

Taurus of Texas
North Richland Hills, Texas

The Cordish Company
Baltimore, Maryland

The Neighborhood Group
Kansas City, Missouri

The Nicholson Group
Kansas City, Missouri

The Weitz Company
Des Moines, Iowa

Threshold Development
Kansas City, Missouri

Time Equities
New York, New York

Topsail Development
Lee's Summit, Missouri

Two Doors Down
Kansas City, Missouri

Frye & Company
Kansas City, Missouri

Urban Coeur Development
Kansas City, Missouri

Walton Construction Company
Kansas City, Missouri

Ward Development
Grain Valley, Missouri

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Wells Fargo Home Mortgage
Kansas City, Missouri

West Plaza Properties
Kansas City, Missouri

Westfield Corporation
St. Louis, Missouri

White Goss Bowers March Schulte & Weisenfels
Kansas City, Missouri

Zimmer Management Company
Kansas City, Missouri

Zona Rosa Development
Kansas City, Missouri

Public Sector & Non-Profit

Armourdale Renewal Association
Kansas City, Kansas

Bagnell Dam Strip Association
Lake Ozark, Missouri

Blue Hills Community Corp
Kansas City, Missouri

Bridges of Hope
Kansas City, Kansas

City of Blue Springs, Missouri

City of Burlingame, Kansas

City of Clayton, Missouri

City of Grandview, Missouri

City of Herington, Kansas

City of Horton, Kansas

City of Independence, Missouri

City of Kansas City, Missouri

City of Lee's Summit, Missouri

City of Lenexa, Kansas

City of Liberty, Missouri

City of Peabody, Kansas

City of Sugar Creek, Missouri

Downtown Council
Kansas City, Missouri

Downtown CID
Kansas City, Missouri

EDC of Kansas City, Missouri
Kansas City, Missouri

EDC of Lee's Summit, Missouri

Graduate Program of Urban Planning
University of Kansas

Kansas City Missouri School District
Kansas City, Missouri

Kansas City Reparatory Theater
Kansas City, Missouri

Land Clearance for Redevelopment Authority (LCRA)
Kansas City, Missouri

Land Clearance for Redevelopment Authority (LCRA)
Lee's Summit, Missouri

Neighborhood Reinvestment Corp
Kansas City, Missouri

Neighborhoods, Inc.
Lincoln, Nebraska

NHS of Richland County, Wisconsin

Northland Neighborhoods, Inc
Kansas City, Missouri

Parking Authority of Kansas City
Kansas City, Missouri

Planned Industrial Expansion Authority (PIEA)
Kansas City, Missouri

River Market Area Fund
Kansas City, Missouri

River Market Community Development Foundation
Kansas City, Missouri

River Market CID
Kansas City, Missouri

Scarritt Renaissance Neighborhood Association
Kansas City, Missouri

Sparrow Comm. Devel. Corp.
Kansas City, Missouri

Swope Community Builders
Kansas City, Missouri

Tax Increment Financing (TIF) Commission of
Kansas City, Missouri

Western Baptist Bible College
Kansas City, Missouri

The Whole Person
Kansas City, Missouri

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Shockey Consulting Services - KEY PERSONNEL

Sheila Shockey is the founder and president of Shockey Consulting Services, LLC. Sheila has worked as a staff member and a consultant for governments since 1989. Sheila brings the perspective of having worked in a government agency, a deep understanding of the community planning issues and the ability to translate highly technical and financial information effectively to all stakeholders. Sheila holds a master's degree in Public Administration and Finance from the University of Missouri - Kansas City.

Shelby Ferguson is an urban planner with an education in housing. She has contributed to area communities since 2008 including the redevelopment of Troost Corridor, Independence Avenue, 22nd & Vine area and an urban Kansas City park. She participated in the Historic Resources Survey and Preservation Plan for Green Impact Zones and is a past award winner at the Kansas City Design Week. Shelby brings the knowledge of urban planning and design to help communities create their visions. She has worked in both fields to understand the appreciation of design while also having the ability to evaluate and execute solutions within projects. She holds a B.A. in Urban Planning and Design from the University of Missouri, Kansas City and a B.S. in Housing and Interior Design from Missouri State University. She is currently working with Development Initiatives on the City of Peculiar, Missouri Market & Economic Analysis projects.

Erin Ollig, AICP, is an urban planner who has been project manager for several community and strategic plans. She was project manager for the Columbus Community Vision Plan in Columbus, Kansas as well as the Vision Wamego community visioning plan in Wamego, Kansas. She provided public outreach and research assistance for the Greenwood, Missouri comprehensive plan and was project manager for the Blue Springs, Missouri Parks and Recreation Strategic Plan. She joined Shockey in 2005 after working for city and county government. Erin has a Bachelor's in Sociology from St. Cloud State University, and a Master's in Urban Planning from the University of Kansas. Currently, she is treasurer of the American Planning Association – Kansas Chapter.

The ordinance is the first reading of a bond issue to refinance the 2011 water and sewer revenue bond.

In addition, the city will be adding $500,000 for new waterworks and sewerage system expansion and improvements over the next several months.

By adding the new money to the refinancing, the city will save the costs that would be required to do a separate bond issue for just the new money portion.

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ORDINANCE NO. _____

OF

CITY OF PECULIAR, MISSOURI

PASSED _____, 2014

AUTHORIZING

COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BONDS

SERIES 2014

600536.025

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BILL NO. 2014-23
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2014, OF THE CITY OF PECULIAR, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Peculiar, Missouri (the "City"), is a city of the fourth class and political subdivision duly organized and existing under the laws of the State of Missouri, and pursuant to Chapter 250, RSMo (the "Act"), now owns and operates a revenue producing combined waterworks and sewerage system serving the City and its inhabitants and others within its service area (the "System," as hereinafter more fully defined); and

WHEREAS, the City has no bonds or other obligations outstanding payable from the Net Revenues (as hereinafter more fully defined) of the System save and except the following:

Series of Bonds	Dated	Amount Issued	Amount Outstanding
Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program), Series 1994A (the "Series 1994A Bonds")	08/01/1994	$2,605,000	$ 194,000
Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program), Series 1999 (the "Series 1999 Bonds")	06/01/1999	1,365,000	520,000
Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007 (the "Series 2007 Bonds")	11/14/2007	605,000	605,000
Combined Waterworks and Sewerage System Revenue Bonds, Series 2011 (the "Series 2011 Bonds")	02/24/2011	3,125,000	2,840,000
Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Bonds")	12/05/2013	1,245,000	1,245,000

WHEREAS, the City is authorized under the provisions of the Act to issue and sell revenue bonds for the purpose of providing funds for purchasing, constructing, extending and improving the

System upon obtaining the required voter approval and provided that the principal of and interest on such revenue bonds shall be payable solely from the revenues derived from the operation of the System; and

WHEREAS, pursuant to such authority, a special bond election was duly held in the City on April 7, 2009, on the question whether to issue the combined waterworks and sewerage system revenue bonds in the principal amount of $48,000,000 for the purpose of extending and improving the combined waterworks and sewerage system of the City, and it was found and determined that a simple majority of the qualified electors of the City voting on the question had voted in favor of the issuance of said revenue bonds for the purpose aforesaid, the vote on said question having been 223 votes for said question to 111 votes against said question; and

WHEREAS, $4,370,000 of the bonds so authorized have heretofore been issued and the City proposes to issue an additional portion of the bonds so authorized to provide funds for said purpose (the "Project"); and

WHEREAS, plans and specifications for the Project and an estimate of the cost thereof have been prepared and made by a Consultant (as hereinafter defined) to the City and the same are hereby accepted and approved and are on file in the office of the City Clerk; and

WHEREAS, in addition to the above authority, the City is authorized under the provisions of Section 108.140(2), RSMo (the "Refunding Bond Law"), to issue and sell refunding revenue bonds for the purpose of refunding, in whole or in part, any of its valid revenue bond indebtedness, which refunding revenue bonds may be payable from the same sources as were pledged to the payment of the revenue bonds being refunded; and

WHEREAS, the City hereby finds and determines that it is in the best interests of the City to refund the outstanding Series 2011 Bonds specified in the Certificate of Final Terms attached hereto as **Exhibit B** (the "Refunded Bonds"); and

WHEREAS, the Refunding Bond Law authorizes the issuance of refunding revenue bonds in an amount not to exceed the principal amount of the bonds to be refunded, the interest accruing to the maturity or redemption date of the refunded bonds, any premium which may be due under the terms of the refunded bonds and any amounts necessary for the payment of issuance expenses for such refunding revenue bonds and to fund a debt service reserve fund therefor, which amount aggregates to a total of the Maximum Allowable Refunding Amount specified in the Certificate of Final Terms attached hereto as **Exhibit B** for the refunding plan herein authorized for the Refunded Bonds; and

WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and its inhabitants at this time to authorize the sale, issuance and delivery of said bonds for the purposes aforesaid;

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

ARTICLE I

DEFINITIONS

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

"Accountant" means an independent certified public accountant or firm of certified public accountants.

"Act" means Chapter 250, RSMo.

"Average Annual Debt Service" means the average of the Debt Service Requirements as computed for the then current and all future fiscal years.

"Bond Counsel" means Gilmore & Bell, P.C., Kansas City, Missouri, or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the City.

"Bond Payment Date" means any date on which principal of or interest on any Bond is payable at the Maturity thereof or on any Interest Payment Date.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the City and the Purchaser, in substantially the form attached to this Ordinance as **Exhibit C**.

"Bond Register" means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

"Bondowner," "Owner" or **"Registered Owner"** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

"Bonds" means the Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014, of the City, in the Original Principal Amount specified in the Certificate of Final Terms attached hereto as **Exhibit B**.

"Business Day" means a day, other than a Saturday, Sunday or holiday, on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

"Cede & Co." means Cede & Co., as nominee name of The Depository Trust Company, New York, New York, and any successor nominee with respect to the Bonds.

"**City"** means the City of Peculiar, Missouri, and any successors or assigns.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

"Consultant" means an independent engineer or engineering firm having a favorable reputation for skill and experience in the construction, financing and operation of public utilities and the preparation

of management studies and financial feasibility studies in connection therewith, selected by the City for the purpose of carrying out the duties imposed on the Consultant by this Ordinance.

"**Continuing Disclosure Agreement"** means the Continuing Disclosure Agreement attached to this Ordinance as **Exhibit D**.

"Debt Service Account" means the Debt Service Account for Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014, created by **Section 501** hereof.

"Debt Service Requirements" means the aggregate principal payments (including scheduled mandatory redemption requirements) and net interest or interest-like payments (net of any Subsidy Payments) on all System Revenue Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State of Missouri and having full trust powers.

"Debt Service Reserve Account" means the Debt Service Reserve Account for Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014, created by **Section 501** hereof.

"Debt Service Reserve Requirement" means the amount specified in the Certificate of Final Terms attached hereto as **Exhibit B**.

"Defaulted Interest" means interest on any Bond which is payable but not paid on any Interest Payment Date.

"Defeasance Obligations" means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) the obligations are rated in a rating category by Moody's or Standard & Poor's Ratings Group that is no lower than the rating category then assigned by that rating agency to United States Government Obligations.

"Depreciation and Replacement Account" means the account by that name ratified and confirmed by **Section 501** hereof.

"Dissemination Agent" means First Bank of Missouri, Gladstone, Missouri, and any successors or assigns.

"Escrow Agent" means First Bank of Missouri, Gladstone, Missouri, and any successors or assigns.

"Escrow Agreement" means the Escrow Trust Agreement between the City and the Escrow Agent relating to the Bonds and the Refunded Bonds and attached to this Ordinance as **Exhibit E**.

"Escrow Fund" means the fund by that name referred to in **Section 501** hereof.

"Escrowed Securities" means the direct, non-callable obligations of, or non-callable obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, or such other securities that qualify as "Defeasance Obligations" in the ordinance authorizing the Refunded Bonds, respectively, as described in the Escrow Agreement or other instructions to a paying agent for Refunded Bonds.

"Expenses" means all reasonable and necessary expenses of operation, maintenance and repair of the System and keeping the System in good repair and working order (other than interest paid on System Revenue Bonds and depreciation and amortization charges during the period of determination), determined in accordance with generally accepted accounting principles, including without limiting the generality of the foregoing, current maintenance charges, expenses of reasonable upkeep and repairs, salaries, wages, costs of materials and supplies, Paying Agent fees and expenses, annual audits, properly allocated share of charges for insurance, the cost of purchased water, gas and power, if any, obligations (other than for borrowed money or for rents payable under capital leases) incurred in the ordinary course of business, liabilities incurred by endorsement for collection or deposit of checks or drafts received in the ordinary course of business, short-term indebtedness incurred and payable within a particular fiscal year, other obligations or indebtedness incurred for the purpose of leasing (pursuant to a true or operating lease) equipment, fixtures, inventory or other personal property, and all other expenses incident to the operation of the System, but shall exclude all general administrative expenses of the City not related to the operation of the System.

"Federal Tax Certificate" means the City's Federal Tax Certificate relating to the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

"Interest Payment Date" means the Stated Maturity of an installment of interest on any Bond.

"Maturity" when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or by call for redemption or otherwise.

"Net Project Proceeds" means the amount of the proceeds of the Project Portion that is deposited into the Series 2014 Project Account pursuant to **Section 502** hereof to be applied as provided in **Section 503** hereof.

"Net Refunding Proceeds" means the aggregate amount of the proceeds of the Refunding Portion specified in **Section 502** hereof to be applied to the refunding of the Refunded Bonds pursuant to **Section 504** hereof.

"Net Revenues" means all Revenues less all Expenses.

"Operation and Maintenance Account" means the account by that name ratified and confirmed by **Section 501** hereof.

"**Ordinance"** means this Ordinance as from time to time amended in accordance with the terms hereof.

"Original Principal Amount" means the Original Principal Amount of the Bonds specified in the Certificate of Final Terms attached hereto as **Exhibit B.**

"Outstanding," when used with reference to Bonds, means, as of any particular date of determination, all Bonds theretofore issued and delivered hereunder, except the following Bonds:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of **Section 1101** hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered hereunder.

"Parity Bonds" means the Previously Issued Parity Bonds and any additional bonds or other obligations hereafter issued or incurred pursuant to **Section 902** hereof and standing on a parity and equality with the Bonds with respect to the payment of principal and interest from the Net Revenues of the System.

"Parity Ordinances" means the Previously Issued Parity Ordinances and the ordinance or ordinances under which any additional Parity Bonds are hereafter issued pursuant to **Section 902** hereof.

"Participants" means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

"Paying Agent" means First Bank of Missouri, Gladstone, Missouri, and any successors and assigns.

"Permitted Investments" means any of the following securities and obligations, if and to the extent the same are at the time legal for investment of the moneys held in the funds and accounts listed in **Section 501** hereof:

(a) United States Government Obligations;

(b) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by United States Government Obligations which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits; and

(c) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri.

"Person" means any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"**Previously Issued Parity Bonds"** means the outstanding (i) Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) Series 1999, (ii) Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007, and (iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, described in the Recitals to this Ordinance.

"**Previously Issued Parity Ordinances"** means Ordinance No. 99-15 of the City passed on May 19, 1999, Ordinance No. 101607A of the City passed on October 16, 2007, and Ordinance No. 11182013 of the City passed on November 18, 2013, respectively, under which the Previously Issued Parity Bonds have been issued.

"Project" means extending and improving the combined waterworks and sewerage system of the City.

"Project Fund" means the fund by that name created by **Section 501** hereof.

"Project Portion" means, for State law purposes, the principal amount of the Bonds specified in the Certificate of Final Terms attached hereto as **Exhibit B** being issued for the purpose of providing funds for the Project.

"Purchase Price" means the Purchase Price specified in the Certificate of Final Terms attached hereto as **Exhibit B**.

"Purchaser" means the original purchaser of the Bonds specified in the Certificate of Final Terms attached hereto as **Exhibit B**

"Record Date" for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

"Redemption Date" when used with respect to any Bond to be redeemed means the date fixed for such redemption pursuant to the terms of this Ordinance.

"Redemption Price" when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of this Ordinance, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Refunded Bonds" means the City's Combined Waterworks and Sewerage System Revenue Bonds, Series 2011, to be refunded from the proceeds of the Bonds as described in the Certificate of Final Terms attached hereto as **Exhibit B**.

"Refunding Bond Law" means Section 108.140(2), RSMo.

"Refunding Portion" means, for State Law purposes, the principal amount of the Bonds specified in the Certificate of Final Terms attached hereto as **Exhibit B** being issued for the purpose of providing funds to refund the Refunded Bonds.

"Replacement Bonds" means Bonds issued to the beneficial owners of the Bonds in accordance with **Section 210(b)** hereof.

"Revenue Fund" means the fund by that name ratified and confirmed by **Section 501** hereof.

"Revenues" means all income and revenues derived from the ownership and operation of the System, including investment and rental income, net proceeds from business interruption insurance, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of System facilities to be applied during the period of determination to pay interest on System Revenue Bonds, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets.

"Securities Depository" means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

"**Senior Lien Bonds"** means the outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program) Series 1994A, described in the recitals to this Ordinance.

"**Senior Lien Ordinance"** means Ordinance No. 080294 of the City passed on August 2, 1994, under which the Senior Lien Bonds have been issued.

"Series 1999 Bonds" means the outstanding Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) Series 1999, of the City, dated June 1, 1999.

"Series 1999 Ordinance" means Ordinance No. 99-15 of the City passed on May 19, 1999, authorizing the issuance of the Series 1999 Bonds.

"Series 2007 Bonds" means the outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007, of the City, dated November 14, 2007.

"Series 2007 Ordinance" means Ordinance No. 101607A of the City passed on October 16, 2007, authorizing the issuance of the Series 2007 Bonds.

"Series 2013 Bonds" means the outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, of the City, dated December 4, 2013.

"Series 2013 Ordinance" means Ordinance No. 11182013 of the City passed on November 18, 2013, authorizing the issuance of the Series 2013 Bonds.

"Special Record Date" means the date fixed by the Paying Agent pursuant to **Section 204** hereof for the payment of Defaulted Interest.

"Stated Maturity" when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Subsidy Payments" means funds received by the City that either (1) must be used, or (2) have been and are expected to continue to be used, to reduce the interest or principal payments on System Revenue Bonds. Such Subsidy Payments would include, but are not limited to (a) payments received by the City through a federal or State of Missouri program, or (b) payments related to an interest rate swap, exchange, hedge or similar agreement.

"Surplus Account" means the account by that name ratified and confirmed by **Section 501** hereof.

"System" means the entire combined waterworks plant and system and sewerage plant and system owned and operated by the City for the production, storage, treatment and distribution of water, and for the collection, treatment and disposal of sewage, to serve the needs of the City and its inhabitants and others, including all appurtenances and facilities connected therewith or relating thereto, together with all extensions, improvements, additions and enlargements thereto hereafter made or acquired by the City.

"System Revenue Bonds" means collectively the Bonds and all other revenue bonds or other obligations which are payable out of, or secured by an interest in, the Net Revenues of the System.

"United States Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation).

"Valuation Date" means the first business day of each fiscal year of the System.

ARTICLE II

AUTHORIZATION OF BONDS

Section 201. Authorization of Bonds. There is hereby authorized and directed to be issued a series of bonds of the City, designated Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014, in the Original Principal Amount specified in the Certificate of Final Terms attached hereto as **Exhibit B** (the "Bonds"). For State law purposes, the Refunding

Portion specified in the Certificate of Final Terms attached hereto as **Exhibit B** is being issued for the purpose of providing funds to refund the Refunded Bonds, and the Project Portion specified in the Certificate of Final Terms attached hereto as **Exhibit B** is being issued for the purpose of providing funds for the Project.

Section 202. Description of Bonds. The Bonds shall consist of fully registered bonds without coupons, numbered in a manner determined by the Paying Agent, in denominations of $5,000 or any integral multiple thereof. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in **Exhibit A** attached hereto, and shall be subject to registration, transfer and exchange as provided in **Section 205** hereof. The Bonds shall be dated as of the date of delivery and payment therefor, shall become due in the amounts on the Stated Maturities (subject to redemption prior to Stated Maturity as provided in **Article III** hereof), shall bear interest at the rates per annum and shall be issued with such terms and provisions specified in the Certificate of Final Terms attached hereto as **Exhibit B**, subject to the following conditions:

(a) The principal amount of the Project Portion shall not exceed $900,000.

(b) The average annual interest rate on the Project Portion, calculated as described in Section 108.170(6), RSMo (TIC), shall not exceed 4.75%.

(c) The Net Project Proceeds of the Project Portion available to the City shall be not less than $500,000.

(d) The principal amount of the Refunding Portion shall not exceed the Maximum Allowable Refunding Amount specified in the Certificate of Final Terms attached hereto as **Exhibit B**.

(e) The maximum annual debt service on the Bonds shall not exceed $300,000.

(f) The final Stated Maturity of the Bonds shall be not later than July 1, 2035.

(g) The underwriting discount specified in the Purchase Price for the Project Portion shall not exceed 1.75% of the principal amount of the Project Portion.

(h) The underwriting discount specified in the Purchase Price for the Refunding Portion shall not exceed 1.75% of the principal amount of the Refunding Portion.

(i) The Bonds shall be subject to redemption at the option of the City beginning not later than July 1, 2024.

(j) The Debt Service Reserve Requirement will not exceed will not exceed the least of (1) 10% of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirements on the Bonds (determined as of the Issue Date), or (3) 125% of the average annual principal and interest requirements on the Bonds (determined as of the Issue Date).

The Certificate of Final Terms attached hereto as **Exhibit B** shall be completed and shall be executed by the Mayor, and the signature of the Mayor on said Certificate of Final Terms, attested by the City Clerk, shall constitute conclusive evidence of the approval of both the Mayor and the Board of Aldermen of the City.

The Bonds shall bear interest at the above-specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the dated date thereof or from the most recent Interest Payment Date

to which interest has been paid or duly provided for, payable semiannually as provided in the Certificate of Final Terms attached hereto as **Exhibit B**.

Section 203. Designation of Paying Agent. First Bank of Missouri, Gladstone, Missouri, is hereby designated as the City's Paying Agent for the payment of principal of and interest on the Bonds and as bond registrar with respect to the registration, transfer and exchange of Bonds (herein called the "Paying Agent").

The City will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The City reserves the right to appoint a successor Paying Agent by (1) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (2) causing notice of the appointment of the successor Paying Agent to be given by first class mail to each Bondowner. The Paying Agent may resign upon giving written notice by first class mail to the City and the Bondowners not less than 60 days prior to the date such resignation is to take effect. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of the Paying Agent.

Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company located in the State of Missouri organized and in good standing and doing business under the laws of the United States of America or of the State of Missouri and subject to supervision or examination by federal or state regulatory authority.

The Paying Agent shall be paid its fees and expenses for its services in connection herewith, which fees and expenses shall be paid as other Expenses are paid.

Section 204. Method and Place of Payment of Bonds. The principal or Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity by check or draft to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal corporate trust office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register by electronic transfer to such Registered Owner.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The City shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted

Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and shall upon the written request of the City at least annually forward a copy or summary of such records to the City.

Section 205. Registration, Transfer and Exchange of Bonds. The City covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The City shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

The City and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of fifteen days next preceding the first mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

The City and the Paying Agent may deem and treat the Person in whose name any Bond is registered in the Bond Register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon

such Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

Section 206. Execution, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitution for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk, and shall have the official seal of the City affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bond ceases to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Mayor and City Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Paying Agent for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by an authorized signatory of the Paying Agent, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to or upon the order of the Purchaser of the Bonds upon payment of the Purchase Price to the City.

Section 207. Mutilated, Destroyed, Lost and Stolen Bonds. If (a) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the City and the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the City and the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Paying Agent, in its discretion may pay such Bond instead of delivering a new Bond.

Upon the issuance of any new Bond under this Section, the City or the Paying Agent may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

Section 208. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and shall file an executed counterpart of such certificate with the City.

Section 209. Preliminary and Final Official Statement. A Preliminary Official Statement to be used by the Purchaser to offer the Bonds for sale is hereby authorized and approved, and the final Official Statement is hereby authorized and approved by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor of the City is hereby authorized to execute the final Official Statement as so supplemented, amended and completed, and the use and public distribution of the final Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the City hereby deems the information regarding the City contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the City are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of such Rule.

The City agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 210. Sale of Bonds. The Mayor is hereby authorized to enter into the Bond Purchase Agreement between the City and the Purchaser in substantially the form attached hereto as **Exhibit C**, under which the City agrees to sell the Bonds to the Purchaser at the Purchase Price specified in **Exhibit B**, upon the terms and conditions set forth therein and with such changes therein as shall be approved by the Mayor, which officer is authorized to execute the Bond Purchase Agreement for and on behalf of the City, such officer's signature thereon being conclusive evidence of his or her approval thereof.

Section 211. Authorization of Escrow Agreement. Upon completion and execution of the Certificate of Final Terms attached hereto as **Exhibit B**, the City is hereby authorized to enter into an Escrow Agreement, dated as of the date of issuance of the Bonds, between the City and the Escrow Agent, in substantially the form attached to this Ordinance and marked **Exhibit E**, establishing an escrow for the Refunded Bonds, and the Mayor and City Clerk are hereby authorized and directed to execute the Escrow Agreement with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the City. The Escrow Agent is hereby authorized to carry out, on behalf of the City, the duties, terms and provisions of the Escrow Agreement, and the Escrow Agent, the Purchaser and Bond

Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein.

Section 212. Book-Entry Bonds; Securities Depository.

(a) The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no beneficial owner will receive certificates representing their respective interests in the Bonds, except in the event the Paying Agent issues Replacement Bonds as provided in subsection (b) hereof. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Paying Agent authenticates and delivers Replacement Bonds to the beneficial owners as described in subsection (b).

(b) (1) If the City determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the beneficial owners of the Bonds, or (2) if the Paying Agent receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the beneficial owners of the Bonds, then the Paying Agent shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Paying Agent shall register in the name of and authenticate and deliver Replacement Bonds to the beneficial owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (1)(A) or (1)(B) of this subsection (b), the City, with the consent of the Paying Agent, may select a successor securities depository in accordance with **Section 212(c)** hereof to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Bond is registered in the name of the Securities Depository or its nominee. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the City, the Paying Agent or Owners are unable to locate a qualified successor of the Securities Depository in accordance with **Section 212(c)** hereof, then the Paying Agent shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Paying Agent may rely on information from the Securities Depository and its Participants as to the names and addresses of and principal amounts held by the beneficial owners of the Bonds. The cost of printing, registration, authentication and delivery of Replacement Bonds shall be paid for by the City.

(c) In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor Securities Depository provided the Paying Agent and the City receive written evidence with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Paying Agent upon its receipt of a Bond or Bonds

for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Optional and Mandatory Redemption of Bonds.

(a) ***Optional Redemption by City*****.** At the option of the City, certain Bonds or portions thereof may be called for redemption and payment prior to their Stated Maturity on the dates and at the Redemption Prices specified in the Certificate of Final Terms attached hereto as **Exhibit B**.

(b) ***Mandatory Redemption*****.** The Term Bonds specified in the Certificate of Final Terms attached hereto as **Exhibit B** shall be subject to mandatory redemption and payment prior to Stated Maturity on the dates and in the principal amounts specified in the Certificate of Final Terms attached hereto as **Exhibit B** at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date.

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the City may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof, whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the City under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection (b)) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection (b). Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the City to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the City will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with with respect to such mandatory redemption payment.

Section 302. Selection of Bonds to Be Redeemed.

(a) The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date of written instructions from the City specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. If any Bonds are refunded more than 90 days in advance of such Redemption Date, any escrow agreement entered into by the City in connection with such refunding shall provide that such written instructions to the Paying

Agent shall be given by the escrow agent on behalf of the City not less than 45 days prior to the Redemption Date. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met. The foregoing provisions of this paragraph shall not apply to the mandatory redemption of Bonds hereunder, and Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the City and whether or not the Paying Agent shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

(b) Bonds shall be redeemed only in the principal amount of $5,000 or any integral multiple thereof. Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in $5,000 units of principal amount in such equitable manner as the Paying Agent may determine.

(c) In the case of a partial redemption of Bonds at the time Outstanding in denominations greater than $5,000, then for all purposes in connection with such redemption each $5,000 of face value shall be treated as though it were a separate Bond of the denomination of $5,000. If it is determined that one or more, but not all, of the $5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such $5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the Redemption Price and interest to the Redemption Date of such $5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the $5,000 unit or units of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to the Purchaser of the Bonds and each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register.

All official notices of redemption shall be dated and shall contain the following information:

(a) the Redemption Date;

(b) the Redemption Price;

(c) if less than all Outstanding Bonds of a maturity are to be redeemed, the identification number, Stated Maturity, and, in the case of partial redemption of any Bonds, the respective principal amounts of the Bonds to be redeemed;

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal corporate office of the Paying Agent.

The failure of any Registered Owner to receive notice given as heretofore provided or any defect therein shall not invalidate any redemption.

On or prior to any Redemption Date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date at the Redemption Price therein specified, and from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been redeemed shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

The Paying Agent is also directed to comply with any mandatory standards established by the Securities and Exchange Commission and then in effect for processing redemptions of municipal securities. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Bond (having been mailed notice from the Paying Agent, the Securities Depository, a Participant or otherwise) to notify the beneficial owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for Bonds. The Bonds shall be special obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System, and the City hereby pledges said Net Revenues to the payment of the principal of and interest on the Bonds. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional or statutory provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest.

The covenants and agreements of the City contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, Stated Maturity and right of redemption prior to Stated Maturity as provided in this Ordinance. The Bonds shall stand on a parity and be equally and ratably secured with

respect to the payment of principal and interest from the Net Revenues of the System and in all other respects with any Parity Bonds. The Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over Parity Bonds and Parity Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over the Bonds.

The Bonds shall be junior and subordinate with respect to the payment of principal and interest from the Net Revenues of the System and in all other respects to the Senior Lien Bonds and, in the event of any default in the payment of either principal of or interest on any of the Senior Lien Bonds, all of the Net Revenues of the System will be applied solely to the payment of the principal of and interest on the Senior Lien Bonds until such default is cured.

ARTICLE V

CREATION AND RATIFICATION OF FUNDS AND ACCOUNTS; DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Establishment of Funds and Accounts. There are hereby created or ratified and ordered to be established and maintained in the treasury of the City the following separate funds and accounts to be known respectively as the:

(a) Combined Waterworks and Sewerage System 2014 Project Fund (the "Project Fund");

(b) Combined Waterworks and Sewerage System Revenue Fund (the "Revenue Fund");

(c) Combined Waterworks and Sewerage System Operation and Maintenance Account (the "Operation and Maintenance Account");

(d) Debt Service Account for Combined Waterworks and Sewerage Revenue Bonds, Series 2007 (the "Series 2007 Debt Service Account");

(e) Debt Service Reserve Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2007 (the "Series 2007 Debt Service Reserve Account");

(f) Debt Service Account for Combined Waterworks and Sewerage Revenue Bonds, Series 2013 (the "Series 2013 Debt Service Account");

(g) Debt Service Reserve Account for Combined Waterworks and Sewerage System Revenue Bonds, Series 2013 (the "Series 2013 Debt Service Reserve Account");

(h) Debt Service Account for Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014 (the "Debt Service Account");

(i) Debt Service Reserve Account for Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014 (the "Debt Service Reserve Account");

(j) Combined Waterworks and Sewerage System Depreciation and Replacement Account (the "Depreciation and Replacement Account"); and

(k) Combined Waterworks and Sewerage System Surplus Account (the "Surplus Account").

The City acknowledges the creation and continuing existence of the following accounts for the Senior Lien Bonds and the Series 1999 Bonds:

For the Senior Lien Bonds:

(1) the Debt Service Account, the Principal Account and the Interest Account (hereinafter referred to collectively as the "Senior Lien Debt Service Account"), and

(2) the Reserve Account (the "Senior Lien Debt Service Reserve Account").

For the Series 1999 Bonds:

(3) the Debt Service Account, the Principal Account and the Interest Account (hereinafter referred to collectively as the "Series 1999 Debt Service Account"), and

(4) the Reserve Account (the "Series 1999 Debt Service Reserve Account").

In addition to the funds and accounts described above, the Escrow Agreement establishes the Escrow Fund to be held and administered by the Escrow Agent in accordance with the Escrow Agreement. The investment and use of moneys in the Escrow Fund shall be governed by the Escrow Agreement.

The funds and accounts referred to in paragraphs (b), (c), (j) and (k) of this Section shall be maintained and administered by the City solely for the purposes and in the manner as provided in the Act and in this Ordinance, in the Senior Lien Ordinance and in the Previously Issued Parity Ordinances so long as any of the Bonds, the Senior Lien Bonds or the Previously Issued Parity Bonds remain outstanding within the meaning of this Ordinance, said Senior Lien Ordinance or said Previously Issued Parity Ordinances, respectively. The funds and accounts referred to in paragraphs (a), (h) and (i) of this Section shall be maintained and administered by the City so long as any of the Bonds remain outstanding. The funds and accounts referred to in paragraphs (d) and (e) of this of this Section shall be maintained and administered by or on behalf of the City so long as any of the Series 2007 Bonds remain outstanding. Furthermore, the funds and accounts referred to in paragraphs (f) and (g) of this Section shall be maintained and administered by or on behalf of the City so long as any of the Series 2013 Bonds remain outstanding.

Section 502. Deposit of Bond Proceeds and Other Money. The net proceeds received from the sale of the Bonds, including any premium or accrued interest thereon, together with certain other funds provided by the City, shall be deposited simultaneously with the delivery of the Bonds, as follows:

(a) The funds from sources other than proceeds of the Bonds as specified in the Certificate of Final Terms attached hereto as **Exhibit B** shall be paid and transferred to the Escrow Agent as provided in **Section 502(c)** hereof.

(b) From the proceeds of the Project Portion, an amount equal to the Net Project Proceeds for State law purposes specified in the Certificate of Final Terms attached hereto as **Exhibit B,** shall be deposited in the Series 2014 Project Account and shall be applied in accordance with **Section 503** hereof.

(c) From the proceeds of the Refunding Portion for State law purposes specified in the Certificate of Final Terms attached hereto as **Exhibit B**, an amount equal to the Net Refunding Proceeds for State law purposes specified in the Certificate of Final Terms attached hereto as **Exhibit B** which, together with the funds deposited pursuant to Section 502(a) above and the earnings to accrue on all of such moneys, will be sufficient for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds, as determined and

certified in accordance with **Section 505** hereof, shall be paid and transferred to the Escrow Agent for deposit in the Escrow Fund, to be applied in accordance with **Section 504** hereof.

(d) An amount equal to the Costs of Issuance specified in the Certificate of Final Terms attached hereto as **Exhibit B** from the sources specified therein shall be deposited in the Costs of Issuance Account and shall be used to pay costs of issuing the Bonds, including the fees of attorneys, financial consultants, accountants, rating agencies, printers and others employed to render professional services, and other costs, fees and expenses incurred in connection with the issuance of the Bonds and the creation of the trust described in and created by the Escrow Agreement and in carrying out the duties, terms and provisions of the Escrow Agreement. Any such moneys not used for such purpose and remaining on deposit 180 days after the delivery of and payment for the Bonds shall be deposited in the Debt Service Account and applied in accordance with **Section 602** to the payment of the next installment of interest on the Bonds.

(e) The amount specified in the Certificate of Final Terms attached hereto as **Exhibit B** from other sources specified therein shall be paid and credited to the Debt Service Reserve Account and applied in accordance with **Section 602** hereof.

Section 503. Application of Moneys in the Project Fund. Moneys in the Project Fund shall be used solely for the purpose of paying the cost of the Project as hereinbefore provided, in accordance with the plans and specifications therefor prepared by the City's Consultant for the Project, as heretofore approved by the Board of Aldermen of the City and on file in the office of the City Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consultant and approved by the Board of Aldermen of the City incident to the issuance of the Bonds.

Withdrawals from the Project Fund shall be made only when authorized by the Board of Aldermen and only on duly authorized and executed warrants or vouchers therefor accompanied by a certificate executed by the Consultant that such payment is being made for a purpose within the scope of this Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Nothing hereinbefore contained shall prevent the payment out of the Project Fund of all costs and expenses incident to the issuance of the Bonds or withdrawals of sums for investment or reinvestment purposes under the terms of this Ordinance without a certificate from the Consultant.

Upon completion of the Project as hereinbefore provided, any surplus moneys remaining in the Project Fund and not required for the payment of unpaid costs thereof shall be deposited in the Debt Service Account and applied to the payment of the next installment of interest due on the Bonds.

Section 504. Application of Moneys in the Escrow Fund. Under the Escrow Agreement, the Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. Except as otherwise provided in the Escrow Agreement, the cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely to the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Ordinance of the City authorizing the Refunded Bonds and the Escrow Agreement.

Section 505. Verification of Certified Public Accountant. Prior to or concurrently with the issuance and delivery of the Bonds and the creation of the escrow provided for herein, the City shall

obtain the certification of an independent certified public accountant that such accountant has verified the accuracy of the calculations that demonstrate that the money and obligations required to be deposited with the Escrow Agent pursuant to **Section 502** of this Ordinance and the Escrow Agreement, together with the earnings to accrue thereon, will be sufficient for the timely payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds as and when the same become due.

Section 506. Redemption of Refunded Bonds. The Refunded Bonds are hereby called for redemption and payment prior to maturity in whole or in part on such dates and in such amounts as shall be specified in the Certificate of Final Terms attached hereto as **Exhibit B.**

Such Refunded Bonds so called for redemption and payment prior to maturity shall be redeemed at the office of the paying agent for the applicable issue of Refunded Bonds by the payment on the redemption date of the principal thereof, together with any redemption premium and accrued interest thereon to the applicable redemption date. In accordance with the requirements of the Ordinance of the City authorizing the Refunded Bonds, the City Clerk is hereby directed to cause notice of the call for redemption and payment of such Refunded Bonds described above to be given in the manner provided in the Ordinance that authorized the Refunded Bonds. The officers of the City and the paying agent for the Refunded Bonds described above are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of such Refunded Bonds as herein provided.

ARTICLE VI

APPLICATION OF REVENUES

Section 601. Revenue Fund. The City covenants and agrees that from and after the delivery of the Bonds, and continuing as long as any of the Bonds remain Outstanding hereunder, all of the Revenues shall as and when received be paid and deposited into the Revenue Fund unless otherwise specifically provided by this Ordinance. Said Revenues shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the City and shall not be commingled with any other moneys, revenues, funds and accounts of the City. The Revenue Fund shall be administered and applied solely for the purposes and in the manner provided in this Ordinance.

Section 602. Application of Moneys in Funds and Accounts. The City covenants and agrees that from and after the delivery of the Bonds and continuing so long as any of the Bonds shall remain Outstanding, it will on the first day of each month administer and allocate all of the moneys then held in the Revenue Fund as follows:

(a) ***Operation and Maintenance Account***. There shall first be paid and credited to the Operation and Maintenance Account an amount sufficient to pay the estimated Expenses during the ensuing month. All amounts paid and credited to the Operation and Maintenance Account shall be expended and used by the City solely for the purpose of paying the Expenses of the System.

(b) ***Senior Lien Debt Service Account.*** There shall next be paid and credited to the debt service account for the Senior Lien Bonds the amount required to be so paid and credited by the Senior Lien Ordinance.

(c) ***Senior Lien Debt Service Reserve Account.*** There shall next be paid and credited to the debt service reserve account for the Senior Lien Bonds the amount required to be so paid and credited by the Senior Lien Ordinance.

(d) ***Debt Service Account.*** There shall next be paid and credited to the Debt Service Account, to the extent necessary to meet on each Bond Payment Date the payment of all interest on and principal of the Bonds, the following sums:

(1) Beginning with the first of said deposits and continuing on the first day of each month thereafter to and including the month preceding the date on which the first interest payment becomes due, an equal pro rata portion of the amount of interest becoming due on the Bonds on the date on which the first interest payment becomes due; and thereafter, beginning on February 1, 2015, and continuing on the first day of each month thereafter so long as any of the Bonds shall remain outstanding and unpaid, an amount not less than 1/6 of the amount of interest that will become due on the Bonds on the next succeeding Interest Payment Date; and

(2) Beginning with the first of said deposits and continuing on the first day of each month thereafter to and including the month preceding the first maturity of the bonds, an equal pro rata portion of the amount of principal becoming due on the Bonds the first maturity of the Bonds; and thereafter, beginning on the first maturity of the Bonds and continuing on the first day of each month thereafter so long as any of the Bonds shall remain outstanding and unpaid, an amount not less than 1/12 of the amount of principal that will become due on the Bonds on the next succeeding Maturity.

The amounts required to be paid and credited to the Debt Service Account pursuant to this Section shall be so paid at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service accounts established for the payment of principal and interest on Parity Bonds under the provisions of the Parity Ordinances.

Any Subsidy Payments received by the City and applied to debt service or amounts deposited in the Debt Service Account as accrued interest in accordance with **Section 502** hereof or as unused proceeds in accordance with **Section 503** hereof shall be credited against the City's payment obligations as set forth in this Section.

If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Account and to the debt service accounts established to pay the principal of and interest on any Parity Bonds, the available moneys in the Revenue Fund shall, unless otherwise directed by the Previously Issued Parity Ordinances, be divided among such debt service accounts in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in said debt service accounts.

All amounts paid and credited to the Debt Service Account shall be expended and used by the City for the sole purpose of paying the interest on and principal of the Bonds as and when the same become due on each Bond Payment Date.

(e) ***Debt Service Reserve Account.*** There shall next be paid and credited to the Debt Service Reserve Account the amount required by this subsection (e). Except as hereinafter provided in this section, moneys in the Debt Service Reserve Account shall be expended and used

by the City solely to prevent any default in the payment of interest on or principal of the Bonds on any Bond Payment Date if the moneys in the Debt Service Account are insufficient to pay the interest on or principal of said Bonds as they become due. So long as the Debt Service Reserve Account aggregates the Debt Service Reserve Requirement, no payments into said Account shall be required, but if the City shall ever be required to expend and use a part of the moneys in said Account for the purpose herein authorized and such expenditure shall reduce the amount of said Account below the Debt Service Reserve Requirement, the City shall begin or resume and continue monthly payments of one-twelfth (1/12) of such deficiency each month into said Account until said Account shall again aggregate the Debt Service Reserve Requirement.

The amounts required to be paid and credited to the Debt Service Reserve Account pursuant to this Section shall be so paid at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service reserve accounts established for Parity Bonds under the provisions of the Parity Ordinances.

If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Reserve Account and to the debt service reserve accounts established to protect the payment of any Parity Bonds, the available moneys in the Revenue Fund shall, unless otherwise directed by the Previously Issued Parity Ordinances, be divided among such debt service reserve accounts in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in such debt service reserve accounts.

Moneys in the Debt Service Reserve Account may be used to call the Bonds for redemption and payment prior to their Stated Maturity, provided all of the Bonds at the time Outstanding are called for payment and funds are available to pay the same according to their terms. Moneys in the Debt Service Reserve Account shall be used to pay and retire the last Outstanding Bonds unless such Bonds and all interest thereon are otherwise paid. Any amounts in the Debt Service Reserve Account in excess of the Debt Service Reserve Requirement on any Valuation Date shall be transferred to the Revenue Fund.

(f) ***Depreciation and Replacement Account.*** There shall next be paid and credited to the Depreciation and Replacement Account the amounts required to be so paid and deposited therein pursuant to the Senior Lien Ordinance and the Previously Issued Parity Ordinances. Except as hereinafter provided in **Section 603**, moneys in the Depreciation and Replacement Account shall be expended and used by the City, if no other funds are available therefor, solely for the purpose of making unusual or extraordinary replacements and repairs in and to the System as may be necessary to keep the System in good repair and working order and to assure the continued effective and efficient operation thereof, including replacing or repairing portions of the System or major items of any plant or equipment which either have been fully depreciated and are worn out or have become obsolete, inefficient or uneconomical, or for the purpose of extending, improving or enlarging the System.

(g) ***Surplus Account.*** After all payments and credits required at the time to be made under the provisions of the foregoing paragraphs of this Section have been made, all moneys remaining in the Revenue Fund shall be paid and credited to the Surplus Account. Moneys in the Surplus Account may be expended and used for the following purposes as determined by the Board of Aldermen of the City:

(1) Paying Expenses of the System to the extent that may be necessary after the application of the moneys held in the Operation and Maintenance Account under the provisions of paragraph (a) of this Section;

(2) Paying the cost of extending, enlarging or improving the System;

(3) Preventing default in, anticipating payments into or increasing the amounts in the debt service accounts or debt service reserve accounts for System Revenue Bonds or the Depreciation and Replacement Account, or any one of them, said payments made to prevent default to be made in the order prescribed in this **Section 602** of this Ordinance or in the applicable sections of ordinances authorizing additional System Revenue Bonds hereafter issued, or establishing or increasing the amount of any debt service account or debt service reserve account created by the City for the payment of any additional System Revenue Bonds; or

(4) Calling, redeeming and paying prior to Stated Maturity, or, at the option of the City, purchasing in the open market at the best price obtainable not exceeding the redemption price (if any bonds are callable), the Bonds or any other System Revenue Bonds, including principal, interest and redemption premium, if any; or

(5) Any other lawful purpose in connection with the operation of the System and benefitting the System.

So long as any of the Bonds remain Outstanding, no moneys derived from the operation of the System shall be diverted to the general governmental or municipal functions of the City.

(h) ***Deficiency of Payments into Funds and Accounts.*** If at any time the Revenues shall be insufficient to make any payment on the date or dates hereinbefore specified, the City will make good the amount of such deficiency by making additional payments or credits out of the first available Revenues thereafter received by the City, such payments and credits being made and applied in the order hereinbefore specified in this Section.

Section 603. Transfer of Funds to Paying Agent. The Treasurer or other authorized officer of the City is hereby authorized and directed to withdraw from the Debt Service Account, and, to the extent necessary to prevent a default in the payment of either principal of or interest on the Bonds, from the Debt Service Reserve Account, the Surplus Account and the Depreciation and Replacement Account as provided in **Section 602** hereof, sums sufficient to pay the principal of and interest on the Bonds as and when the same become due on any Bond Payment Date, and to forward such sums to the Paying Agent in a manner which ensures the Paying Agent will have available funds in such amounts on or before the Business Day immediately preceding each Bond Payment Date. If, through lapse of time, or otherwise, the Registered Owners of Bonds shall no longer be entitled to enforce payment of their obligations, it shall be the duty of the Paying Agent forthwith to return said funds to the City as provided in **Section 605** hereof. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

Section 604. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 605. Nonpresentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond shall have been made available to the Paying Agent all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the City without liability for interest thereon the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

ARTICLE VII

DEPOSIT AND INVESTMENT OF MONEYS

Section 701. Deposit and Investment of Moneys.

(a) Moneys in each of the funds and accounts created by and referred to in this Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the banks or financial institutions holding such deposits as provided by the laws of the State of Missouri.

(b) Moneys held in any fund or account referred to in this Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund or account was created. All earnings on any investments held in any fund or account shall accrue to and become a part of the Revenue Fund; provided that, (a) during the period of construction of the Project, all earnings on the investment of moneys in the Project Fund shall be credited to the Project Fund, and (b) at any time that the balance on hand in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement, all earnings on investments held in the Debt Service Reserve Account shall accrue to and become a part of such Account until the amount on deposit in such Account shall aggregate the Debt Service Reserve Requirement. In determining the amount held in any fund or account under any of the provisions of this Ordinance, obligations shall be valued at the lower of the cost or the market value thereof; provided, however, that investments held in the Debt Service Reserve Account shall be valued at market value only. If and when the amount held in any fund or account shall be in excess of the amount required by the provisions of this Ordinance, the City shall direct that such excess be paid and credited to the Revenue Fund.

(c) So long as any of the Senior Lien Bonds or the Previously Issued Parity Bonds remain outstanding and unpaid, any investments made pursuant to this Section shall be subject to any restrictions in the Senior Lien Ordinance or the Previously Issued Parity Ordinances with respect to the funds and accounts created or ratified by and referred to in the Senior Lien Ordinance or the Previously Issued Parity Ordinances.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

The City covenants and agrees with each of the Registered Owners of the Bonds that so long as any of the Bonds remain Outstanding it will comply with each of the following covenants:

Section 801. Efficient and Economical Operation. The City will continuously own and will operate the System as a revenue producing System in an efficient and economical manner and will keep and maintain the same in good repair and working order.

Section 802. Continuing Disclosure Agreement. The City is authorized to enter into the Continuing Disclosure Agreement in substantially the form attached hereto as **Exhibit D**. The Mayor is authorized to execute the Continuing Disclosure Agreement with such changes, omissions, insertions and revisions therein, as such official deems advisable. The execution of the Continuing Disclosure Agreement by the Mayor shall be conclusive evidence of such approval. The Continuing Disclosure Agreement is subject to amendment and modification only as provided therein. Notwithstanding any other provision of this Ordinance, failure of the City to comply with the Continuing Disclosure Agreement shall not be considered a default under this Ordinance. Remedies for a default under the Continuing Disclosure Agreement shall be limited to those set forth in the Continuing Disclosure Agreement.

Section 803. Rate Covenant. The City will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce Revenues sufficient to (a) pay the Expenses of the System; (b) pay the principal of and interest on the Bonds as and when the same become due; and (c) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in this Ordinance. The City further covenants and agrees that such rates and charges will be sufficient to enable the City to have in each fiscal year Net Revenues not less than 110% of the Debt Service Requirements for such fiscal year. The City will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The City will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations of the City under this Section and otherwise under the provisions of this Ordinance.

Section 804. Reasonable Charges for all Services. None of the facilities or services provided by the System will be furnished to any user (excepting the City itself) without a reasonable charge being made therefor. If the Revenues are at any time insufficient to pay the Expenses of the System and also to pay all interest on and principal of the Bonds as and when the same become due, then the City will thereafter pay into the Revenue Fund a fair and reasonable payment in accordance with effective applicable rates and charges for all use and services furnished to the City by the System, and such payments will continue so long as the same may be necessary in order to prevent or reduce the amount of any default in the payment of the interest on or principal of the Bonds.

Section 805. Corporate Existence. The City will maintain its corporate identity and existence so long as any of the Bonds remain Outstanding, unless another body corporate and politic by operation of law succeeds to the powers, privileges, rights, liabilities, disabilities and duties of the City

and is obligated by law to comply with the terms and provisions of this Ordinance without materially adversely affecting at any time the privileges and rights of any Owner of any Outstanding Bond.

Section 806. Restrictions on Mortgage or Sale of System. The City will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the City may:

(a) sell at fair market value any portion of the System which shall have been replaced by other similar property of at least equal value, or which shall cease to be necessary for the efficient operation of the System, and in the event of sale, the City will apply the proceeds to either (1) redemption of Outstanding Bonds in accordance with the provisions governing redemption of Bonds in advance of Stated Maturity, or (2) replacement of the property so disposed of by other property the Revenues of which shall be incorporated into the System as hereinbefore provided;

(b) cease to operate, abandon or otherwise dispose of any property which has become obsolete, nonproductive or otherwise unusable to the advantage of the City; or

(c) lease, (1) as lessor, any real or personal property which is unused or unimproved, or which has become obsolete, nonproductive or otherwise unusable to the advantage of the City, or which is being acquired as a part of a lease/purchase financing for the acquisition and/or improvement of such property; and/or (2) as lessee, with an option of the City to purchase, any real or personal property for the extension and improvement of the System. Property being leased as lessor and/or lessee pursuant to this subparagraph (c) shall not be treated as part of the System for purposes of this **Section 806** and may be mortgaged, pledged or otherwise encumbered.

Section 807. Insurance. The City will carry and maintain insurance with respect to the System and its operations against casualties, contingencies and risks (including but not limited to property and casualty, fire and extended coverage insurance upon all of the properties forming a part of the System insofar as the same are of an insurable nature, public liability insurance, business interruption insurance, worker's compensation and employee dishonesty insurance), such insurance to be of the character and coverage and in such amounts as would normally be carried by other municipalities or public entities engaged in similar activities of comparable size and similarly situated. In the event of loss or damage, the City, with reasonable dispatch, will use the proceeds of such insurance in reconstructing and replacing the property damaged or destroyed, or in paying the claims on account of which such proceeds were received, or if such reconstruction or replacement is unnecessary or impracticable, then the City will pay and deposit the proceeds of such insurance into the Revenue Fund. The City will annually review the insurance it maintains with respect to the System to determine that such insurance is customary and adequate to protect its property and operations. The cost of all insurance obtained pursuant to the requirements of this Section shall be paid as an Expense out of the Revenues.

Section 808. Books, Records and Accounts. The City will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the City) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System. Such accounts shall show the amount of Revenues of the System, the application of such Revenues, and all financial transactions in connection therewith. Said books shall be kept by the City according to standard accounting practices as applicable to the operation of facilities comparable to the System.

Section 809. Annual Audit. Annually, promptly after the end of the fiscal year, the City will cause an audit of the System to be made for the preceding fiscal year by an Accountant to be employed

for that purpose and paid from the Revenues. Said annual audit shall cover in reasonable detail the operation of the System during such fiscal year.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the City Clerk, and a duplicate copy of said audit shall be mailed to the Purchaser of the Bonds. Such audits shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any user of the services of the System, any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer, user or Registered Owner. A copy of any such audit will, upon request and upon receipt by the City of payment of the reasonable cost of preparing and mailing the same, be sent to any Bondowner or prospective Bondowner.

As soon as possible after the completion of the annual audit, the governing body of the City shall review such audit, and if any audit shall disclose that proper provision has not been made for all of the requirements of this Ordinance, the City will promptly cure such deficiency and will promptly proceed to increase the rates and charges to be charged for the use and services furnished by the System as may be necessary to adequately provide for such requirements.

Section 810. Right of Inspection. The Purchaser of the Bonds or any Registered Owner or Owners of 10% of the principal amount of the Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which the Purchaser or such Registered Owner or Owners may reasonably request.

Section 811. Sanitary Sewer Hook-on Requirements. The City will, to the extent permitted by law, require that the owners of all houses, buildings or properties used for human occupancy, employment, recreation or other purposes, situated within the City and abutting on any street, alley, or right-of-way in which there is now located or may in the future be located a public sanitary or combined sanitary and storm sewer of the City, must, at the owner's expense, install suitable toilet facilities therein and connect such facilities directly with the proper part of the System within such reasonable time and pursuant to such regulations as shall be provided by the City.

Section 812. Performance of Duties and Covenants. The City will faithfully and punctually perform all duties, covenants and obligations with respect to the operation of the System now or hereafter imposed upon the City by the Constitution and laws of the State of Missouri and by the provisions of this Ordinance.

Section 813. Parity Bond Certification. The City hereby represents and covenants that the Bonds directed to be issued by this Ordinance are so issued in full compliance with the restrictions and conditions upon which the City may issue additional bonds payable out of the Net Revenues of the System and which stand on a parity with the Previously Issued Parity Bonds now outstanding, as set forth and contained in the Previously Issued Parity Ordinances, and that the Bonds herein directed to be issued are so issued in all respects on a parity and equality with the Previously Issued Parity Bonds now outstanding.

Section 814. Junior Lien Bond Certification. The City hereby represents and covenants that the Bonds directed to be issued by this Ordinance are so issued in full compliance with the restrictions and conditions upon which the City may issue additional bonds payable out of the Net Revenues of the System and which are junior and subordinate to the Senior Lien Bonds, as set forth and contained in the Senior Lien Ordinance, and that the Bonds herein directed to be issued are so issued as junior and subordinate in all respects to the Senior Lien Bonds.

Section 815. Tax Covenants.

(a) The City covenants and agrees that (1) it will comply with all applicable provisions of the Code necessary to maintain the exclusion from federal gross income of the interest on the Bonds and (2) comply with all provisions and requirements of the Federal Tax Certificate. The Mayor is hereby authorized to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the City. The City will also pass such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

(b) The covenants contained in this Section and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article XI** of this Ordinance or any other provision of this Ordinance until the final Maturity of all Bonds Outstanding.

ARTICLE IX

ADDITIONAL BONDS AND OBLIGATIONS

Section 901. Senior Lien Bonds. The City covenants and agrees that so long as any of the Bonds remain Outstanding, the City will not issue any additional bonds or incur or assume any other debt obligations appearing as liabilities on the balance sheet of the System for the payment of moneys determined in accordance with generally accepted accounting principles consistently applied, including capital leases as defined by generally accepted accounting principles, payable out of the Net Revenues of the System or any part thereof which are superior to the Bonds.

Section 902. Parity Bonds and Other Obligations. The City covenants and agrees that so long as any of the Bonds remain Outstanding, it will not issue any additional bonds or other long-term obligations payable out of the Net Revenues of the System or any part thereof which stand on a parity or equality with the Bonds ("Parity Bonds") unless the following conditions are met:

(a) The City shall not be in default in the payment of principal of or interest on any Bonds or any Parity Bonds at the time outstanding or in making any payment at the time required to be made into the respective funds and accounts created by and referred to in this Ordinance or any Parity Ordinance for Parity Bonds at the time outstanding (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default); and

(b) Either of the following:

(1) The average annual Net Revenues as set forth in the two most recent annual audits for the fiscal years preceding the issuance of additional bonds, as determined by an Accountant, are equal to at least 110% of the Average Annual Debt Service required to be paid out of Net Revenues in fiscal years succeeding the issuance of such additional bonds on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the Net Revenues for the purpose of this subsection, the City may adjust said Net Revenues by adding thereto, in the event the City shall have made any increase in rates for the use and services of the System and such increase shall not have been in effect during all of

the two fiscal years immediately preceding the issuance of additional bonds, the amount of the additional Net Revenues which would have resulted from the operation of the System during said two preceding fiscal years had such rate increase been in effect for the entire period, as certified by an Accountant or Consultant; or

(2) The estimated average annual Net Revenues for the two fiscal years immediately following the fiscal year in which the improvements to the System, the cost of which is being financed by such additional bonds, are to be in commercial operation, as certified by a Consultant, is at least 110% of the average annual Debt Service Requirements to be paid out of said Net Revenues in succeeding fiscal years following the commencement of such commercial operation on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the City, including the additional bonds proposed to be issued. In determining the amount of estimated Net Revenues for the purpose of this subsection, a Consultant may adjust said estimated Net Revenues by adding thereto any estimated increase in Net Revenues resulting from any increase in rates for the use and services of the System which have been approved by the City.

Additional combined waterworks and sewerage system revenue bonds of the City issued under the conditions set forth in this Section shall stand on a parity with the Bonds and shall enjoy complete equality of lien on and claim against the Net Revenues with the Bonds, and the City may make equal provision for paying said bonds and the interest thereon out of the Revenue Fund and may likewise provide for the creation of reasonable debt service accounts and debt service reserve accounts for the payment of such additional bonds and the interest thereon out of moneys in the Revenue Fund.

Section 903. Junior Lien Bonds and Other Obligations. Nothing in this Section contained shall prohibit or restrict the right of the City to issue additional revenue bonds or other revenue obligations for any lawful purpose in connection with the operation of the System and to provide that the principal of and interest on said revenue bonds or obligations shall be payable out of the Net Revenues of the System, provided at the time of the issuance of such additional revenue bonds or obligations the City shall not be in default in the performance of any covenant or agreement contained in this Ordinance (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default), and provided further that such additional revenue bonds or obligations shall be junior and subordinate to the Bonds so that if at any time the City shall be in default in paying either interest on or principal of the Bonds, or if the City shall be in default in making any payments required to be made by it under the provisions of paragraphs (a), (b), (c), (d) and (e) of **Section 602** of this Ordinance, the City shall make no payments of either principal of or interest on said junior and subordinate revenue bonds or obligations until said default or defaults be cured. In the event of the issuance of any such junior and subordinate revenue bonds or obligations, the City, subject to the provisions aforesaid, may make provision for paying the principal of and interest on said revenue bonds or for paying said obligations out of moneys in the Revenue Fund.

Section 904. Refunding Bonds. The City shall have the right, without complying with the provisions of **Section 902** hereof, to refund any of the Bonds under the provisions of any law then available, and the refunding bonds so issued shall enjoy complete equality of pledge with any of the Bonds which are not refunded, if any, upon the Net Revenues of the System; provided, however, that if only a portion of the Bonds are refunded and if said Bonds are refunded in such manner that the aggregate amount of principal and interest scheduled to become due on the refunding bonds in any fiscal year (taking into account scheduled mandatory redemptions) exceeds the aggregate amount of principal and interest scheduled to become due on the refunded Bonds in said fiscal year (taking into account scheduled mandatory redemptions), then said Bonds may be refunded without complying with the provisions of

Section 902 hereof only by and with the written consent of the Registered Owners of a majority in principal amount of the Bonds not refunded.

ARTICLE X

DEFAULT AND REMEDIES

Section 1001. Acceleration of Maturity Upon Default. The City covenants and agrees that if it defaults in the payment of the principal of or interest on any of the Bonds as the same shall become due on any Bond Payment Date, or if the City or its governing body or any of the officers, agents or employees thereof fail or refuse to comply with any of the provisions of this Ordinance or of the constitution or statutes of the State of Missouri, and such default continues for a period of 60 days after written notice specifying such default has been given to the City by the Registered Owner of any Bond then Outstanding, then, at any time thereafter and while such default continues, the Registered Owners of 25% in principal amount of the Bonds then Outstanding may, by written notice to the City filed in the office of the City Clerk or delivered in person to said City Clerk, declare the principal of all Bonds then Outstanding to be due and payable immediately, and upon any such declaration given as aforesaid, all of said Bonds shall become and be immediately due and payable, anything in this Ordinance or in the Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said Outstanding Bonds has been so declared to be due and payable, all arrears of interest upon all of said Bonds, except interest accrued but not yet due on such Bonds, and all arrears of principal upon all of said Bonds has been paid in full and all other defaults, if any, by the City under the provisions of this Ordinance and under the provisions of the statutes of the State of Missouri have been cured, then and in every such case the Registered Owners of a majority in principal amount of the Bonds then Outstanding, by written notice to the City given as hereinbefore specified, may rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.

Section 1002. Other Remedies. The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the constitution and laws of the State of Missouri;

(b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

Section 1003. Limitation on Rights of Bondowners. No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner

herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Section 1004. Remedies Cumulative. No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Bondowner, then, and in every such case, the City and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 1005. No Obligation to Levy Taxes. Nothing contained in this Ordinance shall be construed as imposing on the City any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Bonds.

Section 1006. Exception for Continuing Disclosure. This **Article X** shall not apply to **Section 802** of this Ordinance regarding continuing disclosure requirements, and Bondowners or Beneficial Owners of Bonds shall have no remedies for enforcement of said **Section 802** other than the remedies provided in said **Section 802**.

ARTICLE XI

DEFEASANCE

Section 1101. Defeasance. When any or all of the Bonds or the interest payments thereon shall have been paid and discharged, then the requirements contained in this Ordinance and the pledge of Net Revenues made hereunder and all other rights granted hereby shall terminate with respect to the Bonds or interest payments so paid and discharged. Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned thereon, will be sufficient for the payment of the principal or Redemption Price of said Bonds, and/or interest to accrue on such Bonds to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds shall be redeemed prior to the Stated Maturity thereof, (1) the City shall have elected to redeem such Bonds, and (2) either notice of such redemption shall have been given, or the City shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to redeem such Bonds in compliance with **Section 302(a)** of this Ordinance. Any moneys and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the City, for the purpose of paying and discharging any of the Bonds or the

interest payments thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of such Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1201. Amendments. The rights and duties of the City and the Bondowners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by ordinance of the City with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk, but no such modification or alteration shall:

(a) extend the maturity of any payment of principal or interest due upon any Bond;

(b) effect a reduction in the amount which the City is required to pay by way of principal of or interest on any Bond;

(c) permit the creation of a lien on the Net Revenues of the System prior or equal to the lien of the Bonds or Parity Bonds;

(d) permit preference or priority of any Bonds over any other Bonds; or

(e) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

Any provision of the Bonds or of this Ordinance may, however, be amended or modified by ordinance duly adopted by the governing body of the City at any time in any respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Bondowners, the City may amend or supplement the Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein which is not materially adverse to the interests of the Bondowners.

Every amendment or modification of the provisions of the Bonds or of this Ordinance to which the written consent of the Bondowners is given, as above provided, shall be expressed in an ordinance passed by the governing body of the City amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of the ordinance of the City herein provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification. A certified copy

of every such amendatory or supplemental proceedings and a certified copy of this Ordinance shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental proceedings or of this Ordinance will be sent by the City Clerk to any such Bondowner or prospective Bondowner.

The City shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Ordinance made hereunder which affects the duties or obligations of the Paying Agent under this Ordinance.

Section 1202. Amendment to the City's Budget. The City hereby amends its budget for the fiscal years ending September 30, 2014 and September 30, 2015, to take into account the authorization of the issuance of the Bonds.

Section 1203. Notices, Consents and Other Instruments by Bondowners. Any notice, consent, request, direction, approval, objection or other instrument required by this Ordinance to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (except for the assignment of ownership of a Bond as provided for in the form of Bond set forth in **Exhibit A** hereto), if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the City and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Registered Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds owned by the City shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Bondowners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Bondowners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Bondowners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the City.

Section 1204. Further Authority. The officers of the City, including the Mayor and City Clerk, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1205. Severability. If any section or other part of this Ordinance, whether large or small, shall for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

Section 1206. Governing Law. This Ordinance shall be governed exclusively by and constructed in accordance with the applicable laws of the State of Missouri.

Section 1207. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Board of Aldermen and approval by the Mayor.

Section 1208. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means.

BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED ON ITS SECOND READING THIS _____ DAY OF _____ 2014, BY THE FOLLOWING VOTE:

Alderman Ford	_____	**Alderman McCrea**	_____
Alderman Fines	_____	**Alderman Turner**	_____
Alderman Ray	_____	**Alderman Roberts**	_____

Approved:

_____

Holly Stark, Mayor

Attest:

_____

Nick Jacobs, City Clerk

EXHIBIT A
TO ORDINANCE

FORM OF BOND

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE (DESCRIBED HEREIN), THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (DESCRIBED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

UNITED STATES OF AMERICA
STATE OF MISSOURI

Registered **Registered**
No. _____ **$_____**

CITY OF PECULIAR, MISSOURI

COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BOND
SERIES 2014

Interest Rate	Maturity Date	Dated Date	CUSIP Number

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

THE CITY OF PECULIAR, MISSOURI, a city of the fourth class and a political subdivision of the State of Missouri (the "City"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon, but solely from the source and in the manner herein specified, at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on _____ 1 and _____ 1 in each year, beginning on _____ 1, 2015, until said Principal Amount has been paid.

The Principal Amount or Redemption Price of this Bond shall be paid at Maturity or upon earlier redemption by check or draft to the Person in whose name this Bond is registered at the Maturity or Redemption Date thereof, upon presentation and surrender of this Bond at the principal payment office of **FIRST BANK OF MISSOURI,** Gladstone, Missouri (the "Paying Agent"). The interest payable on this Bond on any Interest Payment Date shall be paid to the Person in whose name this Bond is registered on the Bond Register at the close of business on the Record Date for such interest (being the 15th day, whether or not a Business Day, of the calendar month next preceding the Interest Payment Date) by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or by electronic transfer to such Registered Owner.

This Bond is one of a duly authorized series of bonds of the City designated "Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014," aggregating the principal amount of $_____ (the "Bonds"), issued by the City for the purpose of refunding outstanding revenue bonds of the City and extending and improving the combined waterworks and sewerage system of the City (said combined waterworks and sewerage system, together with all future improvements and extensions thereto hereafter constructed or acquired by the City, being herein called the "System"), under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly Section 108.140 and Chapter 250, RSMo, and pursuant to an election duly held in the City and an ordinance duly passed by the Board of Aldermen of the City (herein called the "Ordinance"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance.

At the option of the City, Bonds or portions thereof maturing _____1, 20__, and thereafter may be called for redemption and payment prior to maturity on _____ 1, 20__, and at any time thereafter in whole or in part in such amounts for each maturity as shall be determined by the City (Bonds of less than a full maturity to be selected in multiples of $5,000 principal amount in such equitable manner as the Paying Agent shall designate) at the Redemption Price of _____% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

The Bonds are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Ordinance at a redemption price equal to 100% of the Principal Amount thereof plus accrued interest to the Redemption Date.

Notice of redemption, unless waived, is to be given by the Paying Agent by mailing an official redemption notice by first class mail at least 30 days prior to the Redemption Date, to the original Purchaser of the Bonds and to each Registered Owner of each of the Bonds to be redeemed at the address shown on the Bond Register. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the City defaults in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One Bond certificate with respect to each date on which the Bonds are stated to mature, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The City and the Paying Agent will recognize the Securities Depository nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfers of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfers of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The City and the Paying Agent will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository

nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of and interest on this Bond shall be made in accordance with existing arrangements among the City, the Paying Agent and the Securities Depository.

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

The Bonds are issued in fully registered form in the denomination of $5,000 or any integral multiple thereof. This Bond may be exchanged at the office of the Paying Agent for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations upon the terms provided in the Ordinance.

This Bond is transferable by the Registered Owner hereof in person or by the Registered Owner's agent duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance and upon surrender and cancellation of this Bond. The City shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks.

The Bonds are special obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System, and the taxing power of the City is not pledged to the payment of the Bonds either as to principal or interest. The Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. The Bonds stand on a parity and are equally and ratably secured with respect to the payment of principal and interest from the Net Revenues and in all other respects with (i) an issue of Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) Series 1999 of the City, dated June 1, 1999, originally issued in the principal amount of $1,365,000 (the “Series 1999 Bonds”) (ii) an issue of Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007 of the City, dated November 14, 2007, originally issued in the principal amount of $605,000 (the “Series 2007 Bonds”), and (iii) an issue of Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, of the City, dated December 5, 2013, originally issued in the principal amount of $1,245,000 (the “Series 2013 Bonds”). The Bonds, the Series 1999 Bonds, the Series 2007 Bonds, and the Series 2013 Bonds are junior and subordinate with respect to the payment of principal and interest from the Net Revenues and in all other respects to an issue of Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program) Series 1994A, of the City dated August 1, 1994, originally issued in the principal amount of $2,605,000 (the “Series 1994A Bonds”) and, in the event of any default in the payment of either principal of or interest on the Series 1994A Bonds, all of the Net Revenues will be applied solely to the payment of the principal of and interest on the Series 1994A Bonds until such default is cured. Under the conditions set forth in the Ordinance, the City has the right to issue additional parity bonds and other obligations payable from and secured by the Net Revenues; provided, however, that such additional bonds may be so issued only in accordance with and subject to the covenants, conditions and restrictions relating thereto set forth in the Ordinance.

The City hereby covenants and agrees with the Registered Owner of this Bond that it will keep and perform all covenants and agreements contained in the Ordinance, and will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the System as will produce Revenues sufficient to pay the costs of operation and maintenance of the System, pay the principal of and interest on the Bonds as and when the same become due, and provide reasonable and

adequate reserve funds. Reference is made to the Ordinance for a description of the covenants and agreements made by the City with respect to the collection, segregation and application of the Revenues of the System, the nature and extent of the security of the Bonds, the rights, duties and obligations of the City with respect thereto, and the rights of the Registered Owners thereof.

This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the principal payment office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination having the same Maturity Date and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The City and the Paying Agent may deem and treat the Person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, happened and been performed in due time, form and manner as required by law, and that before the issuance of the Bonds, provision has been duly made for the collection and segregation of the Revenues of the System and for the application of the same as provided in the Ordinance.

IN WITNESS WHEREOF, THE CITY OF PECULIAR, MISSOURI, has executed this Bond by causing it to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk and its official seal to be affixed hereto or imprinted hereon.

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

Registration Date: _____

FIRST BANK OF MISSOURI,
Paying Agent

By: _____
Authorized Signatory

CITY OF PECULIAR, MISSOURI

By: _____
Mayor

(SEAL)

ATTEST:

_____
City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bond on the Bond Register kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

_____

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

By: _____

Title:

EXHIBIT B
TO ORDINANCE

CERTIFICATE OF FINAL TERMS

FOR
COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2014

1. Refunded Bonds – **Preamble** and **Section 101**: The Refunded Bonds are the portion of the Series 2011 Bonds specified as follows:

Series of Bonds	**Amount Refunded**	**Maturity Date**	**Redemption Date**
Series 2011 Bonds			

2. Maximum Allowable Refunding Amount for State law purposes – **Preamble, Section 101** and **Section 202(e)**:..... $_____

3. Original Principal Amount – **Section 101**, **Section 201,** and **Section 202**:..... $_____

4. Project Portion **– Section 101, Section 201** and **Section 202:** For State law purposes, the Project Portion is the $_____ principal amount of the Bonds being issued for the Project, scheduled to mature and bear interest as follows:

SERIAL BONDS

Maturity	**Principal Amount**	**Maturity**	**Principal Amount**
_____1		**_____1**	

*Term Bonds subject to mandatory redemption

5. Refunding Portion - **Section 101, Section 201** and **Section 202:** For State law purposes, the Refunding Portion is the $_____ principal amount of the Bonds being issued to refund the Refunded Bonds, scheduled to mature and bear interest as follows:

SERIAL BONDS

Maturity _____1	**Principal Amount**	**Maturity** _____1	**Principal Amount**

*Term Bonds subject to mandatory redemption

6. Dated Date, Maturity Schedule and Interest Rates for Series 2014 Bonds - **Section 202**:

SERIAL BONDS

Dated Date: _____, 2014

Maturity _____1	**Principal Amount**	**Annual Rate of Interest**	**Maturity** _____1	**Principal Amount**	**Annual Rate of Interest**

7. Compliance with provisions of **Section 202**:

(a) Principal amount of the Project Portion (not to exceed $_____) – **Section 202(a)**: ..... $_____

(b) Average annual interest rate on the Project Portion calculated pursuant to Section 108.170(6), RSMo for State law purposes (TIC) (not to exceed _____%) – **Section 202(b)**:..... _____%

(c) Net Project Proceeds of the Project Portion (not less than $_____) – **Section 202(d):**..... $_____

(d) Principal amount of the Refunding Portion (not to exceed Maximum

Allowable Refunding Amount) – **Section 202(e):**..... $_____

(e) Maximum annual debt service on the Bonds (not to exceed $_____) – **Section 202(c)**: ....._____%

(f) Final Stated Maturity of the Bonds (not later than July 1, 2035) – **Section 202(f):** ..... _____ 1, _____

(g) Underwriting Discount for the Project Portion as a percent of the principal amount of Project Portion (not to exceed ____%) - **Section 202(g)**: ....._____%

(h) Underwriting Discount for the Refunding Portion as a percent of the principal amount of Refunding Portion (not to exceed ____%) - **Section 202(h)**: ....._____%

(i) First optional call date for Bonds (not later than July 1, 2024) - **Section 202(i)**: ..... _____ 1, 20__

(j) Debt Service Reserve Requirement (not to exceed $_____) - **Section 202(j):**.....$_____

8. Purchase Price - **Section 210:** $_____ (Original Principal Amount plus a premium of $_____ less an underwriting discount of $_____), which is _____% of Original Principal Amount, together with accrued interest to the date of delivery and payment.

(a) Purchase Price of Project Portion for State law purposes: $_____ (equal to principal amount of Project Bonds plus a premium of $_____ less an underwriting discount of $_____) together with accrued interest to the date of delivery and payment).

(b) Purchase Price of Refunding Portion for State law purposes: $_____ (equal to principal amount of Refunding Portion plus a premium of $_____ less an underwriting discount of $_____) together with accrued interest to the date of delivery and payment).

9. Optional Redemption – **Section 301(a)**: At the option of the City, the Bonds or portions thereof maturing on _____1, 20__, and thereafter may be called for redemption and payment prior to the Stated Maturity thereof on_____ 1, 20__, and thereafter in whole or in part at any time on any Interest Payment Date in such amounts for each Stated Maturity as shall be determined by the City at the Redemption Price of _____% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

10. Mandatory Redemption - **Section 301(b)**:

(a) Term Bonds maturing _____ 1, 20__, shall be redeemed and paid as follows:

Year	**Principal Amount**
_____ 1	

*Final Maturity

11. Funds from other sources deposited into Escrow Fund – **Section 502(a):** ..... $_____

From Series 2011 Debt Service Reserve Account: ..... $_____
From _____:..... $_____

12. Net Project Proceeds for State law purposes – **Section 502(b)**: ..... $_____

13. Net Refunding Proceeds for State law purposes - **Section 502(c)**:..... $_____

14. Costs of Issuance - **Section 502(d):** $_____ from proceeds of Project Portion for State law purposes and $_____ from proceeds of Refunding Portion for State law purposes, totaling $_____.

15. Debt Service Reserve Account - **Section 502(b)** – Funds credited to the Debt Service Reserve Account……...$_____ (the Debt Service Reserve Requirement) from the following sources:

Project Portion: $_____
Refunding Portion: $_____
_____: $_____

16. Redemption of Certain Refunded Bonds - **Section 511**:

Series	**Redemption Date**	**Principal Amount Redeemed**	**Maturities Redeemed**	**Redemption Price**
2011	07/01/2016	$2,625,000	07/01/2017- 07/01/2031	101%

_____
(SEAL) Mayor

ATTEST:

_____
City Clerk

EXHIBIT C
TO ORDINANCE

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT D
TO ORDINANCE

FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT E
TO ORDINANCE

FORM OF ESCROW TRUST AGREEMENT

$_____
PECULIAR, MISSOURI
COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BONDS
SERIES 2014

_____, 2014

BOND PURCHASE AGREEMENT

Board of Aldermen
Peculiar, Missouri

Ladies and Gentlemen:

On the basis of the representations, warranties and covenants and upon the terms and conditions contained in this Bond Purchase Agreement, _____ (the "Underwriter"), hereby offers to purchase from Peculiar, Missouri (the "City"), $_____ Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014 (the "Bonds"). The Bonds are to be issued by the City under and pursuant to a Bond Ordinance adopted by the City on September ___, 2014 (the "Ordinance"). Capitalized terms used herein have the meaning set forth in the Ordinance.

This offer is made subject to the acceptance of this Bond Purchase Agreement by the Board of Aldermen of the City at or before 11:59 P.M., local time, on _____, 2014.

SECTION 1. THE CITY'S REPRESENTATIONS, WARRANTIES AND AGREEMENTS

By acceptance hereof the City hereby represents and warrants to, and agrees with the Underwriter that:

(a) The City is a political subdivision existing under the laws of the State of Missouri.

(b) The City has complied with all provisions of the Constitution and the laws of the State of Missouri, and has full power and authority to consummate all transactions contemplated by the Ordinance, this Bond Purchase Agreement, and any and all other agreements relating thereto.

(c) The City has duly authorized all necessary action to be taken by the City for (1) the due adoption and performance of the Ordinance, (2) the execution, delivery and due performance of this Bond Purchase Agreement, (3) the approval of the Official Statement, (4) the execution and performance of a Continuing Disclosure Agreement, (5) the execution and performance of the Escrow Trust Agreement, (6) the execution and performance of any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, and (7) the carrying out, giving effect to and consummation of the transactions contemplated hereby and by the Ordinance and this Bond Purchase Agreement. Executed counterparts of the Ordinance, the Continuing Disclosure Agreement, the Escrow Trust Agreement and the Official Statement will be delivered to the Underwriter by the City at the Closing Time (as hereinafter defined).

(d) The Ordinance and this Bond Purchase Agreement, the Escrow Trust Agreement and the Continuing Disclosure Agreement (collectively, the "Transaction Documents") when executed and delivered by the City, will be the legal, valid and binding obligations of the City enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the City and further subject to the availability of equitable remedies.

(e) The Bonds have been duly authorized by the City, and when issued, delivered and paid for as provided for herein and in the Ordinance, will have been duly executed, authenticated, issued and delivered and will constitute valid and binding obligations of the City enforceable in accordance with their terms and entitled to the benefits and security of the Ordinance (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the City and further subject to the availability of equitable remedies). The Bonds will be limited obligations of the City payable solely out of the Net Revenues of the System (except to the extent paid out of moneys attributable to Bond proceeds or the income from the temporary investment thereof), and the Bonds will not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision, limitation or restriction. The Bonds will stand on a parity and are equally and ratably secured with respect to the payment of principal and interest from the Net Revenues and in all other respects with the City's outstanding (i) Combined Waterworks and Sewerage System Revenue Bonds (State Revolving Fund Program) Series 1999, originally issued in the principal amount of $1,365,000, (ii) Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2007, originally issued in the principal amount of $605,000, and (iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 2013, originally issued in the principal amount of $1,245,000. The Bonds, the Series 1999 Bonds, the Series 2007 Bonds and the Series 2013 Bonds will be junior and subordinate with respect to the payment of principal and interest from the Net Revenues and in all other respects to the City's outstanding Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State Revolving Fund Program) Series 1994A, originally issued in the principal amount of $2,605,000. The Bonds will not constitute general obligations of the City nor do they constitute an indebtedness of the City within the meaning of any constitutional or statutory provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Bonds.

(f) The execution and delivery of the Transaction Documents and the Bonds, and compliance with the provisions thereof, will not conflict with or constitute on the part of the City a violation, a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, ordinance, resolution, indenture, mortgage, lease or other instrument to which it is subject or by which it is or may be bound.

(g) The City is not, or with the giving of notice or lapse of time or both would not be, in violation of or in default under any indenture, mortgage, deed of trust, loan agreement, bonds or other agreement or instrument to which the City is a party or by which it is or may be bound, except for violations and defaults which individually and in the aggregate are not material to the City and will not be material to the holders of the Bonds. As of the Closing Time, no event will have occurred and be continuing which with the lapse of time or the giving of notice, or both, would constitute an event of default under the Ordinance or the Bonds.

(h) The information contained in the Preliminary Official Statement, as amended and supplemented by the final Official Statement to be dated September ___, 2014, and in any amendment or

supplement thereto that may be authorized for use by the City with respect to the Bonds (collectively, the "Official Statement"), relating to (1) the organization, operations, and financial and other affairs of the City and the System, (2) the financial statements referred hereafter in this **Section 1**, (3) application by the City of the proceeds to be received by it from the sale of the Bonds, and (4) the City's participation in the transactions contemplated by the Transaction Documents is, and as of the Closing Time will be, true, correct and complete in all material respects and does not omit and will not omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(i) For the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the City hereby deems the information regarding the City contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1).

(j) The financial statements of the City for the fiscal year ended September 30, 2013, audited by Troutt, Beeman & Co., P.C., Certified Public Accountants, contained in the Official Statement in Appendix B attached thereto, except as noted therein, present fairly and accurately the financial condition of the City as of the date indicated and the results of its operations for the periods specified.

(k) The City has not, since September 30, 2013, incurred any material liabilities and there has been no material adverse change in the condition of the City, financial or otherwise, other than as set forth in the Official Statement.

(l) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the City, threatened against or affecting the City (or, to its knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Transaction Documents or any agreement or instrument to which the City is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Ordinance.

(m) Any certificate signed by any of the authorized officials of the City and delivered to the Underwriter will be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

SECTION 2. COVENANTS AND AGREEMENTS OF THE CITY

The City covenants and agrees with the Underwriter for the time period specified, and if no period is specified, for so long as any of the Bonds remain outstanding, as follows:

(a) The City will cooperate with the Underwriter and its counsel in any reasonable endeavor to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriter may reasonably request; provided that nothing contained herein will require the City to file written consents to suit or written consents to service of process in any jurisdiction in which such consent may be required by law or regulation so that the Bonds may be offered or sold. The City consents to the use of drafts of the Preliminary Official Statement, the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement by the Underwriter in obtaining such qualification. The Underwriter will pay all expenses and costs (including legal, registration and filing fees) incurred in connection therewith.

(b) If, prior to the earlier of (i) 90 days after the "end of the underwriting period" (as defined in Rule 15c2-12 under the 1934 Act) or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case earlier than 25 days after the end of the underwriting period, any event shall occur relating to or affecting the City as a result of which it is necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances existing when the Official Statement is delivered to a purchaser, not materially misleading, or the Official Statement is required to be amended or supplemented to comply with law, the City will promptly prepare and furnish, at the expense of the City, to the Underwriter and to the dealers (whose names and addresses the Underwriter will furnish to the City) to which Bonds may have been sold by the Underwriter and to any other dealers upon request, such amendments or supplements to the Official Statement as may be necessary so that the statements in the Official Statement as so amended or supplemented will not, in the light of the circumstances existing when the Official Statement is delivered to a purchaser of the Bonds, be misleading or so that the Official Statement will comply with law.

(c) Within seven business days after the date of this Bond Purchase Agreement or within sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter, whichever is earlier, the City will provide to the Underwriter sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of Rule 15c2-12(b)(4) under the 1934 Act, and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

(d) From the date hereof until the Closing Time, the City will furnish the Underwriter with a copy of any proposed amendment or supplement to the Official Statement for review and will not use any such proposed amendment or supplement to which the Underwriter reasonably objects.

(e) The Ordinance will require the City to execute the Continuing Disclosure Agreement in order to provide annual financial information and event notices to the Municipal Securities Rulemaking Board via the Electronic Municipal Market Access system in the manner and to the extent required by Rule 15c2-12 under the 1934 Act, and in a manner and to the extent described in Appendix D to the Preliminary Official Statement.

(f) The City has entered into similar undertakings with respect to its outstanding bonds and obligations. The City's compliance with its undertakings pursuant to Rule 15c2-12 is described in the Preliminary Official Statement.

SECTION 3. PURCHASE, SALE AND DELIVERY OF THE BONDS

On the basis of the representations, warranties and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time (hereinafter defined) the Underwriter agrees to purchase from the City and the City agrees to sell to the Underwriter the Bonds at a purchase price of $_____ (consisting of the original principal amount of the Bonds, plus a net original issue premium/less a net original issue discount of $_____, less an underwriting discount of $_____).

The Bonds will be issued under and secured as provided in the Ordinance, will have the maturities and interest rates set forth on **Schedule 1** attached hereto, and will be subject to redemption as set forth in the Ordinance and the Official Statement.

The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the City and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the City, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the City with respect to the offering of the Bonds or the process leading thereto or any other obligation to the City except the obligations expressly set forth in this Agreement, and (iv) the City has consulted with its own professionals, including its Financial Advisor, to the extent it deemed appropriate in connection with the offering of the Bonds.

The Underwriter initially agrees to offer the Bonds to the public at the prices set forth on **Schedule 1** hereto, but may subsequently change such offering prices. The Underwriter agrees to notify the City of such changes, if such changes occur prior to the Closing Time, but failure so to notify will not invalidate such changes. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices.

Payment for the Bonds will be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds payable to the order of the City or for the account of the City or to such other accounts as the City may direct at the offices of Gilmore & Bell, P.C., 2405 Grand Boulevard, Suite 1100, Kansas City, Missouri, no later than 11:00 A.M., local time, on October 2, 2014, or such other place, time or date as will be mutually agreed upon by the City and the Underwriter. The date of such delivery and payment is herein called the "Closing Date," and the hour and date of such delivery and payment is herein called the "Closing Time." The delivery of the Bonds will be made in the form of a separate single fully registered Bond (which may be typewritten) for each of the maturities, duly executed and bearing CUSIP numbers (provided neither the printing of a wrong number on any Bond nor the failure to print a number thereon will constitute cause to refuse delivery of any Bond). Upon initial issuance, the ownership of the Bonds will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of The Depository Trust Company.

SECTION 4. CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS

The Underwriter's obligations hereunder will be subject to the due performance by the City of its obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the City's representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) The Transaction Documents will have been duly authorized, executed and delivered in the form heretofore approved by the Underwriter with only such changes therein as will be mutually agreed upon by the City and the Underwriter.

(b) The City agrees to deliver sufficient copies of its Preliminary Official Statement, which constitutes a nearly final official statement for purposes of SEC Rule 15c2-12 and rules of the Municipal Securities Rulemaking Board, and to deliver to the Underwriter for distribution by the Underwriter, no later than seven business days after the date hereof, signed or conformed copies of the Official Statement, complete in all respects and in sufficient quantity as requested by the Underwriter to comply with SEC Rule 15c2-12 and rules of the Municipal Securities Rulemaking Board.

(c) At the Closing Time, the Underwriter will receive:

(i) The opinion in form and substance satisfactory to the Underwriter, dated as of the Closing Date, of Gilmore & Bell, P.C., Bond Counsel, relating to the valid authorization and issuance of the Bonds, the tax-exempt status of the Bonds and certain other matters;

(ii) Executed copies of the Transaction Documents and the Bonds, together with a certificate dated the Closing Date to the effect that such documents have not been modified, amended or repealed;

(iii) A closing certificate, in form and substance satisfactory to the Underwriter, of a representative of the City, satisfactory to the Underwriter, dated as of the Closing Date;

(iv) A completed form 8038-G (Information Return for Tax-Exempt Governmental Bond Issuers);

(v) Evidence that the Bonds are rated "A" by Standard & Poor's;

(vi) A report from Robert Thomas CPA, LLC, Shawnee Mission, Kansas, certified public accountants, verifying the sufficiency of the funds and securities held under the Escrow Trust Agreement and certain other matters, in such form and with such content as is satisfactory to the Underwriter and Bond Counsel; and

(vii) Such additional certificates, legal and other documents, listed on a closing agenda to be approved by Bond Counsel and the Underwriter, as the Underwriter may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Transaction Documents, or as Bond Counsel shall require in order to render its opinion, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

SECTION 5. CONDITIONS TO THE OBLIGATIONS OF THE CITY

The obligations of the City hereunder are subject to the Underwriter's performance of its obligations hereunder.

SECTION 6. THE UNDERWRITER'S RIGHT TO CANCEL

The Underwriter shall have the right to cancel its obligations hereunder to purchase the Bonds by notifying the City in writing or by telegram of their election to make such cancellation prior to the Closing Time, if at any time prior to the Closing Time:

(a) The Preliminary Official Statement deemed by the City to be "final" pursuant to **Section 1** hereof is thereafter amended or supplemented in a manner that may, in the reasonable judgment of the Underwriter, have a material adverse effect on the marketability of the Bonds;

(b) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation which, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the City or by any similar body or upon interest received on

obligations of the general character of the Bonds, or the Bonds, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(c) A tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or be recommended to the Congress of the United States for passage by the President of the United States, or a decision by a court established under Article III of the Constitution of the United States or the Tax Court of the United States shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the City or by any similar body or upon interest received on obligations of the general character of the Bonds, or the Bonds, which, in the Underwriter's opinion, materially and adversely affects the market price of the Bonds;

(d) Any legislation, ordinance, rule or regulation shall be introduced in or be enacted by the General Assembly of the State of Missouri or by any other governmental body, department or agency of the State of Missouri, or a decision by any court of competent jurisdiction within the State of Missouri shall be rendered which, in the Underwriter's opinion, materially and adversely affects the market price of the Bonds, or litigation challenging the law under which the Bonds are to be issued shall be filed in any court in the State of Missouri;

(e) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the Securities Exchange Act of 1934, as amended, and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(f) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the Securities Act of 1933, as amended, and as then in effect, or the Securities Exchange Act of 1934, as amended;

(g) Any event shall have occurred, or information become known, which, in the Underwriter's opinion, makes untrue in any material respect any statement or information contained in the Official Statement as originally circulated, or has the effect that the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(h) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(i) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(j) Any general banking moratorium shall have been established by federal, New York or Missouri authorities; or

(k) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(l) Any proceeding shall be pending or threatened by the Securities and Exchange Commission against the City;

(m) The engagement by the United States of America in hostilities which have resulted in a declaration of war or national emergency, or the occurrence of any other outbreak of hostilities or national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial markets of the United States of America being such as, in the reasonable opinion of the Underwriter, would adversely affect the ability of the Underwriter to market the Bonds at offering prices that do not differ significantly from the intended offering prices (it being agreed by the Underwriter that there is no outbreak, calamity or crisis of such a character as of the date hereof); or

(n) Any event, including without limitation an actual or imminent default or moratorium in respect of payment of any United States Treasury bills, bonds or notes, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds, the Underwriter acknowledging that no such event exists as of the date hereof.

SECTION 8. THE CITY'S RIGHT TO CANCEL

The City shall have the right to cancel its obligations hereunder (and such cancellation shall not constitute a default for purposes of **Section 9** hereof) by notifying the Underwriter in writing of its election to make such cancellation prior to the Closing Time, if at any time between the date of this Bond Purchase Agreement and the Closing Time (1) legislation is enacted or for the first time be actively considered for enactment by the Congress, or recommended to the Congress for passage by any committee of such House to which such legislation has been referred for consideration, or (2) a decision by a Federal court of the United States or the United States Tax Court is rendered, or a ruling or regulation by or on behalf of the Treasury Department of the United States Tax Court is rendered, or a ruling or regulation by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency is made with respect to Federal interest subsidy payments to the City on the Bonds, or (3) other action or events has occurred or transpired, any of which has the purpose or effect, directly or indirectly, of materially adversely affecting the Federal income tax consequences (including the Federal interest subsidy payments to the City) of the Bonds.

At the request of the City, the Underwriter will provide information explaining the factual basis for the Underwriter's issue price representations in the Underwriter's Receipt for Bonds and Closing Certificate. This agreement to provide information will continue to apply after the Closing Date, but only if the City requests the information in connection with an audit or inquiry by the United States Internal

Revenue Service or the United States Security and Exchange Commission or unless the information is required to be retained by the City pursuant to future regulation or similar guidance.

SECTION 9. PAYMENT OF EXPENSES

The Underwriter will be under no obligation to pay any expenses incident to the performance of the City's obligations hereunder. All expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds (including, without limitation, the fees and disbursements of Gilmore & Bell, P.C., as Bond Counsel, the fees and disbursements of the Underwriter in connection with the offering and sale of the Bonds and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, the Transaction Documents and all other agreements and documents contemplated hereby) will be paid by the City. If the Bonds are not sold by the City to the Underwriter (unless such sale be prevented at the Closing Time by the Underwriter's default), all such expenses and costs will be paid by the City.

SECTION 10. USE OF OFFICIAL STATEMENT

The City hereby ratifies and confirms the Underwriter's use of the Preliminary Official Statement, and authorizes the use of, and will make available, the Official Statement for the use by the Underwriter in connection with the sale of the Bonds.

During the period 90 days after the later of (i) the end of the period during which the Underwriter is offering Bonds which constitute the whole or a part of its unsold participations or (ii) the delivery of the Bonds to the Underwriter, (a) the City will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall reasonably object in writing or which shall be reasonably disapproved by counsel to the Underwriter and (b) if any event relating to or affecting the City shall occur as a result of which it is necessary, in the City's opinion and in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser, the City shall forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the City and the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. The City will promptly notify the Underwriter of the occurrence of any event which may be, in its opinion, an event described in clause (b) for the preceding sentence.

SECTION 11. NOTICE

Any notice or other communication to be given under this Bond Purchase Agreement may be given by mailing or delivering the same in writing to the applicable person, as follows;

(a) If to the City:

City Hall
250 S. Main Street
Peculiar, MO 64078
Attention: City Administrator

(b) If to the Underwriter:

_____
_____
_____
Attention: _____

SECTION 12. APPLICABLE LAW; NONASSIGNABILITY

This Bond Purchase Agreement shall be governed by the laws of the State of Missouri. This Bond Purchase Agreement shall not be assigned by either party.

SECTION 13. EXECUTION OF COUNTERPARTS; ELECTRONIC TRANSACTION

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means.

SECTION 14. RIGHTS HEREUNDER

This Bond Purchase Agreement is made for the benefit of the City and the Underwriter and no other person including any purchaser of the Bonds shall acquire or have any rights hereunder or by virtue hereof.

SECTION 13. EFFECTIVE DATE

This Bond Purchase Agreement shall become effective upon acceptance hereof by the City evidenced by execution hereof by the Mayor as authorized by the Ordinance.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Bond Purchase Agreement, all as of the day and year first above mentioned.

PECULIAR, MISSOURI **_____**

By _____
Mayor

By _____
Title: _____

SCHEDULE 1
TO BOND PURCHASE AGREEMENT

$_____
PECULIAR, MISSOURI
COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING AND IMPROVEMENT REVENUE BONDS
SERIES 2014

SERIAL BONDS

Stated Maturity January 1	Principal Amount	Annual Rate of Interest	Price

TERM BONDS

Stated Maturity January 1	Principal Amount	Annual Rate of Interest	Price

***Mandatory Redemption as follows*:**

Term Bonds Maturing on January 1, 20		**Term Bonds Maturing on January 1, 20**	
Year	**Principal Amount**	**Year**	**Principal Amount**

Term Bonds Maturing on January 1, 20		**Term Bonds Maturing on January 1, 20**	
Year	**Principal Amount**	**Year**	**Principal Amount**

*Final Maturity

Optional Redemption:

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of September __, 2014 (the **"Continuing Disclosure Agreement"**), is executed and delivered by the **CITY OF PECULIAR, MISSOURI** (the **"Issuer"**) and **FIRST BANK OF MISSOURI**, as dissemination agent (the **"Dissemination Agent"**).

RECITALS

1. This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by the Issuer of **$3,740,000 Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014** (the **"Bonds"**), pursuant to an Ordinance adopted by the governing body of the Issuer (the **"Ordinance"**).

2. The Issuer and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the **"Rule"**). The Issuer is the only **"obligated person"** with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the Issuer and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report filed by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement.

"Beneficial Owner" means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" means First Bank of Missouri, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Fiscal Year" means the **12**-month period beginning on **October 1** and ending on **September 30** or any other **12**-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

"Material Events" means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

"**MSRB"** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"System" means the combined waterworks and sewerage system and all appurtenances thereto now serving the Issuer and its inhabitants and others, together with all extensions and improvements thereto hereafter made or acquired by the Issuer.

Section 2. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than **180** days after the end of the Issuer's Fiscal Year, commencing with the year ending September 30, 2014, file with the MSRB, through EMMA, the following financial information and operating data (the "**Annual Report**"):

(1) The audited financial statements of the System, or of the Issuer including the System, for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles or such other accounting principles that are accepted by the Missouri State Auditor. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial information contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the fiscal year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit A,** in substantially the same format contained in the final Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an **"obligated person"** (as defined by the Rule), which have been filed with the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

(b) Not later than **15** days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall either (1) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (a), or (2) provide written notice to the Dissemination Agent that the Issuer has filed the Annual Report with the MSRB (or will do so prior to the deadline specified in subsection (a)).

(c) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the Issuer that it has filed an Annual Report with the MSRB by the

date required in subsection (a), the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as **Exhibit B**.

(d) The Dissemination Agent shall:

(a) notify the Issuer each year, not less than 90 days prior to the date by which its Annual Report must be filed with the MSRB, of the date on which its Annual Report must be provided to the Dissemination Agent or the MSRB: and

(b) unless the Issuer has filed the Annual Report with the MSRB, promptly following receipt of the Annual Report and instructions required in subsection (b) above, file the Annual Report with the MSRB and file a report with the Issuer certifying that the Annual Report has been filed pursuant to this Continuing Disclosure Agreement, stating the date it was filed with the MSRB.

(e) In addition to the foregoing requirements of this Section, the Issuer agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same have been delivered to the MSRB on EMMA.

Section 3. Reporting of Material Events.

(a) No later than 10 Business days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bond, or other material events affecting the tax status of the Bonds;
(7) modifications to rights of bondholders, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;
(10) release, substitution or sale of property securing repayment of the Bonds, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the Issuer;
(13) the consummation of a merger, consolidation, or acquisition involving the System or the Issuer or the sale of all or substantially all of the assets of the System or the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
(14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the City Administrator of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to

report the event pursuant to subsection (d). If in response to a request under this subsection (b), the Issuer determines that the event does not constitute a Material Event, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent receives written instructions from the Issuer to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the Issuer. Notwithstanding the foregoing, notice of Material Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered owners of affected Bonds pursuant to the Ordinance.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is First Bank of Missouri.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer and the Dissemination Agent with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set

forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer or the Dissemination Agent fails to comply with any provision of this Continuing Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 9. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement, and, to the extent permitted by law, the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Issuer shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement.

Section 10. Notices. Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the Issuer:	**City of Peculiar, Missouri** 250 S. Main Street Peculiar, Missouri 64078 Attn: City Administrator Phone: (816) 779-5212 Fax: (816) 779-5213
To the Dissemination Agent:	**First Bank of Missouri** P.O. Box 171297 Kansas City, Kansas 66117 Attention: Corporate Trust Department Phone: (913) 279-7946 Fax: (913) 279-7957

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 11. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 12. Severability. If any provision in this Continuing Disclosure Agreement, the Ordinance or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original 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 15. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

IN WITNESS WHEREOF, the Issuer and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

CITY OF PECULIAR, MISSOURI

By: _____
Title: Mayor

FIRST BANK OF MISSOURI,
as Dissemination Agent

By: _____
Title: Authorized Officer

EXHIBIT A

FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

The following sections and tables contained in the final Official Statement:

HISTORY AND OPERATION OF THE WATER AND SEWER SYSTEM – Customers and Operations:

Number of water customers (last four years)
Number of sewer customers (last four years)
List of five largest system customers and percentage of total water use
Table of Waterworks System Collections and Sewerage System Collections (last five years)

FINANCIAL INFORMATION CONCERNING THE SYSTEM - Historical Debt Service Coverage (for last completed fiscal year)

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Peculiar, Missouri
Name of Bond Issue:	$3,740,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 2014 (the "**Bonds**")
Name of Obligated Person:	Peculiar, Missouri (the "**Issuer**")
Date of Issuance:	[_____], 2014

NOTICE IS HEREBY GIVEN that Peculiar, Missouri, has not filed an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of [_____], 2014, between the Issuer and First Bank of Missouri, as Dissemination Agent. [The Issuer has informed the Dissemination Agent that the Issuer anticipates that the Annual Report will be filed by _____.]

Dated: _____ ___, _____

FIRST BANK OF MISSOURI, as Dissemination Agent, on behalf of Peculiar, Missouri

cc: Peculiar, Missouri

Gilmore & Bell, P.C.
Draft v1 - 9/2/2014

ESCROW TRUST AGREEMENT

Dated as of _____, 2014

Between

PECULIAR, MISSOURI

and

FIRST BANK OF MISSOURI

Entered in Connection with the Refunding,
Payment and Discharge of an issue of
Combined Waterworks and Sewerage System Revenue Bonds, Series 2011,
of Peculiar, Missouri.

600536.025

ESCROW TRUST AGREEMENT

THIS ESCROW TRUST AGREEMENT dated as of _____, 2014 (the "Agreement"), between **PECULIAR, MISSOURI** (the "City"), and **FIRST BANK OF MISSOURI**, a Missouri banking corporation located in Gladstone, Missouri, and having full trust powers, as escrow agent (the "Escrow Agent").

RECITALS:

1. The City has heretofore duly authorized and issued an issue of Combined Waterworks and Sewerage System Revenue Bonds, Series 2011, and has determined to refund all of the remaining outstanding bonds thereof (the "Refunded Bonds"), described as follows:

REFUNDED BONDS

Series Designation	Date of Bonds	Original Principal Amount	Principal Amount Refunded	Maturities of Refunded Bonds
2011	02/24/11	$3,125,000	$2,840,000	07/01/15-07/01/24

2. The Refunded Bonds will mature (or will be redeemed prior to maturity) and will have interest payable in the amounts and at the times shown on **Schedule 1** attached hereto.

3. Pursuant to Ordinance No. _____ passed on _____, 2014 (the "Series 2014 Bond Ordinance"), the City has heretofore authorized the issuance and delivery of $_____ principal amount of Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014, dated _____, 2014 (the "Series 2014 Bonds"), for the purpose of providing funds to refund the Refunded Bonds and making improvements to the System.

4. With a portion of the proceeds of the sale of the Series 2014 Bonds, together with other available funds of the City, the City intends to provide for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds through the purchase of the Escrowed Securities described in **Schedule 2** attached hereto.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Definitions. The following words and terms used in this Escrow Agreement shall have the following meanings:

"Agreement" means this Escrow Trust Agreement.

"Bond Counsel" means Gilmore & Bell, P.C., or other firm of attorneys nationally recognized on the subject of municipal bonds.

"Bond Payment Date" means any date on which any principal of, redemption premium or interest on any of the Refunded Bonds is due and payable.

”City” means Peculiar, Missouri.

“Code” means the Internal Revenue Code of 1986, as amended.

“Escrow Agent” means First Bank of Missouri, Gladstone, Missouri, and its successor or successors at the time acting as the Escrow Agent under this Agreement.

“Escrow Fund” means the fund by that name referred to in **Section 3** of this Agreement.

“Escrowed Securities” means the securities listed on **Schedule 2** attached hereto and any Substitute Escrowed Securities.

“Paying Agent” means the paying agent for the Refunded Bonds as designated in the Refunded Bond Ordinance, and any successor or successors at the time acting as paying agent for the Refunded Bonds.

“Refunded Bond Ordinance” means Ordinance No. 02022011 of the City passed and approved on February 2, 2011, which authorized the Refunded Bonds.

“Refunded Bonds” means $2,840,000 principal amount of Combined Waterworks and Sewerage System Revenue Bonds, Series 2011, of the City described in the recitals to this Agreement.

“Series 2014 Bond Ordinance” means the ordinance of the City passed on _____, 2014, authorizing the Series 2014 Bonds.

“Series 2014 Bonds” means the $_____ aggregate principal amount of Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, Series 2014, of the City referred to in the recitals to this Agreement.

“Substitute Escrowed Securities” means non-callable direct obligations of the United States of America which have been acquired by the Escrow Agent and substituted for Escrowed Securities in accordance with **Section 8** of this Agreement.

2. Receipt of Documents. The Escrow Agent hereby acknowledges receipt of a true and correct copy of the Series 2014 Bond Ordinance and the Refunded Bond Ordinance, and reference herein to or citation herein of any provisions of said documents shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if they were fully set forth herein.

3. Creation of Escrow Fund. There is hereby created and established with the Escrow Agent a special and irrevocable separate trust fund to be held in the custody of the Escrow Agent and designated as the “Escrow Fund for Combined Waterworks and Sewerage System Revenue Bonds, Series 2011” (the “Escrow Fund”).

4. Verification of Certified Public Accountants. Robert Thomas CPA, LLC, Shawnee Mission, Kansas, have verified the mathematical computations performed by McLiney and Company, Financial Advisor to the City, which demonstrate that the cash held in the Escrow Fund, together with the maturing Escrowed Securities and interest to accrue thereon, will be sufficient to pay all principal of, redemption premium, if any, and interest on the Refunded Bonds on the respective Bond Payment Dates.

5. Deposits to the Escrow Fund. Concurrently with the execution and delivery of this Agreement, and pursuant to the provisions of the Series 2014 Bond Ordinance, the City herewith deposits with the Escrow Agent, and the Escrow Agent acknowledges receipt and deposit into the Escrow Fund of,

proceeds of the Series 2014 Bonds in the amount of $_____ and other money contributed by the City in the amount of $_____, aggregating the sum of $_____. The Escrow Agent shall apply such amount as follows:

(a) $_____ shall be used to purchase the Escrowed Securities described in **Schedule 2** hereto, which shall be delivered to and deposited in the Escrow Fund.

(b) $_____ shall be held uninvested in the Escrow Fund as a beginning balance.

6. Creation of Lien. The escrow created hereby shall be irrevocable. The owners of the Refunded Bonds are hereby given an express lien on and security interest in the Escrowed Securities and the cash in the Escrow Fund and all earnings thereon until used and applied in accordance with this Agreement. The matured principal of and earnings on the Escrowed Securities and any cash in the Escrow Fund are hereby pledged and assigned and shall be applied solely for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds.

7. Application of Cash and Escrowed Securities in the Escrow Fund.

(a) Except as otherwise expressly provided in this Section or in **Section 8** hereof, the Escrow Agent shall have no power or duty to invest any money held hereunder or to sell, transfer or otherwise dispose of any Escrowed Securities.

(b) On or prior to each Bond Payment Date, the Escrow Agent shall withdraw from the Escrow Fund an amount equal to the principal of, redemption premium, if any, and interest on the Refunded Bonds becoming due and payable on such Bond Payment Date, as set forth in **Schedule 1** attached hereto, and shall forward such amount to the offices of the Paying Agent, so that immediately available funds will reach the offices of the Paying Agent on or before 12:00 Noon, Central Time, on such Bond Payment Date. In order to make the payments required by this subsection (b), the Escrow Agent is hereby authorized to redeem or otherwise dispose of Escrowed Securities in accordance with the maturity schedules in **Schedule 2** attached hereto. The liability of the Escrow Agent to make the payments required by this subsection (b) shall be limited to the money and Escrowed Securities in the Escrow Fund.

(c) Notwithstanding any other provisions of this Agreement, the City and the Escrow Agent hereby covenant that no part of the proceeds of the Series 2014 Bonds or of the money or funds in the Escrow Fund shall be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Series 2014 Bonds, would have caused any of the Series 2014 Bonds to be an “arbitrage bond” under Section 148 of the Code.

(d) Upon the payment in full of the principal of, redemption premium, if any, and interest on the Refunded Bonds, all remaining money and Escrowed Securities in the Escrow Fund, together with any interest thereon, shall be transferred to the City for deposit in the Revenue Fund.

(e) Cash held from time to time in the Escrow Fund shall **, to the extent practical, be invested in** **be held uninvested [and shall be fully collateralized by]** noncallable direct obligations of the United States of America maturing on or before the next Bond Payment Date that such cash will be needed.**

8. Substitute Escrowed Securities.

(a) If any of the Escrowed Securities are not available for delivery on the date of the issuance of the Series 2014 Bonds, the Escrow Agent is directed to accept substitute securities in lieu thereof,

provided: (1) the substitute securities are non-callable direct obligations of the United States of America, (2) the maturing principal of and interest on such substitute securities is equal to or greater than the maturity value of such unavailable Escrowed Securities, (3) principal of and interest on the substitute securities is payable on or before the maturity date of the unavailable Escrowed Securities, and (4) the City and Bond Counsel approve such substitution. If the original Escrowed Securities subsequently become available and are tendered to the Escrow Agent, the Escrow Agent shall accept such Escrowed Securities, shall return the substitute securities as directed by the City or its Financial Advisor and shall notify Bond Counsel and the City of the transaction.

(b) At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, request the redemption of or otherwise dispose of the Escrowed Securities and to substitute for the Escrowed Securities solely cash or Substitute Escrowed Securities. The Escrow Agent shall purchase such Substitute Escrowed Securities with the proceeds derived from the sale, transfer, disposition or redemption of the Escrowed Securities together with any other funds available for such purpose. The substitution may be effected only if: (1) the substitution of the Substitute Escrowed Securities for the original Escrowed Securities occurs simultaneously; (2) the Escrow Agent receives from an independent certified public accountant acceptable to the Escrow Agent in its reasonable judgment a certification, satisfactory in form and substance to the Escrow Agent, to the effect that after such substitution, (A) the principal of and interest on the Escrowed Securities to be held in the Escrow Fund after giving effect to the substitution (including Substitute Escrowed Securities to be acquired), together with any other money to be held in the Escrow Fund after such transaction, will be sufficient to pay all remaining principal of, redemption premium, if any, and interest on the Refunded Bonds as set forth on **Schedule 1** hereto, and (B) the amounts and dates of the anticipated transfers from the Escrow Fund to the Paying Agent for the Refunded Bonds will not be diminished or postponed thereby; and (3) the Escrow Agent receives an opinion of Bond Counsel to the effect that such substitution is permitted under this Agreement and will not cause the interest on either the Series 2014 Bonds or the Refunded Bonds to become included in gross income for purposes of federal income taxation under then existing law. If any such substitution results in cash held in the Escrow Fund in excess of the amount required to fully fund the escrow, as certified in (2) above, the Escrow Agent shall, at the request of the City, withdraw such excess from the Escrow Fund and pay such excess to the City for deposit in the Revenue Fund referred to in the Series 2014 Bond Ordinance, to be applied as provided by law; provided that, in the opinion of Bond Counsel, such withdrawal and application will not be contrary to State law and will not cause the interest on the Series 2014 Bonds or the Refunded Bonds to become included in gross income for purposes of federal income taxation.

9. Redemption of Refunded Bonds. The City has elected to call a portion of the Refunded Bonds described in **Schedule 1** hereto for redemption and payment prior to maturity as set forth in **Schedule 1** and in accordance with the Refunded Bond Ordinance. The City has directed the Paying Agent for the Refunded Bonds in an irrevocable letter of instructions to give notice of the refunding and of the call for redemption and payment of the Refunded Bonds in the manner provided in the Refunded Bond Ordinance and in substantially the form of **Exhibit A** attached hereto by mailing a copy of the applicable notice by first class mail as soon as practicable after the issuance of the Series 2014 Bonds to the owners of the Refunded Bonds. The City has also given the Paying Agent for the Refunded Bonds an irrevocable letter of instructions to redeem the Refunded Bonds called for redemption prior to maturity and to give notice of said redemption, in substantially the form of **Exhibit B** attached hereto, on behalf of the City pursuant to the requirements of the Refunded Bond Ordinance to the owners thereof by mailing a copy of the applicable redemption notice by first class mail at least 30 days prior to the date fixed for redemption to the owner of each Refunded Bond to be redeemed at the address shown on the registration books maintained by the Paying Agent. The Escrow Agent agrees to take such further action as may be within its power and (a) which is necessary to comply with the provisions of **Section 302** and **Section 1101** of the Refunded Bond Ordinance concerning notice of redemption for the Refunded Bonds, and (b) which may be reasonably requested by the City or the Paying Agent for the Refunded Bonds, to

cause the redemption of said Refunded Bonds in the principal amounts and at the times set forth in **Schedule 1** hereto.

10. Reports of the Escrow Agent. As long as any of the Refunded Bonds, together with the interest thereon, have not been paid in full, the Escrow Agent shall, at least 60 days prior to each Bond Payment Date, determine the amount of money which will be available in the Escrow Fund to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds on the next Bond Payment Date and certify in writing to the City (a) the amount so determined, and (b) a list of the money and Escrowed Securities held by it in the Escrow Fund on the date of such certification, including all money held by it which were received as interest or profit from Escrowed Securities.

11. Liability of Escrow Agent.

(a) The Escrow Agent shall not be liable for any loss resulting from any investment, sale, transfer or other disposition made pursuant to this Agreement in compliance with the provisions hereof. The Escrow Agent shall have no lien whatsoever on any of the money or Escrowed Securities on deposit in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement or otherwise.

(b) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money to pay the Refunded Bonds. So long as the Escrow Agent applies the Escrowed Securities and money as provided herein, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by such calculations. Notwithstanding the foregoing, the Escrow Agent shall not be relieved of liability arising from and proximate to its failure to comply fully with the terms of this Agreement.

(c) If the Escrow Agent fails to account for any of the Escrowed Securities or money received by it, said Escrowed Securities or money shall be and remain the property of the City in trust for the owners of the Refunded Bonds, and, if for any reason such Escrowed Securities or money are not applied as herein provided, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof until the required application shall be made.

12. Fees and Costs of the Escrow Agent. The aggregate amount of the costs, fees and expenses of the Escrow Agent in connection with the creation of the escrow described in and created by this Agreement and in carrying out any of the duties, terms or provisions of this Agreement is one-time fee in the amount of $_____, which amount shall be paid from money on deposit in the Costs of Issuance Fund held under the Series 2014 Bond Ordinance, concurrently with the issuance and delivery of the Series 2014 Bonds**, plus an annual fee in the amount of $_____ per year, which amount shall be paid by the City, upon receipt of an invoice from the Escrow Agent, on or before _____ 1 of each year, beginning _____ 1, _____ .**

Notwithstanding the preceding paragraph, the Escrow Agent shall be entitled to reimbursement from the City of reasonable out-of-pocket, legal or extraordinary expenses incurred in carrying out the duties, terms or provisions of this Agreement, including but not limited to costs incurred for giving notice of redemption of any redeemed bonds. Claims for such reimbursement may be made to the City and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Agreement.

If the Escrow Agent resigns prior to the expiration of this Agreement, the Escrow Agent shall rebate to the City a ratable portion of any fee theretofore paid by the City to the Escrow Agent for its services under this Agreement.

13. Resignation or Removal of Escrow Agent; Successor Escrow Agent. The Escrow Agent at the time acting hereunder may at any time resign and be discharged from its duties and responsibilities hereby created by giving written notice by registered or certified mail to the City and to the Paying Agent (who shall cause notice to be given to all of the owners of record of the Refunded Bonds) not less than 60 days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the acceptance of the City of the resignation, the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent) by the City, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the resigning Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and the City and signed by the owners of a majority in principal amount of the Refunded Bonds then outstanding; provided that written notice thereof is mailed on or before the date of such removal by registered or certified mail, postage prepaid, to all registered owners of such Refunded Bonds, who are not parties to such instruments. The Escrow Agent may also be removed by the City if the Escrow Agent fails to make timely payment on any Bond Payment Date to the Paying Agent of the amounts required to be paid by it on such Bond Payment Date by **Section 7(b)** of this Agreement; provided that written notice thereof is mailed on or before the date of such removal by registered or certified mail, postage prepaid, to the Paying Agents and to all registered owners of such Bonds, who are not parties to such instruments. Any removal pursuant to this paragraph shall become effective upon the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the City, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the Escrow Agent being removed.

If the Escrow Agent resigns or is removed, or is dissolved, or is in the course of dissolution or liquidation, or otherwise becomes incapable of acting hereunder, or if the Escrow Agent is taken under the control of any public officer or officers, or of a receiver appointed by a court, the City shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent is appointed by the City in the manner above provided, and any such temporary Escrow Agent so appointed by the City shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent has been made by such owners or the City pursuant to the foregoing provisions of this Section within 60 days after written notice of resignation of the Escrow Agent has been given to the City, the owner of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent is a corporation with trust powers authorized to do business in the State of Missouri and organized under the banking laws of the United States or the State of Missouri and has at the time of appointment capital and surplus of not less than $10,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Agent without any further act, deed or conveyance shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, but such

predecessor shall, nevertheless, on the written request of such successor Escrow Agent or the City, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Agent shall deliver all securities and money held by it to its successor. Should any transfer, assignment or instrument in writing from the City be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

Any corporation into which the Escrow Agent, or any successor to it of the duties and responsibilities created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it may be a party, shall, if satisfactory to the City, be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

14. Limitation on Liability of the City. The City shall not be liable (a) for any loss resulting from any investment made pursuant to this Agreement, (b) for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money in the Escrow Fund to pay the principal of, redemption premium and interest on the Refunded Bonds, or (c) for any acts of the Escrow Agent.

15. Amendments to this Agreement. This Agreement is made for the benefit of the City and the owners from time to time of the Refunded Bonds, and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the City; provided, however, that the City and the Escrow Agent may, without the consent of or notice to such owners, enter into agreements supplemental to this Agreement if such supplemental agreements do not adversely affect the rights of such owners and are not inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Agreement;

(b) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and

(c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of Bond Counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

The Escrow Agent shall notify Standard and Poor's Rating Services in writing prior to the execution of any amendment to this Agreement.

16. Termination. This Agreement shall terminate when all transfers required to be made by the Escrow Agent under the provisions hereof shall have been made. The Escrow Agent shall notify Standard and Poor's Rating Services in writing prior to the execution of any early termination to this Agreement.

17. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by the Series 2014 Bond Ordinance or this Agreement

to be given to or filed with the following parties if the same is duly mailed by first class, certified or registered mail addressed:

(a) To the City at:

City of Peculiar
City Hall
250 S. Main St.
Peculiar, MO 64078
Attention: City Administrator

(b) To the Escrow Agent at:

First Bank of Missouri
FBMO &SBKC CT Division
701 Minnesota Ave, Suite 206
Kansas City, KS 66117
Attention: _____

(c) To Standard & Poor's Ratings Services:

State and Local Government Group
Standard & Poor's Corporation
55 Water Street, 38th Floor
New York, NY 10041-0003

18. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

19. Successors and Assigns. All of the covenants, promises and agreements in this Agreement contained by or on behalf of the City or the Escrow Agent shall be binding upon and inure to the benefit of their respective successors and assigns whether so expressed or not.

20. Governing Law. This Agreement shall be governed by the applicable law of the State of Missouri.

21. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers or elected officials and their corporate seals to be hereunder affixed and attested as of the date first above written.

PECULIAR, MISSOURI

By: _____
Title: Mayor

(SEAL)

ATTEST:

_____
Title: City Clerk

FIRST BANK OF MISSOURI,
as Escrow Agent

By: _____

Title: _____

(SEAL)

ATTEST:

_____

Title: _____

SCHEDULE 1
TO ESCROW TRUST AGREEMENT

BOND PAYMENT SCHEDULES FOR REFUNDED BONDS

Bond Payment Date	Principal	Premium	Interest	Total Payment
01/01/2015				
07/01/2016				
01/01/2016				
07/01/2016 [(1)]				
Total				

(1) The Refunded Bonds scheduled to mature in the years 2017 to 2031 (aggregating $2,625,000), will be redeemed and paid prior to maturity on July 1, 2016, at a redemption price of 101% of* the principal amount thereof plus accrued interest.

SCHEDULE 2
TO ESCROW TRUST AGREEMENT

SCHEDULE OF ESCROWED SECURITIES

Type of Security	Coupon Rate	Maturity Date	Principal Amount

EXHIBIT A

NOTICE OF REFUNDING

PECULIAR, MISSOURI
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011
DATED FEBRUARY 24, 2011

Notice is hereby given that Peculiar, Missouri (the "City"), has refunded and made provision for the payment, discharge and defeasance of all of the outstanding bonds of the above issue, which mature on July 1 in the years 2014 through 2031, in accordance with the requirements of the Ordinance of the City authorizing the issuance of said Series 2011 Bonds. Such provision has been made pursuant to an advance refunding of such Series 2011 Bonds and by the depositing of sufficient moneys and direct obligations of the United States of America which, together with the interest to be earned on such obligations, will be sufficient for the payment of the principal or redemption price of said bonds and interest thereon to the date of maturity or redemption, as applicable. Said moneys and securities have been deposited in an irrevocable escrow fund for said Series 2011 Bonds pursuant to an Escrow Trust Agreement dated as of _____, 2014, between the City and First Bank of Missouri, Gladstone, Missouri. Consequently, all of the Series 2011Bonds are deemed to be paid and discharged within the meaning of said Ordinance.

Series 2011 Bonds maturing in the years 2017 through 2031, inclusive, have been called for optional redemption and will be redeemed and paid on **July 1, 2016**, at the office of the Paying Agent, Bank of Kanas City, N.A., 4600 Madison Street, Suite 800, Kansas City, Missouri 64112, at telephone number (816) 932-7303, at a redemption price equal to 101% of the principal amount thereof plus accrued interest to the redemption date. The Series 20011Bonds to be redeemed are further described below:

CUSIP NUMBER	INTEREST RATE	STATED MATURITY	PRINCIPAL AMOUNT

The redemption price of said Series 2011 Bonds will be due and payable on **July 1, 2016**, and said Series 2011 Bonds will cease to bear interest from and after **July 1, 2016**.

This notice is for information only. **Owners of Series 2011 Bonds do not need to take any action at this time.** An additional notice of redemption of the Series 2011 Bonds will be given prior to the **July 1, 2016**, redemption date.

PECULIAR, MISSOURI

By FIRST BANK OF MISSOURI,
as Paying Agent

EXHIBIT B

NOTICE OF REDEMPTION OF BONDS

PECULIAR, MISSOURI
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2011
DATED FEBRUARY 24, 2011

Notice is hereby given that Peculiar, Missouri (the "City"), has called for redemption, pursuant to the Ordinance authorizing the bonds, and will redeem and pay on **July 1, 2016**, prior to the stated maturity, at the office of Bank of Kansas City, N.A., the Paying Agent, at 4600 Madison Street, Suite 800, Kansas City, Missouri 64112, at telephone number (816) 932-7303, all bonds of the above-described series then outstanding and maturing in the years 2017 through 2031, inclusive, in the aggregate principal amount of $_____, and further described as follows:

CUSIP NUMBER	INTEREST RATE	STATED MATURITY	PRINCIPAL AMOUNT

All of the such bonds will be redeemed and paid, in accordance with the requirements of the Ordinance authorizing said bonds, by payment on said date and at said place of the principal thereof together with accrued interest thereon to the date of redemption, at a redemption price of 101% of the principal amount thereof. Payment on the redemption date will be made only upon the presentation and surrender of said bonds at the location specified above. All of said bonds so called for redemption and payment will be due and payable on **July 1, 2016**, and will cease to bear interest from and after **July 1, 2016**.

CUSIP numbers indicated above are included solely for the convenience of the owners of the Bonds. The bond registrar is not responsible for the use or the selection of the CUSIP numbers, nor is any representation made as to the correctness of such CUSIP numbers on the bonds or as indicated in any notice.

Dated: _____, _____.

PECULIAR, MISSOURI

By Bank of Kansas City, N.A.,
as Paying Agent

City Administrator
Brad Ratliff

City Clerk
Nick Jacobs

City Engineer
Carl Brooks

Business Office
Trudy Prickett

Chief of Police
Harry Gurin

City Planner
Cliff McDonald

City Attorney
Reid Holbrook

Parks Director
Nathan Musteen

Municipal Offices – 250 S. Main Street, Peculiar, MO 64078
Phone: (816)779-5212 Facsimile: (816)779-1004

To:	Mayor & Board of Aldermen
From:	Carl Brooks, City Engineer (cbrooks@cityofpeculiar.com)
Date:	September 12, 2014
Re:	Ordinance No. 2014-24, Mayor & Board of Alderman (BOA) Acceptance of the MoDOT Cost Apportionment Agreement for the sidewalk public improvements project from I-49 J/C Bridge to City Hall on Route C (Cass County), Missouri

GENERAL INFORMATION

Applicant:	City Staff
Requested Actions:	Approval of ordinance
Purpose:	Acceptance of the MoDOT Cost Apportionment Agreement
Property Location:	C Hwy from I-49 J/C Bridge to City Hall

PROPOSAL

A cost apportionment agreement has been awarded by MoDOT to the City in the amount of $70,000. Therefore, City staff proposes that the MoDOT Cost Apportionment Agreement be accepted by ordinance by the Mayor and the BOA.

PREVIOUS ACTIONS

City staff requested the local MoDOT area office for assistance with funding of sidewalk improvements from City Hall to the J/C bridge @ I-49.

For future partnerships with MoDOT funding opportunities, City staff believes that acceptance of the Cost Apportionment Agreement prepared by MoDOT staff is a “win-win” situation.

City attorney has reviewed the Cost Apportionment Agreement and had recommended approval of the agreement.

KEY ISSUES

Larkin Engineers (our engineer selected to design the water main and sidewalk project) has estimated that the sidewalk will cost $119,460.00. There may be additional cost with the restoration and seeding of the project, but that is hard to quantify as the water main project work will also require restoration and seeding.

Our engineer’s estimate for the sidewalk construction cost is $119,460.00, and an additional 35% for the following: Professional engineering (which we already have a contract with Larkin Engineers for the design of the sidewalk), R/W and utility coordination, advertisement, award and construction inspection and management of $41,811; for a total project cost of the sidewalk of $161,300.

Funding: $4,000 has been identified in the 2015 Park Fund Capital Equipment operating budget. $41,000 has been identified and encumbered from the 2013-2014 operating budget. $70,000 has been identified as a grant from MoDOT. The remaining construction cost of $4,460 will be funded by the 2013 Water Bond, as part of the new 12-inch water main along Peculiar Drive and C Hwy from Hurley Street to North Street will be in the same R/W; and will be designed and constructed as one project.

STAFF COMMENTS AND SUGGESTIONS

City staff and the MoDOT local agency staff have meet and discussed the project schedule, funding time line and the MoDOT Cost Apportionment Agreement for the sidewalk improvements from City Hall to the J/C bridge @ I-49.

STAFF RECOMMENDATION

City staff recommends the approval of the MoDOT Cost Apportionment Agreement be accepted by ordinance by the Mayor and the BOA.

ATTACHMENTS

MoDOT Cost Apportionment Agreement Exhibit A and Exhibit B
Ordinance 2014-24

CCO Form:	DE07	Cost Apportionment Agreement
Approved:	07/97 (DPP)	Route: C
Revised:	03/14 (AR)	County: Cass
Modified:		Job No.:4P3095E

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION
COST APPORTIONMENT AGREEMENT

THIS AGREEMENT is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the city of Peculiar (hereinafter, "Entity").

WITNESSETH:

WHEREAS, the Commission owns and maintains Route C in Cass County as part of the State Highway System; and

WHEREAS, the parties desire the improvement or reconstruction of Route C, extending generally from I-49 to 250 S. Main Street; and

WHEREAS, the Entity is willing to provide assistance in the construction or reconstruction of the improvements subject to the terms and conditions herein.

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations in this Agreement, the parties agree as follows:

(1) PURPOSE: The purpose of this agreement is to coordinate participation by the Entity in the cost of the Commission's public improvement for Route C, in the County of Cass, designated as Job No. 4P3095E. This public improvement will involve sidewalk improvements from I-49 to 250 S. Main Street on Route C.

(2) LOCATION: The transportation improvement that is the subject of this Agreement is contemplated at the following location:

From I-49 to 250 South Main Street on Route C.

The general location of the public improvement is shown in "Exhibit A." The detailed location of the improvement will be shown on the plans prepared by the Commission for the above-designated route and project.

(3) COMMISSION REPRESENTATIVE: The Commission's District Engineer is designated as the Commission's representative for the purpose of administering the provisions of this Agreement. The Commission's representative may designate by written notice other persons having the authority to act on behalf of the Commission in furtherance of the performance of this Agreement.

(4) PROJECT RESPONSIBILITIES: With regard to project responsibilities under this Agreement, the parties agree to contribute as follows:

(A) The Entity will be responsible for the preparation of detailed right-of-way and construction plans and project specifications. This includes design, letting of project, and inspection of project. The plans shall be prepared in accordance with and conform to Commission requirements.

(B) No additional right-of-way will be acquired for the project.

(C) The Entity shall secure the removal, relocation or adjustment of any public or private utilities located on private easements or public right-of way, if the construction of the herein contemplated improvements so required.

(D) The Entity will be responsible for letting the work for the herein improvement, which includes advertising the project for bids and awarding the construction contract. The Entity will solicit bids for the herein improvement in accordance with plans developed by the Entity, or as the plans may from time to time be modified in order to carry out the work as contemplated. Prior to award of the contract, the Entity shall request bid review and concurrence from the Commission.

(E) The Entity will be responsible for construction of the herein improvements, which includes administration of the construction contract and inspection of the project work. The project shall be constructed in accordance with and conform to Commission requirements.

(F) All pavement marking, signs, and traffic signals installed with the proposed improvements shall be in accordance with the latest revision of the *Manual on Uniform Traffic Control Devices for Streets and Highways*.

(5) PAYMENT RESPONSIBILITIES: With regard to payment responsibilities under this Agreement, the parties agree to contribute as follows:

(A) The currently estimated cost of the project is one hundred forty-five thousand four hundred twenty-two dollars ($145,422). The details of the estimated cost breakdown may be seen in “Exhibit B,” which is incorporated herein and attached hereto. The total project cost will include preliminary engineering, right of way acquisition, utility relocation, project construction, and work inspection.

(B) The Commission will pay a lump sum of seventy thousand dollars ($70,000), no more, no less, towards the actual project costs.

(C) Payment from the Commission will be made in one installment once the project is complete or in response to monthly invoices submitted by the Entity as the project progresses. The Entity shall submit written invoices to the Commission showing the costs incurred for the project.

(D) The Entity is responsible for the balance of the project in excess of seventy thousand dollars ($70,000).

(6) INDEMNIFICATION:

(A) To the extent allowed or imposed by law, the Entity shall defend, indemnify and hold harmless the Commission, including its members and department employees, from any claim or liability whether based on a claim for damages to real or personal property or to a person for any matter relating to or arising out of the Entity's wrongful or negligent performance of its obligations under this Agreement.

(B) The Entity will require any contractor procured by the Entity to work under this Agreement:

(1) To obtain a no cost permit from the Commission's District Engineer prior to working on the Commission's right-of-way, which shall be signed by an authorized contractor representative (a permit from the Commission's District Engineer will not be required for work outside of the Commission's right-of-way); and

(2) To carry commercial general liability insurance and commercial automobile liability insurance from a company authorized to issue insurance in Missouri, and to name the Commission, and the Missouri Department of Transportation and its employees, as additional named insureds in amounts sufficient to cover the sovereign immunity limits for Missouri public entities ($500,000 per claimant and $3,000,000 per occurrence) as calculated by the Missouri Department of Insurance, Financial Institutions and Professional Registration, and published annually in the Missouri Register pursuant to Section 537.610, RSMo.

(C) In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitution or law.

(7) ADDITIONAL FUNDING: In the event the Commission obtains additional federal, state, local, private or other funds to construct the improvement being constructed pursuant to this Agreement that are not obligated at the time of execution of this Agreement, the Commission, in its sole discretion, may consider any request by the Entity for an off-set for the deposited funds, a reduction in obligation, or a return of, a refund of, or a release of any funds deposited by the Entity with the Commission pursuant to this Agreement. In the event the Commission agrees to grant the Entity's request for a refund, the Commission, in its sole discretion, shall determine the amount and the timing of the refund. Any and all changes in the parties' financial responsibilities resulting from the Commission's determination of the Entity's request for a refund pursuant to this provision must be accomplished by a formal contract amendment signed and approved by the duly authorized representative of the Entity and the

Commission.

(8) AMENDMENTS: Any change in this Agreement, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by the duly authorized representatives of the Entity and the Commission.

(9) ASSIGNMENT: The Entity shall not assign, transfer or delegate any interest in this Agreement without the prior written consent of the Commission.

(10) OWNERSHIP AND MAINTENANCE: All improvements made pursuant to this Agreement within the state-owned right-of-way shall become the Commission's property. The Entity, at its sole cost and expense, is responsible for maintaining all sidewalks constructed or installed pursuant to this Agreement in fully operational, safe and aesthetically acceptable condition, including meeting all ADA standards. All future alterations, modifications, or maintenance of the sidewalk improvements will be the responsibility of the Entity. Maintenance by the Entity will include, but is not limited to, crack repair, patching holes, removing litter, debris, trash, and leaves, and removal of snow and ice (through methods approved by the Commission). All sidewalks constructed pursuant to this Agreement shall be maintained in a condition safe for use of the sidewalks by the general public at all times. If the Entity fails to maintain the sidewalks in a safe condition, the Commission may cancel this Agreement and remove the sidewalks from Commission right of way or the Commission may maintain the sidewalks at the Entity's cost and expense.

(11) CONSTRUCTION OF IMPROVEMENTS: All construction of the proposed improvements shall be according to the latest editions of the Missouri Highways and Transportation Commission's *Standard Specifications for Highway Construction*, Standard Plans for Highway Construction, and the Missouri Department of Transportation's *Approved Products List for Traffic Signals and Highway Lighting*.

(12) LAW OF MISSOURI TO GOVERN: This Agreement shall be construed according to the laws of the State of Missouri. The Entity shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.

(13) APPROVAL OF FHWA AND AVAILABILITY OF FUNDS: This Agreement is entered into subject to the approval of the Federal Highway Administration and is further subject to the availability of federal and state funds for this construction.

(14) CANCELLATION: The Commission may cancel this Agreement at any time for a material breach of contractual obligations or for convenience by providing the Entity with written notice of cancellation. Should the Commission exercise its right to cancel this Agreement for such reasons, cancellation will become effective upon the date specified in the notice of cancellation sent to the Entity.

(15) VENUE: It is agreed by the parties that any action at law, suit in equity, or

other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in the Circuit Court of Cole County, Missouri.

(16) SOLE BENEFICIARY: This Agreement is made for the sole benefit of the parties hereto and nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Commission and the Entity.

(17) NO INTEREST: By contributing to the cost of this project or improvement, the Entity gains no interest in the constructed roadway or improvements whatsoever. The Commission shall not be obligated to keep the constructed improvements or roadway in place if the Commission, in its sole discretion, determines removal or modification of the roadway or improvements, is in the best interests of the state highway system. In the event the Commission decides to remove the landscaping, roadway, or improvements, the Entity shall not be entitled to a refund of the funds contributed by the Entity pursuant to this Agreement.

(18) AUTHORITY TO EXECUTE: The signers of this Agreement warrant that they are acting officially and properly on behalf of their respective institutions and have been duly authorized, directed and empowered to execute this Agreement.

(19) SECTION HEADINGS: All section headings contained in this Agreement are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

(20) ENTIRE AGREEMENT: This Agreement represents the entire understanding between the parties regarding this subject and supersedes all prior written or oral communications between the parties regarding this subject.

(21) NO ADVERSE INFERENCE: This Agreement shall not be construed more strongly against one party or the other. The parties to this Agreement had equal access to, input with respect to, and influence over the provisions of this Agreement. Accordingly, no rule of construction which requires that any allegedly ambiguous provision be interpreted more strongly against one party than the other shall be used in interpreting this Agreement.

(22) VOLUNTARY NATURE OF AGREEMENT: Each party to this Agreement warrants and certifies that it enters into this transaction and executes this Agreement freely and voluntarily and without being in a state of duress or under threats or coercion.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date last written below.

Executed by the Entity this ____ day of _____, 20__.

Executed by the Commission this ____ day of _____, 20___.

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION

By _____

Title _____

ATTEST: (Commission seal)

_____
Secretary to the Commission

APPROVED AS TO FORM:

_____
Commission Counsel

CITY OF PECULIAR

By _____

Title _____

By _____

Title _____

By _____

Title _____

ATTEST: (Entity seal, if existing)

By _____

Title _____

APPROVED AS TO FORM:

By _____

Title _____

If Entity is a City – City Ordinance Number 2014-49

EXHIBIT A
Project Location

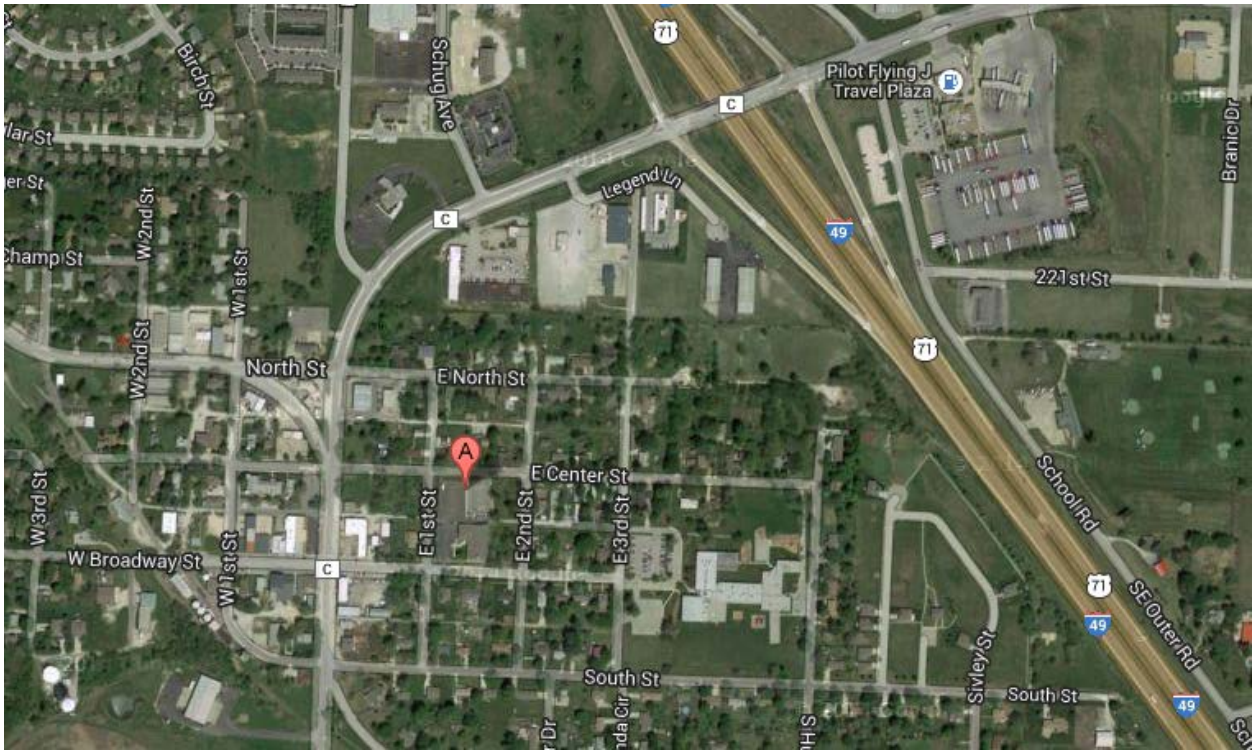

Exhibit B

Project Name: City of Peculiar, Route C from I-49 to 250 S. Main Street

MoDOT Job Number: 4P3095E

Description: Sidewalk improvements

Total Project Cost Estimate: $145,422

	Current Estimate	Cost Apportionment Eligible
Preliminary Engineering	$16,158	$16,158
Right of Way	$0	$0
Right of Way Incidentals	$0	$0
Utilities	$0	$0
Construction	$107,720	$107,720
Construction Contingency	$0	$0
Non-participating Items	$0	$0
Inspection and Letting	$21,544	$21,544
Total	$145,422	$145,422

Project Responsibilities:

Design	Entity
Right of Way Acquisition	Entity
Letting	Entity
Inspection	Entity

Financial Responsibilities:

Kansas City District	$70,000
City of Peculiar	$75,422
Total:	$145,422

How are overruns and underruns handled?

The Entity is responsible for all overruns and underruns.

BILL NO. 2014-24

ORDINANCE _____

A ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI APPROVING AND ACCEPTING THE MODOT MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION COST APPORTIONMENT AGREEMENT FOR THE ROUTE C SIDEWLAK IMPROVEMENTS FROM I-49 J/C BRIDGE TO CITY HALL 250 S. MAIN STREET CASS COUNTY, MISSOURI

WHEREAS, the Board of Aldermen previously agreed and allowed City staff to request from MoDOT's Area Engineer funds for sidewalk public improvements from I-49 J/C Bridge to City Hall on Route C, and

WHEREAS, the MoDOT Cost Apportionment Agreement for the sidewalk public improvements project from I-49 J/C Bridge to City Hall on Route C has been approved and awarded by the MoDOT Cost Apportionment Review Committee, and

WHEREAS, the citizens of Peculiar have requested sidewalk public improvements from I-49 J/C Bridge to City Hall on Route C,

NOW THEREFORE, be it ordained by the Board of Aldermen of the City of Peculiar, Missouri as follows:

Section 1. The Commission will pay a lump sum of seventy thousand dollars ($70,000), no more, no less, towards the actual project costs.

Section 2. The Mayor is authorized to execute this ordinance acknowledging the MoDOT Cost Apportionment Agreement.

Section 3. *Effective Date.* The effective date of this Ordinance shall be the 15th day of September, 2014.

First Reading: September 2, 2014 Second Reading: _____

BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED ON ITS SECOND READING THIS ___ DAY OF _____, 2014, BY THE FOLLOWING VOTE:

Alderman Fines	____	Alderman Ray	____
Alderman Ford	____	Alderman Roberts	____
Alderman McCrea	____	Alderman Turner	____

APPROVED: **ATTEST:**

_____ _____

Holly Stark, Mayor Nick Jacobs, City Clerk

City Administrator
Brad Ratliff

City Clerk
Nick Jacobs

City Engineer
Carl Brooks

Business Office
Trudy Prickett

Chief of Police
Harry Gurin

City Planner
Cliff McDonald

City Attorney
Reid Holbrook

Parks Director
Nathan Musteen

Municipal Offices – 250 S. Main Street, Peculiar, MO 64078
Phone: (816)779-5212 Facsimile: (816)779-1004

To: Mayor & Board of Aldermen
From: Nick Jacobs
Date: September 12, 2014
Re: Changes to Purchasing Requirements of the City Administrator

GENERAL INFORMATION

Applicant: City Staff
Requested Actions: Review proposed changes to Municipal Code
Purpose: (see above)

PROPOSAL

Update Municipal Code changing the Purchasing Requirements of the City Administrator to coincide with chapter 140 of Peculiar Municipal Code. There is conflicting information as to the maximum purchase the City Administrator can make. The Bill would take out the amount the City Administrator could purchase out of Chapter 115, and state it must follow the parameters outlined in chapter 140.

PREVIOUS ACTIONS

None

KEY ISSUES

STAFF RECOMMENDATION

Staff recommends approval of the proposed bills at their first reading on September 15th, 2014

ATTACHMENTS

The proposed Bills are attached for your review.

BILL NO. 2014-25
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PECULIAR, MISSOURI AMENDING PECULIAR MUNICIPAL CODE §115.330 "DUTIES" TO COINCIDE WITH CHAPTER 140 OF THE PECULIAR MUNICIPAL CODE.

WHEREAS, the City is authorized, pursuant to Rev. Stat. Mo. §§ 79.130 and 79.450, to enact ordinances, rules, and regulations "expedient for maintaining the peace, good government and welfare of the city and its trade and commerce;" and

WHEREAS, this proposed ordinance will maintain the good government and commercial welfare of the City of Peculiar.

NOW THEREFORE, be it ordained by the Board of Aldermen of the City of Peculiar, Missouri as follows:

SECTION I. Pursuant to the authority granted by and subject to the provisions of the Revised Statues of Missouri, that Section 115.330 of the Peculiar Municipal Code be amended to read as follows:

B. ***Purchasing.*** **The City Administrator shall be the purchasing agent for the City, and all purchases shall be made under his direction and supervision. All such purchasing shall be made in accordance with Chapter 140 of Peculiar Municipal Code.**

SECTION II: The effective date of this ordinance shall be _____.

First Reading: _____ **Second Reading: _____**

BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED ON ITS SECOND READING THIS _____ DAY OF _____, 2014, BY THE FOLLOWING VOTE:

Alderman Ford	_____	**Alderman Ray**	_____
Alderman McCrea	_____	**Alderman Roberts**	_____
Alderman Fines	_____	**Alderman Turner**	_____

Approved: **Attest:**

_____ _____

Holly Stark, Mayor **Nick Jacobs, City Clerk**

City Administrator
Brad Ratliff

City Clerk
Nick Jacobs

City Engineer
Carl Brooks

Business Office
Trudy Prickett

Chief of Police
Harry Gurin

City Planner
Cliff McDonald

City Attorney
Reid Holbrook

Parks Director
Nathan Musteen

Municipal Offices – 250 S. Main Street, Peculiar, MO 64078
Phone: (816)779-5212 Facsimile: (816)779-1004

To: Mayor & Board of Aldermen
From: Nick Jacobs
Date: September 12, 2014
Re: Changes to Purchasing Policy of the City of Peculiar

GENERAL INFORMATION

Applicant: City Staff
Requested Actions: Review proposed changes to Municipal Code
Purpose: (see above)

PROPOSAL

The Bill will amend chapter 140 to correct some erroneous Staff members titles and purchasing requirements to streamline day to day purchases. It will change the minimum purchase requirements needing 3 quotes from $250 to $500. It will give a provision to award bids to local businesses if they are within 5% higher than the low bid. The other primary revision is to allow staff to execute contracts and purchases over $10,000 if the purchase or contract is already approved in the adopted budget.

Per the Boards direction at the September 2nd meeting the bill now contains a provision causing the City Administrator to notify the Board monthly of all purchases or contracts over $10,000.

PREVIOUS ACTIONS

None

KEY ISSUES

STAFF RECOMMENDATION

Staff recommends approval of the proposed bills at their first reading on September 15th, 2014

ATTACHMENTS

The proposed Bills are attached for your review.

BILL NO. 2014-26
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PECULIAR, MISSOURI AMENDING CHAPTER 140 OF THE PECULIAR MUNICIPAL CODE TO CHANGE OUTDATED INFORMATION AND UPDATE PURCHASING REQUIREMENTS.

WHEREAS, the City is further authorized, pursuant to Rev. Stat. Mo. §§ 79.130 and 79.450, to enact ordinances, rules, and regulations "expedient for maintaining the peace, good government and welfare of the city and its trade and commerce;" and

WHEREAS, this proposed ordinance will maintain the good government and commercial welfare of the City of Peculiar.

NOW THEREFORE, be it ordained by the Board of Aldermen of the City of Peculiar, Missouri as follows:

SECTION I. Pursuant to the authority granted by and subject to the provisions of the Revised Statues of Missouri, that Section 140.020 paragraph A.2 of the Peculiar Municipal Code be amended to read as follows:

Local Purchases of Goods and Services.

A.2. The cost of such goods and services plus shipping and handling may be purchased outside the City or County if the savings are greater than 5%.

SECTION II. Pursuant to the authority granted by and subject to the provisions of the Revised Statues of Missouri, that Section 140.020 paragraph A.6 of the Peculiar Municipal Code be added to read as follows:

Local Purchases of Goods and Services.

A.6. The City can utilize the contract of another municipality.

SECTION III. Pursuant to the authority granted by and subject to the provisions of the Revised Statues of Missouri, that Section 140.030 of the Peculiar Municipal Code be amended to read as follows:

Purchases – Level 1 – One Dollar to One Thousand Dollars.

Items in this range may be purchased by City Departments and then forward the invoice with proper coding and approval to the Business Office Manager for payment. Department Heads must approve purchase and funds must be available in the budget. Department Heads and the Business Office Manager must approve the purchase order. At a minimum, phone bids are required and must be documented for purchases over five hundred dollars ($500.00).

SECTION IV. Pursuant to the authority granted by and subject to the provisions of the Revised Statues of Missouri, that Section 140.040 paragraph A and paragraph B of the Peculiar Municipal Code be deleted and replaced with the following:

Purchases – Level 2 – One Thousand One to Two Thousand Five Hundred Dollars.

A. The Department Head, Business Office Manager and City Administrator must approve the purchase prior to order and funds must be available in the budget. Competitive quotations are required and shall be obtained in writing or by telephone from at least three (3) vendors. Quote information received will be tabulated and made part of the invoice records.

SECTION V. Pursuant to the authority granted by and subject to the provisions of the Revised Statues of Missouri, that Section 140.050 paragraph A and paragraph B of the Peculiar Municipal Code be deleted and replaced with the following:

Purchases – Level 3 – Two Thousand Five Hundred One to Ten Thousand Dollars.

A. The Department Head, Business Office Manager and City Administrator must approve the purchase prior to order and funds must be available in the budget. Competitive quotations are required and shall be obtained in writing or by telephone from at least three (3) vendors. Quote information received will be tabulated and made part of the invoice records.

SECTION VI. Pursuant to the authority granted by and subject to the provisions of the Revised Statues of Missouri, that Section 140.060 paragraph A and paragraph B.3.b of the Peculiar Municipal Code be deleted and replaced with the following:

Purchases – Level 4 – Ten Thousand One Dollars or More.

A. The award of contracts and purchases over ten thousand dollars ($10,000.00) must be approved by the Board of Aldermen, unless such contract or purchase is already approved in the adopted budget for the current fiscal year. The City Administrator shall notify the Board of Aldermen of all contracts or purchases that meet this criteria monthly. In all cases, funds must be available in the budget or necessary budget amendments must be presented in conjunction with approval of purchase.

B.3.b. On www.demandstar.com if applicable.

SECTION VII: The effective date of this ordinance shall be _____.

First Reading: _____ **Second Reading: _____**

BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED ON ITS SECOND READING THIS _____ DAY OF _____, 2014, BY THE FOLLOWING VOTE:

Alderman Fines	____	Alderman Ray	____
Alderman Ford	____	Alderman Roberts	____
Alderman McCrea	____	Alderman Turner	____

APPROVED:

_____
Holly Stark, Mayor

ATTEST:

_____
Nick Jacobs, City Clerk

City Administrator
Brad Ratliff

City Clerk
Nick Jacobs

City Engineer
Carl Brooks

Business Office
Trudy Prickett

Chief of Police
Harry Gurin

City Planner
Cliff McDonald

City Attorney
Reid Holbrook

Parks Director
Nathan Musteen

Municipal Offices – 250 S. Main Street, Peculiar, MO 64078
Phone: (816)779-5212 Facsimile: (816)779-1004

To: **Board of Alderman**

From: **Clifford L. McDonald**

Date: **September 15, 2014**

Re: *Amending Height and Area Regulations for Two Zoning Districts: C-1 General Business and C-2 Central Business*

GENERAL INFORMATION

Applicant: City Staff

Status of Applicant: **N/A**

Requested Actions: Board of Aldermen to review the proposed changes to Districts C-1 General Business and C-2 Central Business to amend the Height and Area Restrictions of each District and consider approving the attached Ordinance to implement these changes.

Date of Application: June 3, 2014

Purpose: The purpose is to amend the existing Height and Area Restrictions to limit the allowed height of buildings to Three (3) Stories and change Front and Side Yard setbacks.

Property Location (if applicable): **City Wide**

PROPOSAL

See "Requested Actions" above.

PREVIOUS ACTIONS

The Planning Commission approved the Amendments to the Zoning Regulations for Districts C-1 and C-2 after a Public Hearing held on August 13th, 2014; no public comments either for or against the proposed amendments were presented. The Board of Aldermen were presented with these proposed changes on September 2, 2014 for their information to prepare for a Public Hearing scheduled for Septermber 15, 2014.

KEY ISSUES

The exiting Zoning Regulations for these Districts allow buildings to be erected to "any height" and have only nominal setback distances (is any) for Front and Side Yards. The City has only One (1) track of property zoned C-2 (near Casey's @ I-49 & J Hwy), which is not a typical "Central Business" location. The Planning Commission believes both Districts setbacks should be amended to promote a similar appearance to future development.

The Board questioned the difference between the two Districts at their meeting of September 2, 2014; the attached Excel spreadsheet lists the difference in approved Land Use between C-1 and C-2 – there are Thirty (30) differences.

STAFF COMMENTS AND SUGGESTIONS

The Board of Aldermen should review the Ordinance (attached) to amend SECTION 400.430: DISTRICT C-1 GENERAL BUSINESS and SECTION 400.440: DISTRICT C-2 CENTRAL BUSINESS to change the Height and Area Regulations of each District and consider approving as presented.

STAFF RECOMMENDATION

Staff Recommends Approval of the Ordinance and the proposed amendments for both Zoning Districts.

ATTACHMENTS

1. Excel Spreadsheet, C-1 & C-2 Differences
2. Ordinance to Amend SECTION 400.430: DISTRICT C-1 GENERAL BUSINESS and SECTION 400.440: DISTRICT C-2 CENTRAL BUSINESS, of the Peculiar Municipal Code.

STAFF CONTACT: Clifford L. McDonald,
PH: 816-779-2226
E-mail: cmcdonald@cityofpeculiar.com

City of Peculiar

District C-1 C-2 Differences - Sept 15, 2014

	Zoning Districts							
Land Use Category	**AG**	**A-C [1]**	**O-C**	**C-1**	**C-2**	**CP**	**I-1**	**I-2**
Automobile/truck rental services	-	-	-	SP	-	SP	P	-
Automobile leasing establishments	-	-	-	P	-	SP	P	-
Bowling alleys	-	-	-	P	-	P	-	-
Broadcast station - Radio or Television	P	P	-	P	-	-	P	P
Construction equipment-retail	-	-	-	SP	-	-	P	-
Detective & protection services	-	-	P	P	-	-	-	-
Duplicating & stenographer services	-	-	P	P	-	-	-	-
Equipment rental & leasing services	-	-	-	SP	-	-	P	-
Funeral, mortuary and crematory services	-	-	-	SP	-	-	SP	-
Garden supplies/ Nursery-retail	P	P	-	P	-	P		-
Golf driving ranges	P	-	-	P	-	-	SP	-
Greenhouses	P	-	-	P	-	-	P	P
Groceries-wholesale	-	-	-	SP	-	-	P	-
Hotels	-	-	-	P	-	P	-	-
Ice-retail	-	-	-	P	-	P	-	-
Indoor recreational facility	-	P	-	P	-	-	P	P
Linen and supply services	-	-	-	P	-	-	P	-
Lumber yards-retail	-	-	-	P	-	P	P	-
Motels	-	-	-	P	-	P	-	-
Ornamental iron-Mfg	-	-	-	SP	-	-	P	-
Parking lot	P	P	-	-	P	-	-	-
Pet grooming	P	-	-	P	-	-	P	-
Skating rinks, Ice and Roller -indoor	-	-	-	P		-	P	-
Small engine repair	-	-	-	SP	-	-	P	-
Social, correctional, treatment & counseling services	-	-	SP	SP	-	-	-	-
Stone products and cut stone	P	-	-	SP	-	-	P	-
Telephone response mail order services	-	-	-	SP	-	-	P	-
Tires and inner tubes-retail	-	-	-	P	-	P	P	-
Transportation terminals	-	-	-	P	-	-	P	-
Veterinary services - large animal	P	-	-	SP	-	-	-	-

BILL NO. 2014-27
ORDINANCE NO. _____

AN ORDINANCE AMENDING TWO (2) SECTIONS OF CHAPTER 400 OF THE PECULIAR MUNICIPAL CODE TO DEFINE HEIGHT AND AREA RESTRICTIONS FOR THE C-1, GENERAL BUSINESS AND C-2, CENTRAL BUSINESS ZONING DISTRICTS.

WHEREAS, the City Planner has recommended amendments to SECTIONS 400.430 and 400.440 of the City of Peculiar Municipal Code, and

WHEREAS, the Planning Commission ("Commission") recommended approval of the changes to the above listed Sections of Chapter 400 of the City Municipal Code following a Public Hearing held August 13, 2014.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI THAT SECTIONS 400.430 AND 400.440 OF THE CITY MUNICIPAL CODE BE AMENDED AS FOLLOWS:

SECTION I: That Section 400.430 paragraph 2 be removed in its entirety and replaced with the following:

SECTION 400.430: DISTRICT "C-1" GENERAL BUSINESS

2. *Height and area regulations.* The height of buildings hereafter erected, constructed, reconstructed, moved or altered and the minimum dimensions of lots and yards shall be as follows, unless otherwise permitted in this code:

   a. *Height.* Buildings or structures shall not exceed three (3) stories in height.

   b. *Front yards.* There shall be a front yard of at least thirty (30) feet.

   c. *Side yards.* There shall be a side yard on each side of a building of at least ten (10) feet.

      (1) Side yards abutting Residential Districts shall be at least twenty (20) feet

   d. *Rear yards.* There shall be a rear yard of at least twenty (20) feet.

<u>SECTION II:</u> That Section 400.440 paragraph 2 be removed in its entirety and replaced with the following:

SECTION 400.440: DISTRICT "C-2" CENTRAL BUSINESS

2. *Height and area regulations.* The height of buildings hereafter erected, constructed, reconstructed, moved or altered and the minimum dimensions of lots and yards shall be as follows, unless otherwise permitted in this code:

a. *Height.* Buildings or structures shall not exceed three (3) stories in height.

b. *Front yards.* There shall be a front yard of at least thirty (30) feet.

c. *Side yards.* There shall be a side yard on each side of a building of at least ten (10) feet.

(1) Side yards abutting Residential Districts shall be at least twenty (20) feet

d. *Rear yards.* There shall be a rear yard of at least twenty (20) feet.

Effective Date. The effective date of this ordinance shall be the ____ day of _____, 2014.

First Reading: _____ Second Reading: _____

BE IT REMEMBERED THE PRECEDING ORDINANCE WAS ADOPTED ON ITS SECOND READING THIS ____ DAY OF _____, 2013, BY THE FOLLOWING VOTE:

Alderman Ford	_____	Alderman Ray	_____
Alderman Fines	_____	Alderman Roberts	_____
Alderman McCrea	_____	Alderman Turner	_____

APPROVED: ATTEST:

_____ _____

Holly Stark, Mayor Nick Jacobs, City Clerk

City Administrator
Brad Ratliff

City Clerk
Nick Jacobs

City Engineer
Carl Brooks

Business Office
Trudy Prickett

Chief of Police
Harry Gurin

City Planner
Cliff McDonald

City Attorney
Reid Holbrook

Parks Director
Nathan Musteen

Municipal Offices – 250 S. Main Street, Peculiar, MO 64078
Phone: (816)779-5212 Facsimile: (816)779-1004

To: Mayor and Board of Alderman
From: Nathan Musteen, Parks Director
Date: September 15, 2014
Re: Resolution #2014-50
Park Board By-Laws

GENERAL INFORMATION

Applicant: City Staff and Peculiar Park Board
Requested Actions: To adopt the Park Board By-Laws per Resolution 2014-50
Purpose: To update and implement the new/revised Park Board By-Laws
Property Location: N/A

PROPOSAL

For the Board of Aldermen to consider approving the new revised Park Board By-Laws.

The intent of these By-Laws are to define the means and methods in which the Park Board conducts and mangages the flow of the meetings and hold accountable it's members to uphold the best management practices for this appointed board of the City of Peculiar.

PREVIOUS ACTIONS

Over the past few months, Park Board and Staff have evaluated and updated Chapter 125: Park Board and Chapter 225: Parks and Public Property. The intent of these revisions were to better clarify and create continuity within the two chapters of the Municipal Code and establish a solid basis in which the Park Board can regulate the use of the City's public parks.

Both Chapter 125 and Chapter 225 were adopted by the Board of Alderman on July 7th.

The Park Board used the newly established ordinances within the Municipal Code to develop the attached By-Laws. Additional information was included to establish officers , meetings, agenda format, sub-committees and correspondence between the Board of Alderman and the Park Board.

KEY ISSUES

- The proposed By-Laws were drafted and reviewed by the Park Board in August.
- The City Attorney reviewed the By-Laws and recommended them for review and adoption by the Board of Alderman
- The Park Board voted in September to submit to the Board of Alderman for adoption as the official By-Laws of the Park Board.

STAFF RECOMMENDATION

Staff recommends approval the Park Board By-Laws via Resolution 2014-50

ATTACHMENTS

Attachment – Park Board of Peculiar By-Laws

STAFF CONTACT:

Nathan Musteen, CPRP
Parks & Recreation Director
816-779-2225
nmusteen@cityofpeculiar.org

Park Board of Peculiar
Bylaws

ARTICLE I. NAME

The name of this body is Park Board (*Board*) of Peculiar.

ARTICLE II. PURPOSE (REFERENCE SECTION 125.070)

A. The Park Board serves as an Advisory Board to the Board of Aldermen in matters involving the administration and financial management of the City's parks for the welfare of Peculiar citizens.
B. The Park Board shall have the power to recommend to the Board of Aldermen or the City Administrator a suitable person to maintain such parks.
C. The Park Board shall make recommendations to the Board of Aldermen relative to the expenditures of all money collected to the credit of the Park Fund; and regarding the supervision, improvement, care and custody of the City's parks. These recommendations may include, but are not necessarily limited to, the following matters:
    1. All matters relating to policy formation, programming, legislation and use of park and recreation facilities and areas;
    2. Changes, additions or uses that will improve the effectiveness of the parks and recreation programs or facilities, including budgetary recommendations;
    3. Rules and regulations to govern the City's parks, recreation areas, and facilities as may be expedient and not inconsistent with this Article or directives of the Board of Aldermen;
    4. Recreational programming for citizens of Peculiar; and
    5. Any other duties as may be assigned by the Mayor or the Board of Aldermen.
D. The Park Board shall make and adopt bylaws, rules, and regulations for their own guidance. These bylaws, rules, and regulations shall be subject to Board of Aldermen approval.

ARTICLE III. BOARD

These Bylaws of the Peculiar Park Board are secondary rules of governance and shall not supersede any section of Chapter 125: PARK BOARD or any other section referenced of the Peculiar Municipal Code.

Section 1. APPOINTMENT AND QUALIFICATIONS – GENERALLY (Reference SECTION 125.020)

A. Each of the three (3) wards of the City shall be represented by at least one (1) appointee.
B. With the approval of the Board of Aldermen, the Mayor shall appoint to the Park Board: one (1) member from each of the three (3) wards of the City; three (3) members from the residents at large; and one Alderman from any ward. The Alderman will serve as a liaison between the Park Board and the Board of Aldermen and shall have voting rights.
C. All appointees must be a minimum of eighteen (18) years of age at the time of their appointment.
D. All appointees shall have resided within City limits for a minimum of one (1) year prior to their appointment.

Section 2. TERMS OF OFFICE AND VACANCIES (Reference SECTION 125.030)

A. Each regularly-appointed member of the Park Board, except for the Alderman appointee, shall hold office for a term of three (3) years. The Alderman appointee shall hold office for a term of one (1) year. These regular appointments by the Mayor shall be made before the first day of September.
B. Except in the cases of fulfillment of vacancies and involving the Alderman appointee, full terms of office shall commence on the first day of September and shall be staggered so that one-third of the member's terms shall

commence each year.

C. Vacancies on the Park Board, occasioned by removal, resignation or otherwise, shall be reported to the Mayor and shall be filled for the remainder of the unexpired term.

D. The Director of Parks and Recreation shall be responsible for tracking vacancies and terms for the Park Board.

   a. Member seats will be numbered and term limits shall be tracked based on the following "3 year revolving" chart.

      - Ward 1 / AL 1 (September 1, 2013 – expires August 31, 2016)
      - Ward 2 / AL 2 (September 1, 2014 – expires August 31, 2017)
      - Ward 3 / AL 3 (September 1, 2015 – expires August 31, 2018)

   b. Current members will be numbered and will complete their appointed terms. Upon term completion, member seats will fall into alignment within the chart by re-appointment of the Mayor and Board of Alderman via resolution. Upon resignation or termination of any current member, new volunteers will be appointed into the chart to ensure appropriate dates for proper Ward representation and member staggering.

   c. The six (6) appointed member seats will be numbered based on length of service. For example: If (2) members are both from Ward 3, the longest tenured member would be considered the Ward 3 representative and the other member would assume an "AL" seat. The "AL" seats would also be assigned based on tenure once the Ward representations have been filled.

   d. Upon completion of the realignment, the numbered seating chart will remain in effect from that point forward.

Section 3. RESIGNATION

A member of the Board may resign at any time by giving written notice of his/her resignation to the City Clerk with copies to the Board President and the Mayor.

Section 4. ATTENDANCE BY MEMBERS OF CITY BOARDS, COMMISSIONS AND COMMITTEES (Reference Section 115:045)

A. Members of appointed positions to any permanent boards, commissions or committees established by the Municipal Code (including but not necessarily limited to the Planning Commission, Park Board, Board of Adjustment and Tax Increment Financing Commission; but not including the Board of Aldermen) shall be subject to this Section.

B. Members of the appointed positions subject to this Section are allowed a total of three (3) unexcused absences in a calendar year.

C. Unexcused absences are those absences where there has been no advance notification to the assigned City staff member or Chairperson of that board, commission or committee advising them of a member's inability to attend a meeting and the member in question thereafter fails to attend.

D. Upon obtaining two (2) unexcused absences, the Chairperson of the respective board, commission or committee shall notify the member that the next unexcused absence will result in their removal from the appointed board, commission or committee.

E. Upon obtaining a third (3rd) unexcused absence, the member shall be immediately removed from the board, commission or committee in question and notified of the removal by the Mayor in writing. Further, the member shall be replaced in accordance with the relative Municipal Code Sections that establish and/or define the make-up of the board, commission or committee in question.

F. A *"calendar year"* shall be defined as a twelve (12) month period, beginning April fifteenth (15th) and running twelve (12) months hence. (Ord. No. 091608 §1, 9-16-08)

Park Board of Peculiar
Bylaws

ARTICLE IV. MEETINGS

Section 1. Meetings.

Meetings of the Board and notices thereof shall conform to the requirements of Rev. Stat. Mo. § 610.010 *et seq.* (the Missouri Sunshine Law).

Any member of the public who wants to address the Board at the meeting that includes a presentation or packet information shall request being added to the agenda at least seven (7) business days prior to the agenda being posted by emailing a completed copy of the Agenda Request form found at www.cityofpeculiar.org and the information to be presented to the Parks and Recreation Director. The application and information will be reviewed by the Board Chair for approval.

Any member of the public who wants to address the Board for public comment only shall request being added to the agenda a least three (3) business days prior to the agenda being posted by emailing a completed copy of the Agenda Request form found at www.cityofpeculiar.org to the Parks and Recreation Director. The application will be reviewed by the Board Chair for approval.

The Board shall keep written minutes of its meetings and distribute copies of those minutes to the City Clerk. All minutes and official records of the Park Board shall be shared and available to all Board members through a secured, shared, and online computer drive.

At all meetings of the Board, four (4) members shall constitute a quorum for the transaction of business and an act of the majority of the members present at any meeting at which there is a quorum shall constitute an act of the Board.

All meetings shall be conducted in a manner consistent with Robert's Rules of Order. A summary of Robert's Rules of Order may be located at http://roberts-rules.com/.

Section 2. Regular Meetings.

Regular meetings of the Board shall be held on the second (2nd) Monday of each month at 6:30 PM in the Council Chambers of City Hall of Peculiar, MO. Meetings may be relocated or rescheduled, due to holidays, emergencies or when City Staff representation is unavailable if proper notice is made pursuant to Rev. Stat. Mo. § 610.010 *et seq.* (the Missouri Sunshine Law).

Section 3. Special Meetings.

The Mayor, the Board Chair, or a quorum of the members of the Board may call a special meeting of the Board, at any time. Three (3) days' notice, either in person, mail or email, must be given upon requesting a special meeting. The Board may hold a vote at special meetings; however, voting is not allowed at any work sessions.

Section 4. Agenda Format

The order of business at regular meetings shall be generally as follows:

- Call to Order
- Pledge of Allegiance
- Roll Call

- Consideration of Minutes
- Public Appearance (approved by agenda request)
- Subcommittee Reports
- Old Business
- New Business
- Director's Report
- Public Comments of non-Agenda Items
- Board Member Comments
- Adjournment

ARTICLE V. OFFICERS

Section 1. Officers.

The Board shall elect, from among its members a Board Chairman. The Vice-Chair shall be Board of Alderman Liaison. In the event that the Board Chairman and Vice-Chair are unable to attend the regularly scheduled meeting, the most tenured member of the Park Board shall oversee the regularly scheduled meeting at that time. The Board shall assign additional officers as they deem necessary and proper. No officer may succeed himself/herself for more than two (2) consecutive terms.

Following the election, but no later than January 31st of the following year, the Board shall meet and agree on the Board's short-term (less than a year) and long-term (greater than a year) goals. These goals shall be documented in writing by the designated officer and provided to all Board members and the Board of Alderman no later than February 20th of that year.

Section 2. Board Chairman

The Board Chair shall preside at all Park Board meetings, including work sessions of the Board. The Chair shall attend and provide the Board of Alderman updates as needed regarding the goals set and achieved by the Parks Board. The Board Chair shall perform such other duties as are necessarily incident to the office of Chairman.

Section 3. Vice-Chairman

The Vice-Chairman shall be the Board of Alderman Liaison to the Park Board and shall act in the capacity of the Chair in the event of the Chair's absence, disability, or death and shall perform such other specific duties as may be assigned to him/her by the Board Chair or majority of the Board.

ARTICLE VI. COMMITTEES.

Section 1. Committees.

The Board may, from time to time, establish such committees as it deems necessary or appropriate and with such powers and duties as the Board designates. The committee shall consist of at least one Board member. The Chairmen of the committee must be elected by members of the Board. A majority (fifty percent plus one) of the members of any

committee established pursuant to this section shall constitute a quorum for the transaction of business at any meeting of that committee.

A committee shall-not have the power to implement any policy or expend any funds but shall submit its findings-and recommendations to the Board for the Board's consideration.

ARTICLE VII. GENERAL.

Section 1. Fiscal Year.

The fiscal year of the Board shall be the same as that established for the City, which is October 1st through September 30th.

Section 2. Amendments.

This document, when adopted by resolution of the Board of Aldermen, shall serve as the bylaws for the Park Board of Peculiar. Amendments to this document may be made from time to time as deemed necessary and shall be adopted by resolution of the Board of Aldermen.

RESOLUTION 2014-50

A RESOLUTION OF THE BOARD OF ALDERMAN ADOPTING THE PARK BOARD BYLAWS FOR THE CITY OF PECULIAR AS A GUIDE FOR THE PARK BOARD TO ASSEMBLE, ORGANIZE AND FUNCTION IN THE BEST INTERST OF THE CITY AND ITS RESIDENTS.

WHEREAS, Chapter 125 of the Peculiar Municipal Code establishes a Park Board consisting of seven (7) members, and

WHEREAS, advisory group bylaws are guidelines by which a group functions and further defines how the advisory board directs and clarifies its actions, procedures and organization; and

WHEREAS, the Park Board has submitted the attached bylaws for approval by the Peculiar Board of Alderman.

BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI AS FOLLOWS:

Section 1. That the attached bylaws governing the policies, procedures and organization of the Peculiar Park Board are hereby approved and adopted.

Section2. Effective Date. The effective date of the Resolution shall be the 15th day of September, 2014.

THIS RESOLUTION WAS ADOPTED BY THE FOLLOWING ROLL CALL VOTE THIS 15th DAY OF SEPTEMBER, 2014

Alderman McCrea	____	Alderman Ray	____
Alderman Fines	____	Alderman Roberts	____
Alderman Ford	____	Alderman Turner	____

Approved: _____
Holly Stark, Mayor

Attest: _____
Nick Jacobs, City Clerk

City Administrator
Brad Ratliff

City Clerk
Nick Jacobs

City Engineer
Carl Brooks

Business Office
Trudy Prickett

Chief of Police
Harry Gurin

City Planner
Cliff McDonald

City Attorney
Reid Holbrook

Parks Director
Nathan Musteen

Municipal Offices – 250 S. Main Street, Peculiar, MO 64078
Phone: (816)779-5212 Facsimile: (816)779-1004

To: Mayor and Board of Alderman
From: Nathan Musteen, Parks Director
Date: September 15, 2014
Re: Resolution #2014-51
Tree Board By-Laws

GENERAL INFORMATION

Applicant: City Staff and Peculiar Tree Board
Requested Actions: To adopt the Tree Board By-Laws per Resolution 2014-51
Purpose: To establish and implement the new Tree Board By-Laws
Property Location: N/A

PROPOSAL

For the Board of Aldermen to consider approving the new Peculiar Tree Board By-Laws.

The intent of these By-Laws are to define the means and methods in which the Tree Board conducts and mangages the flow of the meetings and hold accountable it's members to uphold the best management practices for this appointed board of the City of Peculiar.

PREVIOUS ACTIONS

In July of 2013, the Park Board and Board of Alderman adopted Chapter 126: Tree Maintenance Code. Section 126.050 of the Tree Maintenance code establishes a City Tree Board.

The Tree Board held its first meeting on December 17, 2013. Since that time, the Tree Board has met in March and September.

Primary goals of the Tree Board during its first year was to:

1) Host an annual Arbor Day event
    a. 2 events were held in April (Shull Elementary and Peculiar Elementary)
2) Host a Spring Tree Planting project
    a. Tree board members and their families planted 125 seedlings at Raisbeck Park in March
3) Develop Tree Board Bylaws
    a. Drafted in March and finalized in September
4) Develop a Memorial Tree Program
    a. Drafted and finalized in September
5) Prepare documentation for application of Tree City USA
    a. December 2014 meeting project

KEY ISSUES

- The proposed By-Laws were drafted and reviewed by the Tree Board in March.

- The City Attorney reviewed the By-Laws and recommended them for review and adoption by the Board of Alderman
- The Tree Board voted in September to submit to the Board of Alderman for adoption as the official By-Laws of the Tree Board.

STAFF RECOMMENDATION

Staff recommends approval of the Tree Board ByLaws via Resolution 2014-51

ATTACHMENTS

Attachment – Tree Board of Peculiar By-Laws

STAFF CONTACT:

Nathan Musteen, CPRP
Parks & Recreation Director
816-779-2225
nmusteen@cityofpeculiar.org

Tree Board By-Laws

Article I – Members/Officers

A) Members

1. The Peculiar Tree Board exists under the jurisdiction of the Peculiar Park Board and shall be a sub-committee of said board.
2. The Tree Board shall consist of three (3) or more individuals serving on the Park Board (whose members are appointed by the Mayor)
3. The Tree Board shall consist of two (2) at-large members appointed by the Mayor.
4. The City shall have no more than two (2) representatives, (the City Arborist and the Parks & Recreation Director or his/her designee), serving on the Tree Board.
5. The Tree Board shall be limited to no more than five (5) total members and two (2) City Staff Representatives as defined above.
6. Term Limits for the "At Large" seats appointed by the Mayor shall be three (3) years from the time of appointment. Term Limits for the appointed members of the Park Board shall fall within the limits of their Park Board appointments as established by the Mayor.

B) Officers

1. The Tree Board shall organize and elect its own officers; Chairman and Secretary
2. The chairman shall preside at all meetings of the City Tree Board and shall decide all points of order or procedures; and shall also certify plans and transmit reports and recommendations of the Tree Board on to the Mayor and/or the Peculiar Board of Alderman.
3. The secretary shall assume the duties when the chairman is absent. If all officers are absent, the City Arborist shall assume duties as necessary.

Article II - Meetings

1. The meetings of the Peculiar Tree Board will be held as necessary and scheduled by the Tree Board.
2. Special meetings may be requested by the Mayor and Board of Alderman or the Peculiar Park Board as necessary to consider, investigate, make findings of, report and recommend any special matter of question within the scope of its work.
3. A majority of the members shall constitute a quorum for the transaction of business.
4. All plans, reports, ordinances, regulations, variances, waivers and recommendations of the Tree Board must be approved by a majority of the members.
5. Every Tree Board Member present, when a motion or question is put to vote, shall vote either "yes" or "no", except that a member may abstain from voting if he or she has not participated in the preceding discussion of

the item(s) in question and if that Member briefly states the reason for the abstention prior to the discussion. However, an abstention will be counted as a non-vote.

Article III – Duties and Responsibilities

1. To beautify the appearance of the City of Peculiar by promoting and encouraging the responsible planting, care, replacement, and maintenance of trees in the City
2. To study, investigate and counsel the Board of Alderman regarding the care, preservation, pruning, planting, replanting, removal or disposition of trees.
3. To provide educational materials and programs to the public concerning the advantages of trees and the planting and maintenance of all trees within the community.
4. To provide a written Tree Management Plan and to update such plan as needed. The Tree Management Plan shall include goals for City arboriculture efforts and information on tree trimming requirements, i.e., clearance distances.
5. To assist in the supervision of a Memorial Tree Program including the selection, purchase, placement, and maintenance of trees suitable for planting in Peculiar's public parks and/or arboretum. Monetary gifts or donations to participate in the Memorial Tree program shall be received by the City Finance Department and shall be placed in an appropriate fund within the Parks & Recreation Department budget for the purposes of the City Tree Board activities.
6. To assist the City in preparing the annual Arbor Day proclamation and observance.
7. To assist the City in becoming certified as a Tree City USA.

Article IV – Attendance / Removal and/or Replacement

A) ATTENDANCE BY MEMBERS OF CITY BOARDS, COMMISSIONS AND COMMITTEES (Reference Section 115:045)

1. Members of appointed positions to any permanent boards, commissions or committees established by the Municipal Code (including but not necessarily limited to the Planning Commission, Park Board, Board of Adjustment and Tax Increment Financing Commission; but not including the Board of Aldermen) shall be subject to this Section.
2. Members of the appointed positions subject to this Section are allowed a total of three (3) unexcused absences in a calendar year.
3. Unexcused absences are those absences where there has been no advance notification to the assigned City staff member or Chairperson of that board, commission or committee advising them of a member's inability to attend a meeting and the member in question thereafter fails to attend.
4. Upon obtaining two (2) unexcused absences, the Chairperson of the respective board, commission or committee shall notify the member that the next unexcused absence will result in their removal from the appointed board, commission or committee.
5. Upon obtaining a third (3rd) unexcused absence, the member shall be immediately removed from the board, commission or committee in question and notified of the removal by the Mayor in writing. Further, the member shall be replaced in accordance with the relative Municipal Code Sections that establish and/or define the make-up of the board, commission or committee in question.
6. A *"calendar year"* shall be defined as a twelve (12) month period, beginning April fifteenth (15th) and running twelve (12) months hence. (Ord. No. 091608 §1, 9-16-08)

B) ***Removal and/or Replacement***

1. The Mayor may appoint a new Tree Board Member to any vacant seat with approval of the Board of Alderman. The new Member will be appointed to serve the unexpired term of the person whose seat is being vacated.
2. The Mayor may, with consent of the Board of Aldermen, remove a member of the Board for misconduct, neglect of duty, or failure to fulfill the duties identified in Article III above.

Article V – Records

1. The Tree Board shall keep record of the official minutes of its proceedings and file them with the City Clerk once they are approved by the Tree Board members.
2. All records of the Tree Board shall be made public.

Article VII – Rules of Order

1. The Tree Board shall follow the procedures and rules set forth in these bylaws. In the event a matter is not covered by the bylaws, the most recent edition of "Robert's Rules of Order" shall apply.
2. No change shall be made to the Bylaws of the Peculiar Tree Board without the affirmative vote of a majority of the members of the Tree Board.

Adopted: _____ ___, 201__
Month Day Year

RESOLUTION 2014-51

A RESOLUTION OF THE BOARD OF ALDERMAN ADOPTING THE TREE BOARD BYLAWS FOR THE CITY OF PECULIAR AS A GUIDE FOR THE TREE BOARD TO ASSEMBLE, ORGANIZE AND FUNCTION IN THE BEST INTERST OF THE CITY, ITS RESIDENTS AND ITS TREES.

WHEREAS, Chapter 126 of the Peculiar Municipal Code establishes a Tree Board; and

WHEREAS, advisory group bylaws are guidelines by which a group functions and further defines how the advisory board directs and clarifies its actions, procedures and organization; and

WHEREAS, the City finds as public policy that trees are an important natural resource that contributes to the aesthetic appeal and beneficial enjoyment of all lands in the city; and

WHEREAS, the Tree Board has submitted the attached bylaws for approval by the Peculiar Board of Alderman.

BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF PECULIAR, MISSOURI AS FOLLOWS:

Section 1. That the attached bylaws governing the policies, procedures and organization of the Peculiar Park Board are hereby approved and adopted.

Section2. Effective Date. The effective date of the Resolution shall be the 15th day of September, 2014.

THIS RESOLUTION WAS ADOPTED BY THE FOLLOWING ROLL CALL VOTE THIS 15th DAY OF SEPTEMBER, 2014

Alderman McCrea	____	Alderman Ray	____
Alderman Fines	____	Alderman Roberts	____
Alderman Ford	____	Alderman Turner	____

Approved: _____
Holly Stark, Mayor

Attest: _____
Nick Jacobs, City Clerk