

THE WESTSIDE MARKETPLACE TAX INCREMENT FINANCING REDEVELOPMENT PLAN

Prepared For:
Phelps County, Missouri

January 5, 2016

PGA PLANNERS

ST. LOUIS, MISSOURI

TABLE OF CONTENTS

SECTION/SUB-SECTION TITLE	PAGE NUMBER
SECTION 1 INTRODUCTION	
Concept of Tax Increment Financing.....	1
The Redevelopment Area	2
Plan Purpose	2
SECTION 2 BASIS FOR DESIGNATION OF THE REDEVELOPMENT AREA & SUMMARY OF THE REDEVELOPMENT PROPOSAL	
Basis for Redevelopment Area Designation – “Blighted Area”	4
Basis for Redevelopment Area Designation – “But For”	4
Compliance with the Comprehensive Plan.....	5
Summary of the Redevelopment Project	6
SECTION 3 ANALYSIS OF BLIGHTED AREA FACTORS	
Introduction.....	7
Existing Conditions.....	7
Defective or Inadequate Street Layout	7
Unsanitary or Unsafe Conditions.....	8
Deterioration of Site Improvements.....	8
Improper Subdivision or Obsolete Platting	9
Existence of Conditions which Endanger Life or Property by Fire and Other Causes	9
Economic Liability.....	10
Menace to the Public Health, Safety, Morals or Welfare	10
Summary	10
SECTION 4 REDEVELOPMENT PLAN PROGRAM OBJECTIVES	
Redevelopment Project.....	12
General Land Uses to Apply	13
Estimated Redevelopment Project Costs.....	13
Anticipated Sources of Funds to Pay Costs	15

Anticipated Type And Term Of The Sources Of Funds And The Types
 And Terms Of The Obligations To Be Issued..... 17

Evidence Of The Commitment To Finance Project Costs And
 Developers Affidavit..... 18

Equalized Assessed Valuation..... 18

Estimated Dates For Completion Of The Redevelopment Project
 & Retirement Of Obligations 19

Relocation Plan And Assistance..... 19

SECTION 5 FINDINGS

A Blighted Area; But For 20

Conformance With The Comprehensive Plan..... 20

Estimated Dates Of Completion..... 20

Relocation Assistance 20

Cost-Benefit Analysis..... 20

Gambling Establishments 21

Department of Economic Development Report 21

Attachment 1 – Supporting Maps & Exhibits

- Plate 1 – Redevelopment Area Boundary Map
- Plate 2 – Topographic Map
- Plate 3 – Existing Land Use
- Plate 4 – Blighting Factors
- Plate 5 – General Land Use Plan
- Plate 6 – Comprehensive Plan Future Land Use Map
- Plate 7 – Rolla West Master Plan Future Land Use Map
- Plate 8 – Existing Zoning

Attachment 2 – Boundary Description

Attachment 3 – Commitment Letter & Affidavit

Attachment 4 – Photo Appendix

Attachment 5 – Relocation Policy

SECTION 1 INTRODUCTION

CONCEPT OF TAX INCREMENT FINANCING

In pursuit of the redevelopment of a declining area or to induce the development of an area that has been deficient in growth and development, the State of Missouri provides various statutory tools that a municipality may utilize in order to facilitate private and public development and/or redevelopment. One such tool is Tax Increment Financing (“TIF”), as provided for in the Real Property Tax Increment Allocation Redevelopment Act (R.S. MO. Sections 99.800 to 99.865, as amended) (the “TIF Act”). The TIF Act provides for approval of plans and projects for the redevelopment of designated “Redevelopment Areas.” In order to establish a Redevelopment Area, the municipality must make a finding that such area, on the whole, is one of the following types of areas as defined by the TIF Act:

- Blighted Area;
- Conservation Area; or
- Economic Development Area.

A redevelopment area cannot be established without the adoption of a “redevelopment plan,” which outlines the comprehensive program of redevelopment that will reduce or eliminate the conditions which cause the redevelopment area to qualify as one of the aforementioned areas.

Generally, TIF utilizes the incremental increase in tax revenues generated within the boundaries of the designated redevelopment area to assist in the financing of certain eligible costs of completing “redevelopment projects” in the implementation of the redevelopment plan. Bonds or other financial obligations can be issued to fund the redevelopment project costs, which are subsequently retired using the incremental revenue generated from the new development. Alternatively, a municipality may finance project costs on a “pay-as-you-go” basis, utilizing revenues as they are generated, to fund projects.

During the period in which TIF is in effect (up to 23 years from the date of adoption of the ordinance approving the redevelopment project, as provided by the TIF Act), all of the taxing districts that levy ad valorem real property taxes within the redevelopment area continue to receive all of the real property taxes that they had been receiving prior to the adoption of the TIF; such revenues are based upon the tax rate applied to the property assessment values in effect prior to the adoption of TIF. These taxing districts also receive one hundred percent (100%) of the new revenues generated by the Commercial Surcharge levied against commercial property and one hundred percent (100%) of new personal property tax revenues.

Local taxing districts which levy economic activity taxes (e.g. sales and utility taxes) continue to collect the amounts of these taxes that existed prior to the implementation of the TIF, and also collect fifty percent (50%) of the new economic activity taxes generated within the Redevelopment Area.

The TIF Act requires a municipality seeking to create a redevelopment area to establish a TIF Commission. In Phelps County (the "County"), the TIF Commission consists of nine members, six appointed by the Presiding Commissioner with the concurrence of the County Commission, two appointed by the school district, and one appointed jointly by all other taxing districts. The TIF Commission's role is to review, consider and make recommendations to the County Commission regarding proposed redevelopment plans, redevelopment projects and redevelopment areas. Once the TIF Commission's initial work is done, the terms of the members appointed by the school board and other taxing districts expire. Of the six members appointed by the County, two shall serve for two years, two for three years, and two for four years from the date of initial appointment. Thereafter, the members appointed by the County serve for terms of four years.

THE REDEVELOPMENT AREA

The Rolla Westside Marketplace Redevelopment Area (hereinafter referred to as the "Redevelopment Area" or "Area") is located primarily within the City of Rolla, Missouri (the "City"), with a small portion of the Area in unincorporated Phelps County. The Area consists of 6 whole parcels and a portion of another parcel (the "Area") and contains approximately 144 acres of land. The Area is graphically depicted on **Plate One – Redevelopment Area** in the Appendix.

Topographically, the Area is characterized by steep hills and terrain. As **Plate 2 – Topographic Map** in the Appendix shows, there is more than 200 feet of fall across the Area from the northeast to the southwest. This topography presents significant development challenges. The Rolla West Master Plan, which was prepared for the City by HNTB in 2009, includes an exhibit that indicates that much of the Area suffers from environmental constraints related to the Area's topography. Much of the Area includes land that slopes steeply from 14% to 35% or greater; this amount of steeply sloping land is difficult to build on, and will require significant environmental correction associated with filling and grading the site to facilitate development.

Plate 3 – Existing Land Use in Attachment One to the Appendix shows the current land use within the Area, which consists of a mixture of commercial, and vacant land uses. The portion of the Area within the City is currently zoned R-1 Residential and C-2 General Retail. A map showing the existing zoning for the Area is included in the Appendix.

PLAN PURPOSE

The primary purpose of this Plan is to establish a comprehensive program for the redevelopment of the Area that will reduce or eliminate those conditions the existence of which qualify the Area to be a Blighted Area in accordance with the TIF Act and will enhance the tax base of the taxing districts within which the Area is located. This Plan contains a professional analysis of the condition of the property

within the Area and the identification of those conditions which cause the Area to be a Blighted Area. This Plan also contains a comprehensive survey of the facts concerning the Area that are necessary for the County Commission to consider in making all findings required by the TIF Act in connection with the adoption of this Plan, the designation of the Area and the approval of the Redevelopment Project described herein.

SECTION 2

BASIS FOR DESIGNATION OF THE REDEVELOPMENT AREA & SUMMARY OF REDEVELOPMENT PROJECT

BASIS FOR REDEVELOPMENT AREA DESIGNATION – BLIGHTED AREA

In order to establish a Redevelopment Area, the area in question must meet the definition of one of three types of areas under the TIF Act:

- Blighted Area;
- Conservation Area; or
- Economic development Area.

As determined by field investigations and analyses undertaken for this Plan, the Area was found to exhibit the requirements necessary for designation under the TIF Act as a Blighted Area. The analysis of existing conditions and evidence of the factors present in the Area are described in detail in Section 3 - Analysis of Blighted Area Factors. The Blighted Area qualification factors present in the Area include:

- Deterioration of Site Improvements;
- Defective or Inadequate Street Layout;
- Improper Subdivision or Obsolete Platting;
- Unsanitary and Unsafe Conditions; and
- Existence of Conditions Which Endanger Life or Property by Fire and Other Causes.

BASIS FOR REDEVELOPMENT AREA DESIGNATION - "BUT FOR"

In order to establish a Redevelopment Area, the area in question must not have been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. Field investigations and analysis contained in Section 3 and the analysis of economic conditions discussed below confirm that the Redevelopment Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. Attached hereto as Attachment Three is an affidavit signed by the proposed developer attesting that the Redevelopment Area is a blighted area and that the Redevelopment Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing.

Following are a number of factors that have led us to conclude that the Area likely will not be developed without the adoption of tax increment financing:

- The cost of construction of site improvements,
- The cost of site preparation (grading);
- The cost required to construct new public roads to service redevelopment; and
- The cost required to construct utilities and other public infrastructure capable of supporting redevelopment envisioned by this Plan.

The Area is hampered by significant additional costs associated with the grading that will be necessary to accommodate new, modern retail development. Given the factors impacting the current economic environment, it is clear that without the assistance provided through TIF, the Area is not likely to experience growth and development through investment by private enterprise.

COMPLIANCE WITH THE COMPREHENSIVE PLAN

The TIF Act requires a redevelopment plan to comply with a comprehensive plan for the area in question. A small portion of the Area (approximately 4 acres of it) lies in unincorporated Phelps County. The County has no comprehensive plan. As nearly all of the Area is within the City, the relevant comprehensive plan to review for compliance is that of the City's.

The City of Rolla 2020 Comprehensive Plan (the "Comprehensive Plan") adopted January 17, 2006, and amended in 2009 to include the Rolla West Master Plan (which addresses portions of western Rolla including the Redevelopment Area) designates commercial land uses for the Area.

The Future Land Use Map designates Commercial/Residential/Mixed-Use for the Redevelopment Area. This land use designation, as it is used in the Comprehensive Plan indicates land targeted for larger-scale retail, commercial service and office development.

The Rolla West Master Plan puts a finer point on the Future Land Use classifications included in the Comprehensive Plan. The land use map developed pursuant to the Rolla West Master Plan planning process indicates zones for general retail development and zones for "big-box" retail development specifically.

This Redevelopment Plan encourages growth and the strengthening of the County's business climate by responding to economic opportunities for the County. The Redevelopment Project described in this Plan aids the County in diversifying its retail base and creating retail land uses in an area targeted for commercial retail land use. This Plan complies with the Comprehensive Plan and the Rolla West Master Plan.

SUMMARY OF THE REDEVELOPMENT PROJECT

The Redevelopment Project is intended to alleviate those conditions that qualify the Area as a “Blighted Area” and to facilitate the economic revitalization of the Area. This Redevelopment Plan envisions a Redevelopment Project that includes the demolition and removal of all existing buildings and site improvements within the Area and the construction of new retail and commercial buildings and related site improvements. The entire Redevelopment Project may consist of approximately 550,000 square feet of commercial or retail gross floor or building area. It should be noted that for the purposes of this Redevelopment Plan, the gross square footage is only an approximation based on a preliminary site plan. It is not the intention of this Redevelopment Plan to establish a minimum or maximum number of buildings or total square footage of buildings. Such details will be driven by the needs of the identified users and will be controlled by the standards set forth in the various sections of the City’s Municipal Code governing development of property for commercial uses.

SECTION 3

ANALYSIS OF BLIGHTED AREA FACTORS

INTRODUCTION

This Section documents the conditions that were found to be present in the Area and contains the analysis of how such conditions cause the Area to be a “Blighted Area” according to Section 99.805 of the TIF Act. The TIF Act defines a “Blighted Area” as follows:

“Blighted area”, an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of such conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; (R.S. MO 99.805(1))

As such, blight conditions may be physical, such as “unsanitary or unsafe conditions,” “deterioration of site improvements” or “the existence of conditions which endanger life or property by fire and other causes,” or functional, such as “defective or inadequate street layout” or “improper subdivision or obsolete platting.”

This analysis is based upon on-site investigations of the Area conducted by PGAV Planners staff first on June 27, 2014 and second on November 19, 2015. At each visit, PGAV Planners’ staff observed the same conditions, and the conditions first observed on June 27, 2014 were observed to have either not changed or worsened in the intervening period between staff’s first visit and our November 19, 2015 reconnaissance. PGAV Planners staff relied upon its extensive experience, knowledge of the real estate market, and professional expertise in the preparation of the analysis. Photographs illustrating representative blighting conditions were taken during the site visit and are displayed in Attachment 4. This report will not reflect changes in conditions or events that have occurred subsequent to the date of the site visits or publication of this report.

EXISTING CONDITIONS

As indicated above, PGAV Planners staff conducted field investigations of observable conditions in the Area. During these field investigations, physical and functional conditions were observed.

DEFECTIVE OR INADEQUATE STREET LAYOUT

For a site to be served by a proper and adequate street layout it should be easily accessible from nearby streets. This street network should provide for vehicular access, public transit, pedestrians, bicyclists, service and delivery vehicles, as well as emergency vehicles and equipment. Proper planning for an intuitive flow of automobile traffic decreases the frequency and severity of accidents. In addition, a

proper internal street layout allows for pedestrians to move about safely. The design of effective and adequate street layouts must account for both the automobile and the pedestrian and decrease the conflict points between each.

Summary of Findings Regarding Defective and Inadequate Street Layout:

During the site visit, PGAV Planners staff both drove and walked the Area and surroundings to determine if the street layout was defective or inadequate. The following are the defective and inadequate conditions observed:

- The predominant characteristic of vehicular access to and through parcels within the Area is that of gravel, over-grown, narrow tracks that are difficult to find and difficult to navigate.
- The predominance of the Area lacks any road access.
- Due to the Area's topographic issues, the Area is not served by adequate or appropriate access.
- The construction of an adequate street layout is impeded by the topographic issues throughout the Area.

UNSANITARY AND UNSAFE CONDITIONS

Unsafe conditions are evidenced by a lack of proper public infrastructure adequate for ensuring the public's health and safety by properly addressing flooding or other infrastructure deficiencies and are contributed to by the deterioration of site improvements.

Summary of Findings Regarding Unsanitary and Unsafe Conditions:

- A vacant, old, dilapidated barn was observed within the Area. Vacant, old, dilapidated barns are an identified nuisance pursuant to Section 28-2 of the City's Code of Ordinances as such a structure menaces health, safety, peace or comfort, and may serve as a breeding ground for vermin.
- A portion of the Area is classified by the Federal Emergency Management Agency ("FEMA") as Flood Zone A. Such a designation indicates this portion of the Area to be a Special Flood Hazard Area ("SPHA"), as such an area is defined by FEMA, and is subject to inundation by one-percent annual chance flood events. Structures located within an SPHA have a 26% chance of flooding during the life of a standard 30-year mortgage. Federal floodplain management regulations and mandatory flood insurance purchase requirements apply within this portion of the Area.

DETERIORATION OF SITE IMPROVEMENTS

Deterioration may be evident in buildings with defects in the primary and secondary building components, where the defects cannot be cured in the course of normal maintenance. Primary building components include the foundation, exterior walls, floors, roofs, wiring, plumbing, etc. Secondary building components include the doors, windows, frames, fire escapes, gutters, downspouts, siding, fascia materials, etc. Deterioration may also be evident in buildings with sound primary and secondary components, due to such things as a lack of painting, loose or missing roof tiles, floor or ceiling plates, or holes and cracks over limited areas.

Summary of Findings Regarding Deterioration of Site Improvements:

- A dilapidated barn situated within the Area shows signs of significant deterioration as the structure appears to be rusted and missing large sections of its roof.
- The public storage facility located within the Area suffers from deterioration. Foundations and parking bollards are deteriorated.
- The parking surface at the public storage facility is significantly eroded, which is a direct result of a lack of proper stormwater infrastructure.

IMPROPER SUBDIVISION OR OBSOLETE PLATTING

Improper subdivision can consist of the platting of a lot or lots with irregular shapes which renders construction of appropriate land uses difficult or impossible or renders the lot or lots in violation of the City's subdivision code. Obsolete platting is where the shapes of lots or the arrangement or organization of lots is no longer suited for current, modern, land-use and development.

Improper subdivision and obsolete platting are found within the Area:

- Several parcels are not accessible from nearby roadways and are "landlocked." This situation indicates that, for orderly development to occur, the Area will need to be subdivided and replatted to accommodate the appropriate access, public right-of-way and utilities necessary for modern development.
- The public storage facility situated on parcel number 71-09-2.0-10-003-001-002.002 has ingress and egress that crosses an adjacent parcel that is owned by another entity. This situation has not been platted properly and requires reconfiguration to accommodate adequate ingress and egress for the public storage facility without infringing on adjacent property.

EXISTENCE OF CONDITIONS WHICH ENDANGER LIFE OR PROPERTY BY FIRE AND OTHER CAUSES

The existence of conditions which endanger life or property by fire and other causes includes such circumstances as structures in danger of collapse, the lack of modern life safety measures, physical deficiencies which could cause harm, the existence of hazardous conditions that could cause a fire or hinder the suppression of a fire, or potential flooding conditions which could threaten life or property.

Summary of Findings:

The aforescribed unsanitary and unsafe conditions within the Area give rise to conditions which endanger life or property by fire and other causes. The dilapidated barn appears to be unsafe and presents a hazard. The vacant barn, the special flood hazard area, the unattended public storage facilities with unlocked and opened lockers, the building deterioration, overgrowth of weeds, and the lack of adequate roadways to and within the Area represent conditions which endanger life or property by fire and other causes.

ECONOMIC LIABILITY

The Area, by reason of both a predominance of each of, as well as a combination of, defective and inadequate street layout, unsanitary and unsafe conditions, deterioration of site improvements, improper subdivision and obsolete platting constitutes an economic liability. The Area, in its present condition and use, is underutilized. The conditions described herein are a deterrent to future investment and development in the area. The Area does not generate a reasonable level of revenue for the County, given the Area's location. As such the Area does not generate the level of revenue for the County and the other taxing districts proportionate to the level of services provided by such taxing districts, compared to the revenue of similarly situated commercial properties. Commercial property improved for "big-box" retail uses similar to those contemplated in this Redevelopment Plan, not only produces significant amounts of sales tax revenue, but also produces significantly more ad valorem tax value. The Lowes Home Improvement Store, Walmart Supercenter, and Kohl's in the City of Rolla together average approximately \$2,000,000 in assessed value, or approximately \$140,000 per acre. The total assessed value for the Redevelopment Area is \$154,280, or approximately \$1,100 per acre. Comparatively, the Redevelopment Area produces only a fraction of the economic value to affected taxing jurisdictions that improved commercial property produces.

MENACE TO THE PUBLIC HEALTH, SAFETY, MORALS OR WELFARE

The Area, by reason of both a predominance of each of, as well as a combination of, defective and inadequate street layout, unsanitary and unsafe conditions, deterioration of site improvements, improper subdivision and obsolete platting constitutes a menace to the public health, safety, morals or welfare. The defective and inadequate street layout and the unsafe conditions detailed herein with respect to the roads impair safe vehicular traffic and access for emergency vehicles, constituting a menace to the public safety and welfare. The general deteriorated conditions and unsanitary conditions in the Area constitute a menace to public health and safety. As a result, the Area is a menace to public health, safety, morals and welfare in its current condition and use.

SUMMARY

The Area, on the whole, is a "Blighted Area," as such term is defined in the TIF Act. The Area meets the requirements for a Blighted Area, exhibiting factors including, but not limited to:

- Deterioration of Site Improvements;
- Unsanitary and Unsafe Conditions;
- Defective or Inadequate Street Layout;
- Improper Subdivision or Obsolete Platting; and
- Existence of Conditions Which Endanger Life or Property by Fire and Other Causes.

Table 1 – Parcel-by-Parcel Blight Analysis Summary, on the following page, illustrates the blight factors observed in the Area per each parcel observed to be affected by each factor. This information is illustrated on Plate 4 – Blight Factors, included in the Appendix.

Table 1
Parcel-by-Parcel Blight Analysis Summary
Rolla West Side Redevelopment Plan
Phelps County, MO

Parcel	Defective or Inadequate Street Layout	Unsanitary or Unsafe Conditions	Deterioration of Site Improvements	Improper Subdivision or Obsolete Platting	Existence of Conditions which Endanger Life or Property	Area (Sq.Ft.)
71-09-2.0-10-003-003-004.000						186,872
71-09-2.0-10-002-001-034.000	•	•	•		•	3,251,318
71-09-2.0-10-003-001-002.002		•	•	•	•	240,887
71-09-2.0-10-003-001-002.001	•					47,916
71-09-2.0-10-001-004-002.000	•			•		221,285
71-09-2.0-10-002-001-010.000 ¹						177,289
71-09-2.0-10-001-004-001.000	•					2,112,660
Subtotal	4	2	2	3	2	6,238,228
						Total Parcels Exhibiting One or More Factors
Percentage of Parcels Exhibiting Factor	57%	29%	29%	43%	29%	71%
						Total Area Exhibiting One or More Factors
Percentage of Area Exhibiting Factor	90%	56%	56%	8%	56%	94%

¹ Only a portion (27%) of the total area of this parcel is included in the Redevelopment Area.

As Table 1, above, shows, 71% of the parcels and 94% of the total Area (including right-of-way) is affected by one or more blighting factors, which indicates that the Area is a portion of the County which by reason of the predominance of: defective or inadequate street layout; unsanitary or unsafe conditions; deterioration of site improvements; improper subdivision or obsolete platting; or the existence of such conditions which endanger life or property by fire and other causes, or any combination of such factors, constitutes an economic liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

SECTION 4

REDEVELOPMENT PLAN PROGRAM OBJECTIVES

This Redevelopment Plan sets forth below the general description of the program that the County proposes to undertake to accomplish the objectives for the Area:

The County's primary objectives for this Redevelopment Plan are:

1. To facilitate redevelopment of the Area;
2. To achieve the community's vision for the Area as outlined in the Comprehensive Plan and the Rolla West Master Plan;
3. To cure the economic underutilization of the Area;
4. To alleviate those conditions that cause the Area to be a "Blighted Area;" and
5. To encourage a consumer-friendly commercial environment that encourages activity within the Area and promotes the economic health and independence of the County and other taxing districts.

The following objectives also form the basis for the Redevelopment Plan:

- To install, upgrade and/or refurbish utilities and other infrastructure facilities serving the Area;
- To enhance the tax base by inducing development of the Area to its highest and best use, to the benefit of taxing districts, and to encourage private investment in surrounding areas;
- To promote health, safety, order, convenience, prosperity, and the general welfare, as well as efficiency of economy in the process of development;
- To increase property values in the Area;
- To stimulate employment opportunities and increased demand for services in the Area; and
- To provide an implementation mechanism which will accelerate the achievement of these objectives and complement other community and economic development objectives and programs.

REDEVELOPMENT PROJECT

This Redevelopment Plan envisions a project (the "Redevelopment Project") consisting of a unified commercial development including, but not limited to, retail, restaurant, and service commercial uses. The Redevelopment Project entails the construction of new buildings and site improvements within the Area. The Redevelopment Project program proposes:

- The demolition and removal of existing site improvements and utilities;
- Grading, filling, and preparation of the site;
- The construction of various commercial buildings; and
- The construction of appropriate utilities, parking lots, ingress and egress, and landscaping.

It should be noted that building sizes, site placement, the nature and type of tenants or end users, or other details of the Redevelopment Project as generally described above may be subject to modification as the Developer continues negotiations with tenants or end users, and as site and building designs are completed. However, it is the intent of this Redevelopment Plan that the Redevelopment Project will consist of commercial development that includes one or more major retailers. The entire development is estimated to consist of approximately 550,000 square feet of gross retail floor area.

GENERAL LAND USES TO APPLY

The land uses to apply to the Area are identified on Plate 5 – General Land Use Plan in Attachment One in the Appendix. This Plan is consistent with the objectives of the Comprehensive Plan and the Rolla West Master Plan, each of which identify commercial uses for the Area.

ESTIMATED REDEVELOPMENT PROJECT COSTS

Estimated Redevelopment Project Costs for the Redevelopment Area include the cost of all of the following:

- The cost of removing existing improvements and grading;
- The cost of required infrastructure improvements, such as street improvements, curb and sidewalk improvements, storm and sanitary improvements, and upgrading utilities;
- The acquisition of land necessary for redevelopment;
- Building construction, demolition, and rehabilitation of various types which could occur;
- The miscellaneous costs associated with development, such as loan fees, construction loan interest, permit and inspection fees, appraisals, title insurance, surveying, soils engineering and compaction, architect/engineer fees, environmental testing, etc.;
- All costs reasonably incurred by the County in furtherance of the issuance of bonds or other obligations including, but not limited to, the County's attorneys fees and expenses (including County Attorney, special TIF counsel, bond counsel, and disclosure counsel), the County's administrative fees and expenses (including Planning Consultants and financial advisors), underwriters' discounts and fees, trustee fees, the costs of printing any obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any obligations, all accrued and anticipated interest on the obligations (the foregoing collectively referred to henceforth as "Financing Costs");
- Any other planning, legal, and financial advisory costs associated with the preparation of this Plan and implementation of the Redevelopment Project, which have been and will be incurred in the future; and,
- The sum total of all other reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to the Redevelopment Project.

The TIF Act allows the County and/or any entity designated by the County to incur redevelopment costs associated with implementation of an approved Redevelopment Plan and approved Redevelopment

Project. These costs include all reasonable or necessary costs directly incurred, and any costs incidental to a Redevelopment Project, as further defined in the TIF Act as follows:

“Redevelopment project costs” include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

- (a) Costs of studies, surveys, plans, and specifications;
- (b) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services. Except the reasonable costs incurred by the commission established in section 99.820 for the administration of sections 99.800 to 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the costs of a redevelopment plan or project;
- (c) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
- (d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
- (e) Initial costs for an economic development area;
- (f) Costs of construction of public works or improvements;
- (g) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto;
- (h) All or a portion of a taxing district’s capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
- (i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law; and
- (j) Payments in lieu of taxes.

Table 2 – Estimated Redevelopment Project Costs identifies the overall estimated costs of implementing the Redevelopment Project, as described above.

TABLE 2
ESTIMATED REDEVELOPMENT PROJECT COSTS
 Westside Marketplace Redevelopment Project
 Phelps County, Missouri

Redevelopment Project Cost Items	
Building Construction	
Site Improvement Work	\$ 20,000,000
New Construction	\$ 53,500,000
Land Acquisition & Relocation	
Acquisition	\$ 5,200,000
Professional Fees and Development Overhead	
Professional Services	\$ 3,800,000
Financing Costs	\$ 2,500,000
Other Overhead and Fees	\$ 7,500,000
Total Project Costs	\$ 92,500,000

Source: Developer

ANTICIPATED SOURCES OF FUNDS TO PAY COSTS

It is anticipated that three principal sources of funds will be used to pay the costs related to the implementation of this Redevelopment Plan and Redevelopment Project as described herein.

These sources are:

- Funds available through TIF revenues or the issuance of tax increment financing bonds, short and long-term notes, loans, or other obligations (herein collectively referred to as “TIF Bonds or other financial obligations”);
- Funds available through a Transportation Development District;
- Capital or equity that is available to the Developer through cash reserves, financing sources, and investment partners; and
- Tenant investment.

This Plan provides for certain costs to be paid with TIF revenues or through the issuance of TIF Bonds or other financial obligations (issued by the County and/or another issuer acceptable to the County) to finance all or a portion of the site improvement work, new construction, professional fees and overhead, and other Redevelopment Project costs as listed in **Table 3 – Anticipated Redevelopment Project Costs and Financing Sources**, below.

TABLE 3
 ANTICIPATED REDEVELOPMENT PROJECT COSTS
 AND FINANCING SOURCES

Westside Marketplace Redevelopment Project
 Phelps County, Missouri

Redevelopment Project Financing Sources	
Redevelopment Project Costs to be Reimbursed from Tax Increment Financing	\$ 30,000,000
Redevelopment Project Costs to be paid from Transportation Development District revenues	\$ 14,800,000
Total Redevelopment Plan & Project Implementation Costs to be Privately Financed	\$ 47,700,000
Total Redevelopment Project Costs	\$ 92,500,000

Source: Developer

Once the Project is completed and is generating tax revenue, the County may issue TIF Bonds or other financial obligations that would be sold to the public or privately placed. It is not the intent of this Plan to restrict the County or Developer to the use of TIF Bonds or other financial obligations to finance only those cost amounts or cost items as specifically enumerated in Table 2, except as limited above. However, such cost amounts and cost items shall be restricted as specified in Section 99.805(15) of the TIF Act.

The cost items to be paid for by TIF revenues or to be financed by TIF Bonds or other financial obligations may vary from those outlined in Table 2. However, the total of such costs reimbursed to the Developer from TIF shall not exceed \$30 million, provided, however that if the County elects to finance or refinance with TIF Bonds or other financial obligations, the principal amount of the TIF Bonds or other financial obligations may exceed \$30 million to the extent required to establish a reserve fund, to pay costs of issuance, to pay capitalized and accrued interest, and to pay other eligible Financing Costs.

The primary sources of revenue to retire TIF Bonds or other financial obligations will be those provided for in the Act. As stated in the Act, these sources are:

“...those estimated revenues from real property in the area selected for a redevelopment project, which revenues according to the redevelopment project or plan are to be used for a private use, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after the time of the adoption of tax increment allocation financing during the time the current equalized value of real property in the area selected for the redevelopment project exceeds the total initial equalized value of real property in such area until the designation is terminated pursuant to subsection 2 of section 99.850.” (R.S. MO 99.805(11))

The Redevelopment Project is anticipated to generate incremental ad valorem property tax revenue (“PILOTs”) resulting from increased EAV following redevelopment of the Area. Fifty percent (50%) of the PILOTs will be declared “surplus” funds as such concept is defined in Section 99.820 of the TIF Act and annually distributed to each affected taxing district on a basis that is proportional to the current collections of revenue which each taxing district receives from real property within the Redevelopment Area.

The second source of revenue is generated by incremental economic activity taxes (“EATs”):

“... the total additional revenue from taxes which are imposed by a municipality and other taxing districts, and which are generated by economic activities within a redevelopment area over the amount of such taxes generated by economic activities within such redevelopment area in the calendar year prior to the adoption of the ordinance designating such a redevelopment area, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment projects or redevelopment plans approved after December 23, 1997, if a retail establishment relocates within one year from one facility to another facility within the same county and the governing body of the municipality finds that the relocation is a direct beneficiary of tax increment financing, then for purposes of this definition, the economic activity taxes generated by the retail establishment shall equal the total additional revenues from economic activity taxes which are imposed by a municipality or other taxing district over the amount of economic activity taxes generated by the retail establishment in the calendar year prior to its relocation to the redevelopment area.” *(R.S. MO 99.805(4))*

This source is anticipated to generate incremental revenue from sales and utility taxes levied by the County and other local taxing jurisdictions following redevelopment of the Area.

The County may elect, but is not obligated, to use other sources of revenue to finance these costs; or alternatively, the County may make advances from funds available. These advances would be reimbursed, with interest, as and when there are sufficient monies in the Special Allocation Fund. TIF Bonds or other financial obligations issued for the Project may be marketed through a program developed by the County’s financial advisor or a bond underwriter, or they may be privately placed.

ANTICIPATED TYPE AND TERM OF THE SOURCES OF FUNDS AND THE TYPES AND TERMS OF THE OBLIGATIONS TO BE ISSUED

It is projected that TIF Bonds or other financial obligations will retire within 21 years of the opening of the major retailer, but in no event shall the TIF Bonds or other financial obligations have a term of greater than 23 years from the date of the County’s adoption of the ordinance approving the Redevelopment Project as required by the TIF Act. The TIF Bonds or other financial obligations will be issued only to finance eligible costs as specified in Section 99.805(15) of the TIF Act, including the funding of a debt service reserve fund, capitalized and accrued interest, and any costs of issuing the TIF Bonds or other

financial obligations. It is the County’s intent to pay for the principal and interest on these TIF Bonds or other financial obligations solely with money legally available for such purpose within the County’s Special Allocation Fund. No general revenues of the City or County will be used to reimburse eligible Project costs or to repay any TIF Bonds or other financial obligations. The Developer will use other public and private financing sources (including assistance provided by a transportation development district), in addition to the TIF Bonds or other financial obligations, to finance the Redevelopment Project and the terms of that financing will be governed by legal requirements and the financial markets.

As required by the Act, this Plan contains estimated Redevelopment Project Costs, the anticipated sources of funds to pay for Redevelopment Project Costs, the anticipated type and term of the sources of funds to pay Redevelopment Project Costs, and the general land uses that apply to the Redevelopment Area. This Plan will be implemented through an agreement between the County and the Developer. This agreement shall contain provisions that are in greater detail than as set forth in this Plan and that expand upon the anticipated sources and uses of funds to implement this Plan. Nothing in any agreement shall be deemed an amendment of this Plan.

EVIDENCE OF THE COMMITMENT TO FINANCE PROJECT COSTS AND DEVELOPER’S AFFIDAVIT

Attachment Three in the Appendix contains a letter provided by the Developer regarding a commitment to finance project costs.

EQUALIZED ASSESSED VALUATION

In accordance with the TIF Act, the most recent equalized assessed valuation (“EAV”) and an estimate of the EAV after redevelopment must be compiled for the Area and shown in this Plan. This data is provided in **Table 4 – Estimated Equalized Assessed Valuation (EAV) Before and After Development**. Table 4 shows the estimate of the EAV after redevelopment pursuant to the Redevelopment Project as previously described.

TABLE 4
ESTIMATED EQUALIZED ASSESSED VALUATION (EAV)
BEFORE AND AFTER REDEVELOPMENT
 Rolla West Side Redevelopment Project
 Phelps County, Missouri

Assessment Item	EAV (\$)
Total Estimated EAV After Redevelopment	\$ 9,436,530
Most Recent EAV Amount	\$ 130,658
Total Estimated Incremental Value	\$ 9,305,872

The “Most Recent EAV Amount” for the Area was obtained by PGAV Planners from the Phelps County Collector’s 2015 tax bills for each property in the Area. The “Most Recent EAV Amount” represents the

total value, for each taxable parcel of land located within the Area, on which property taxes are currently paid. Each affected taxing district which levies an ad valorem property tax within the Area will continue to receive tax payments based on the “Most Recent EAV Amount” as described in detail in the Cost/Benefit Analysis submitted along with this document.

The “Total Estimated EAV After Redevelopment” represents an estimate of the Phelps County Assessor’s future assessment of the Project once complete for taxation purposes.

The “Total Estimated Incremental Value” represents the estimated new taxable value over and above the “Most Recent EAV Amount.” The incremental property taxes or PILOTs will be paid based on the actual incremental value.

ESTIMATED DATES FOR COMPLETION OF THE REDEVELOPMENT PROJECT & RETIREMENT OF OBLIGATIONS

The TIF Act requires each redevelopment project to be adopted within 10 years after the approval of the Redevelopment Plan. The complete implementation of this Redevelopment Plan and the retirement of all obligations incurred to finance Redevelopment Project Costs is estimated to occur no later than 23 years from the date of anticipated adoption of the ordinance approving the Redevelopment Project, as required by the TIF Act (estimated to be 2039).

RELOCATION PLAN AND ASSISTANCE

Section 99.810.1(4) of the TIF Act requires that a relocation plan be developed for the assistance of every resident and/or business which is displaced in conjunction with the implementation of the Redevelopment Plan and any Redevelopment Project. A copy of the relocation assistance plan for businesses and residences is provided as Attachment Five.

SECTION 5 FINDINGS

Section 99.810 of the TIF Act requires that the County make various findings before the adoption of this Redevelopment Plan. The foregoing sections of this report provide supporting data for the findings.

A BLIGHTED AREA; BUT FOR

The Redevelopment Area on the whole is a blighted area and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. As documented in Section 3 of this Plan, the Area meets the requirements for designation as a “Blighted Area.” Documentation and analysis of the “but for” requirement is contained in Section 2 of this Plan.

CONFORMANCE WITH THE COMPREHENSIVE PLAN

The TIF Act requires a redevelopment plan to comply with a comprehensive plan for the area in question. A small portion of the Area (approximately 4 acres of it) lies in unincorporated Phelps County. The County has no comprehensive plan. As nearly all of the Area is within the City, the relevant comprehensive plan to review for compliance is that of the City’s.

The City of Rolla 2020 Comprehensive Plan (the “Comprehensive Plan”) adopted January 17, 2006, and amended in 2009 to include the Rolla West Master Plan (which addresses portions of western Rolla including the Redevelopment Area) designates commercial land uses for the Area.

This Redevelopment Plan encourages growth and the strengthening of the County’s business climate by responding to economic opportunities for the County. The Redevelopment Project described in this Plan aids the County in diversifying its retail base and creating retail land uses in an area targeted for commercial retail land use. This Plan complies with the Comprehensive Plan and the Rolla West Master Plan.

ESTIMATED DATES OF COMPLETION

The estimated date for completion of the Project and retirement of obligations to finance said Project does not exceed a period of more than 23 years from the date of anticipated adoption of the Order that will approve the Redevelopment Project. The Order approving the Redevelopment Project will be adopted within 10 years from the date of adoption of the Order approving this Plan.

RELOCATION ASSISTANCE

A copy of the relocation assistance plan is provided in Attachment 5 which applies to redevelopment projects pursued under the TIF Act.

Thus, this Plan complies with Section 99.810(4) of the TIF Act which requires that a relocation plan be developed for the assistance of businesses and residences.

COST-BENEFIT ANALYSIS

A cost-benefit analysis showing the economic impact of the Plan on each taxing district which is at least partially within the boundaries of the Area has been prepared. The analysis shows the impact on the economy if the project is not built, and is built pursuant to the Plan under consideration. The cost-benefit analysis includes a fiscal impact study on every affected political subdivision, as well as sufficient information for the TIF Commission to evaluate whether the Redevelopment Project as proposed is financially feasible.

GAMBLING ESTABLISHMENTS

This Plan does not include the initial development or redevelopment of any gambling establishment.

ATTACHMENT 1

SUPPORTING MAPS & EXHIBIT P-1

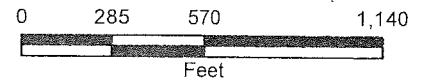
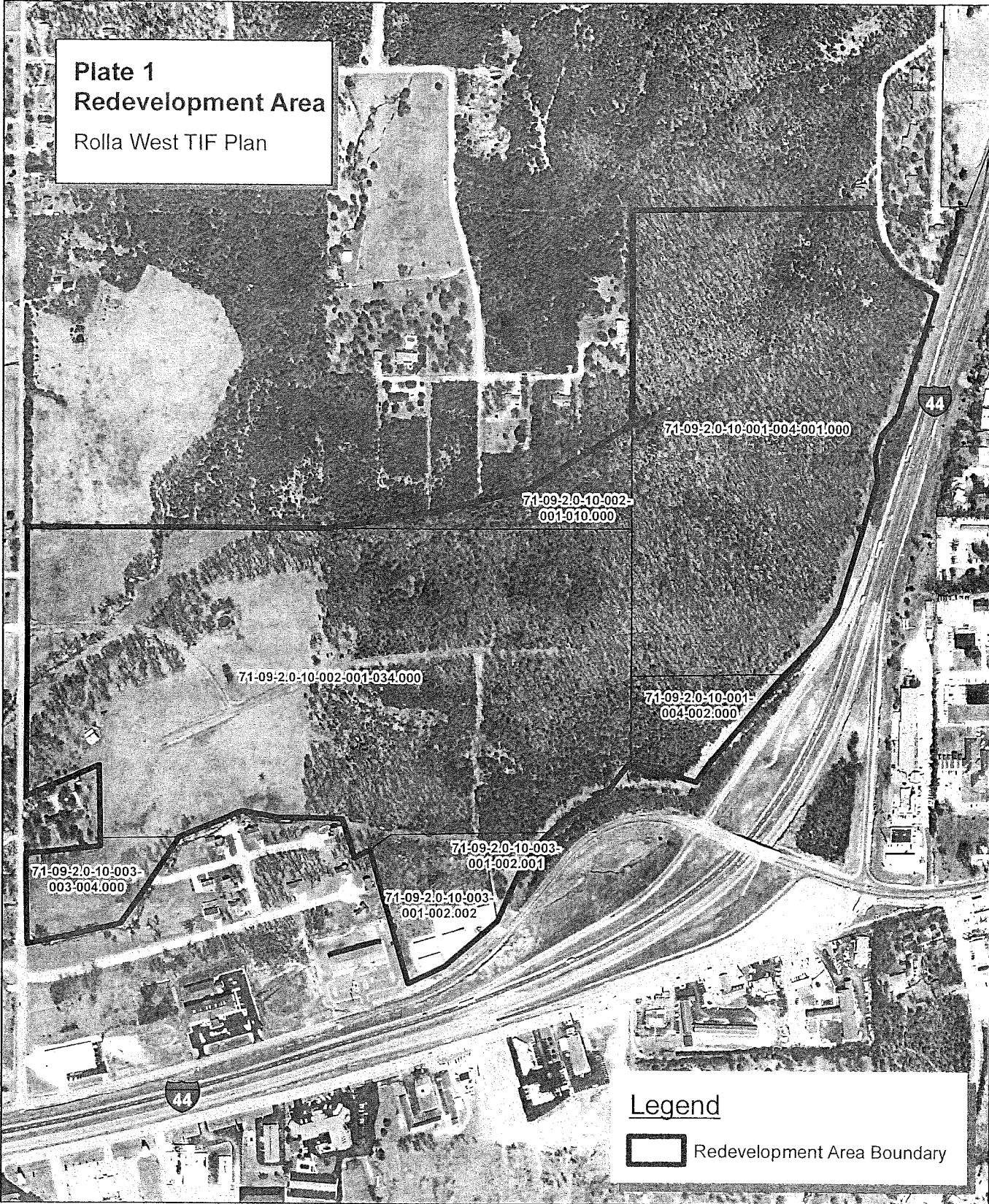
Exhibit P-1
Area Parcel Information
 Westside Marketplace Redevelopment Project
 Phelps County, Missouri

Parcel ID#	Owner Name	Assessed Value			2015 Total Assesed Valuation ¹
		Residential	Commercial	Agricultural	
71-09-2.0-10-003-003-004.000	WOESSNER, MICHAEL E TRUST WOESSNER, LINDA C TRUST	\$ 90			\$ 90
71-09-2.0-10-002-001-034.000	WOESSNER, MICHAEL E TRUST WOESSNER, LINDA C TRUST	\$ 1,520			\$ 1,520
71-09-2.0-10-003-001-002.002	MID-AMERICA SELF STORAGE		\$ 126,250	\$ 40	\$ 126,290
71-09-2.0-10-003-001-002.001	WOESSNER, MICHAEL E TRUST WOESSNER, LINDA C TRUST	\$ 2,130			\$ 2,130
71-09-2.0-10-002-001-010.000	FARASELL INC ²			\$ 38	\$ 38
71-09-2.0-10-001-004-002.000	WOESSNER, MICHAEL E TRUST WOESSNER, LINDA C TRUST	\$ 120			\$ 120
71-09-2.0-10-001-004-001.000	MUNSON, ELIZABETH ANN TRUST & ETAL	\$ 470			\$ 470
Total Base EAV					\$ 130,658

¹ Source: Phelps County Assessor.

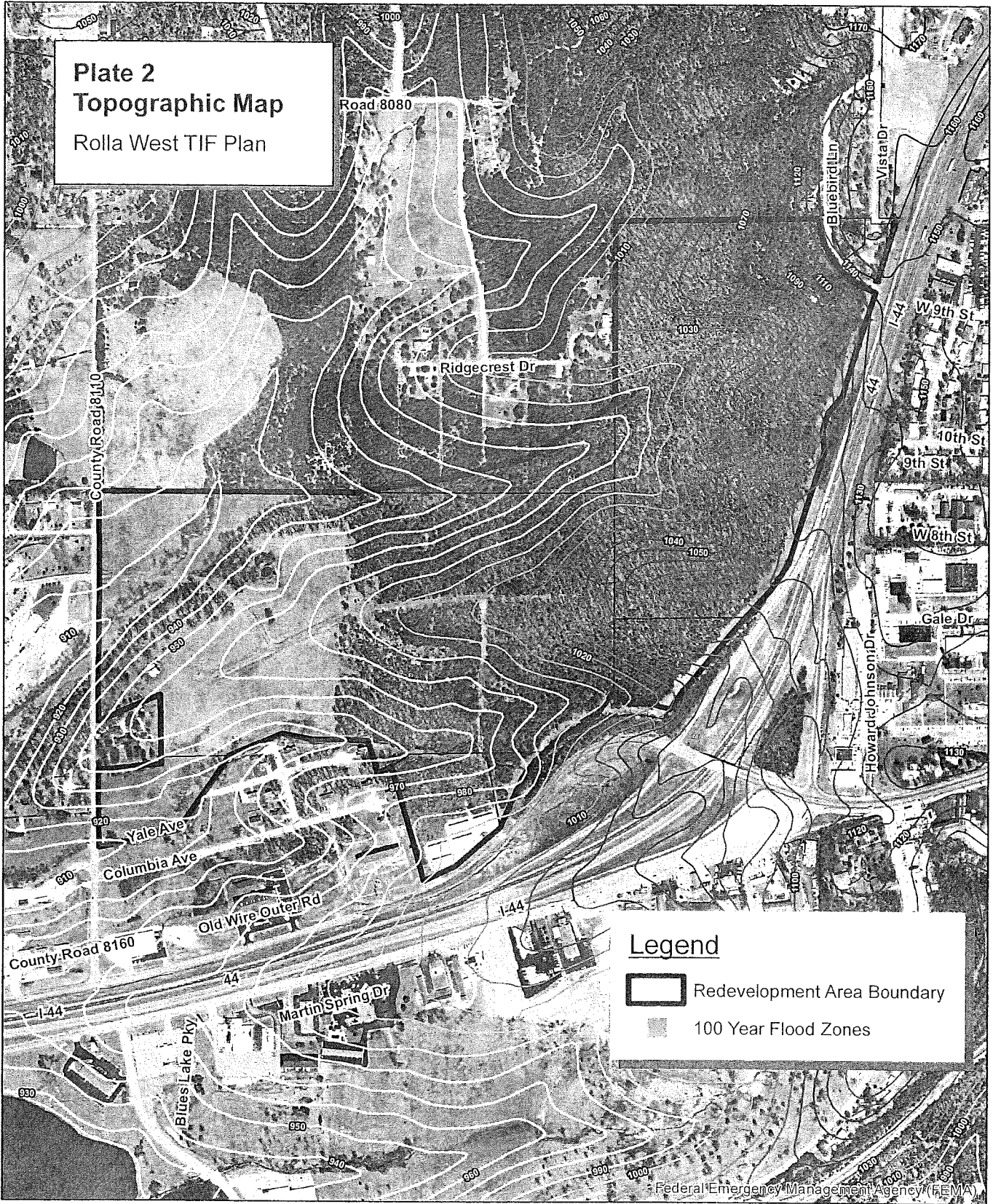
² Only a portion (27%) of this property is included within the Redevelopment Area. For this reason, a proportional amount of the property's assessed value equal to the proportion of the total area of the portion of the parcel that lies within the Redevelopment Area is included in the estimated base assessed valuation.

Plate 1
Redevelopment Area
Rolla West TIF Plan





December 2015

Plate 2
Topographic Map
 Rolla West TIF Plan



Legend

-  Redevelopment Area Boundary
-  100 Year Flood Zones

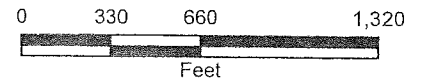
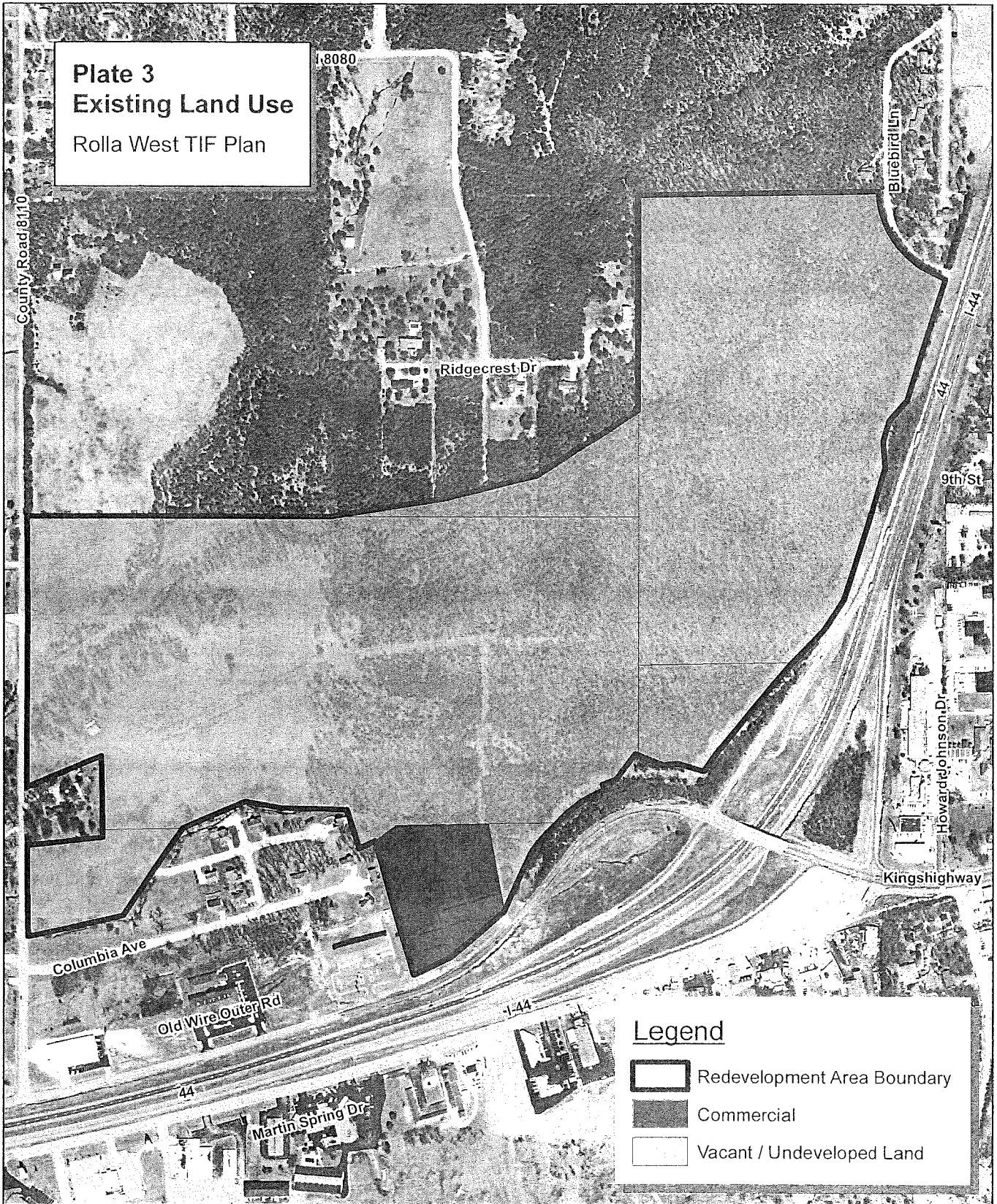





Plate 3
Existing Land Use
Rolla West TIF Plan



Legend

-  Redevelopment Area Boundary
-  Commercial
-  Vacant / Undeveloped Land

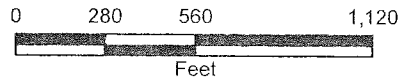
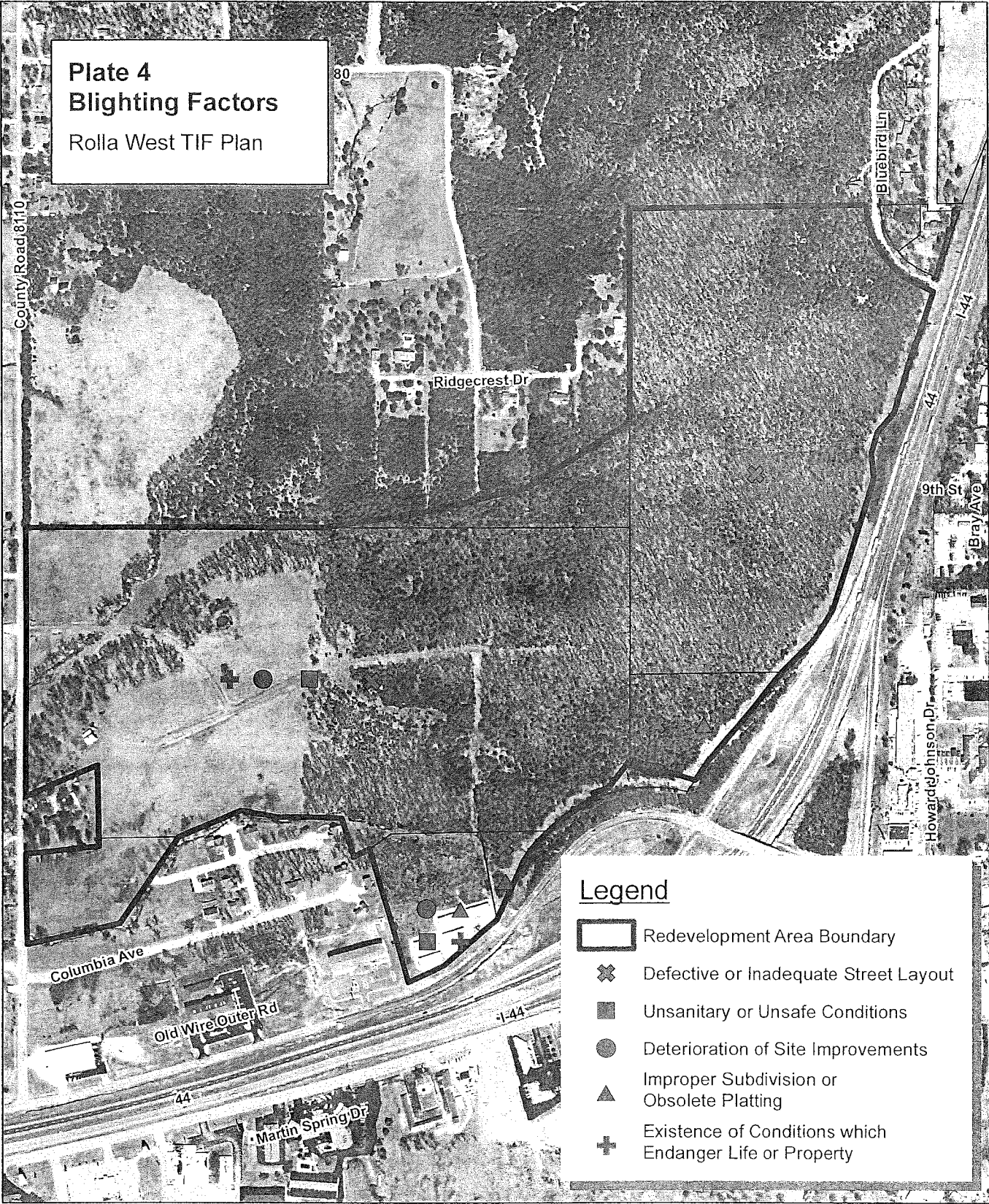








Plate 4
Blighting Factors
 Rolla West TIF Plan



Legend

-  Redevelopment Area Boundary
-  Defective or Inadequate Street Layout
-  Unsanitary or Unsafe Conditions
-  Deterioration of Site Improvements
-  Improper Subdivision or Obsolete Platting
-  Existence of Conditions which Endanger Life or Property

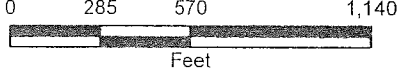


Plate 5
General Land Use Plan
Rolla West TIF Plan



Legend

-  Redevelopment Area Boundary
-  Commercial

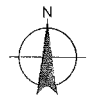
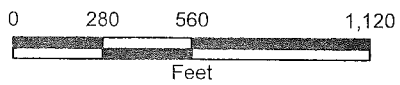
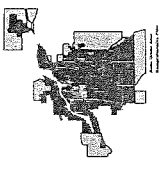


PLATE 6 – COMPREHENSIVE PLAN FUTURE LAND USE MAP

FUTURE LAND USE



Residential

- Low Density Residential
- Low/Medium Density Residential
- Medium/High Density Residential
- Rural Residential

Commercial

- Commercial/Res Mixed Use
- Community Commercial
- Neighborhood Commercial
- Center City
- Future Commercial Activity Center

Industrial/Office

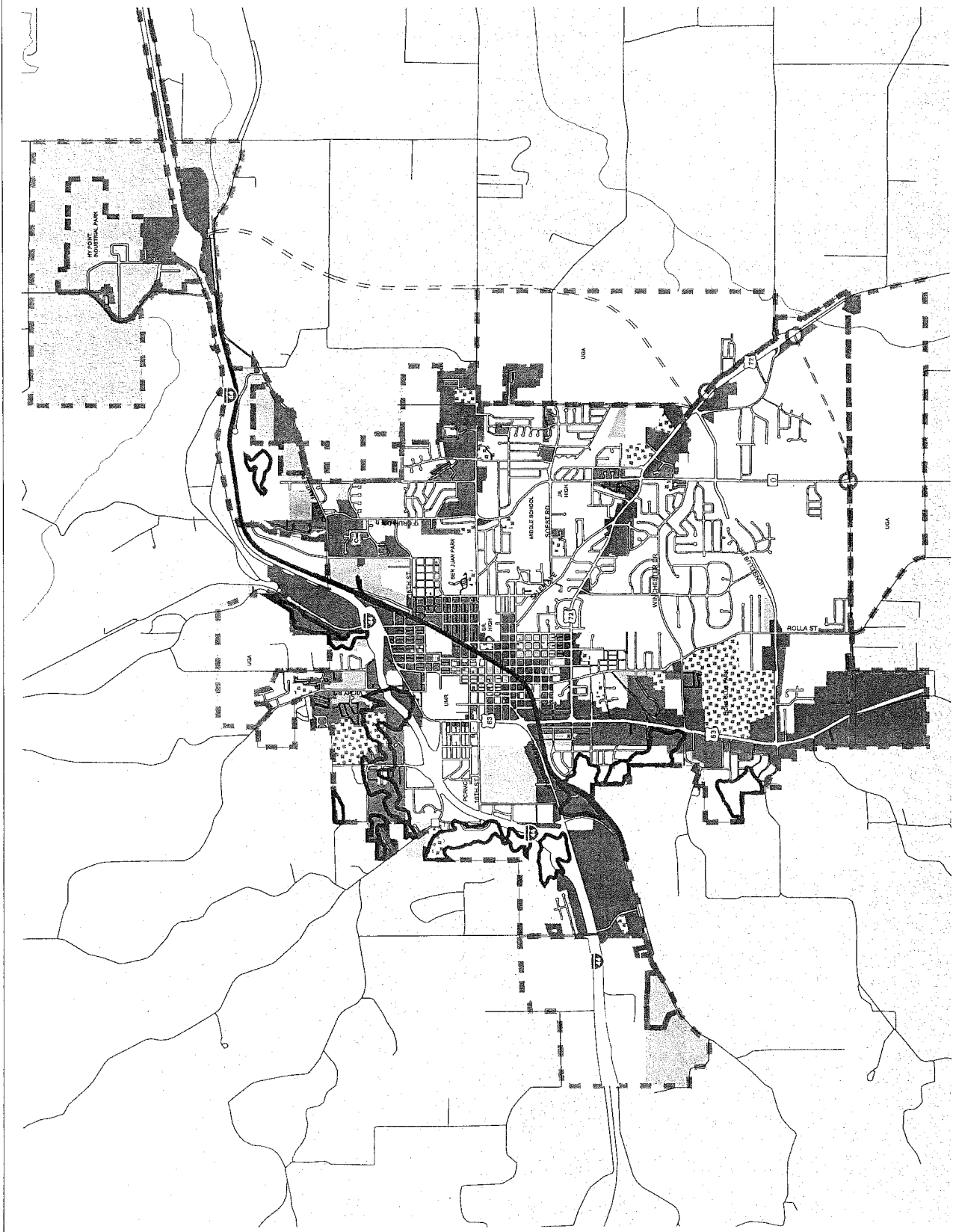
- Industrial
- Office/Research Park

Public/Institutional

- Public/Institutional
- Semi-Public/Church
- Parks & Open Space

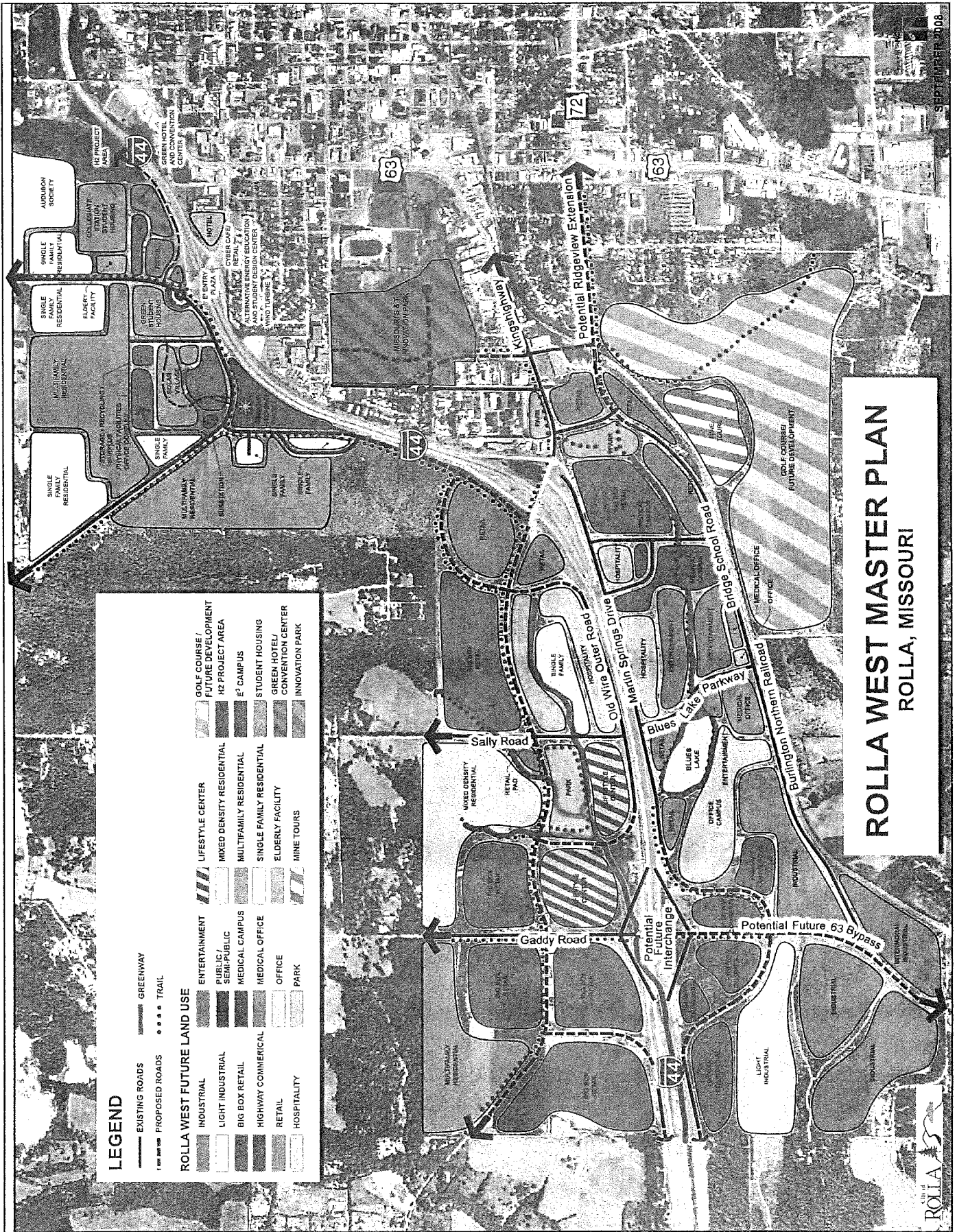
- 35% Slope
- City Limits
- Urban Growth Area
- Future Roadway

This map was developed by the Community Development Department and prepared by the Department of Public Works, GIS Mapping Division. Map revision date: September 28, 2005.



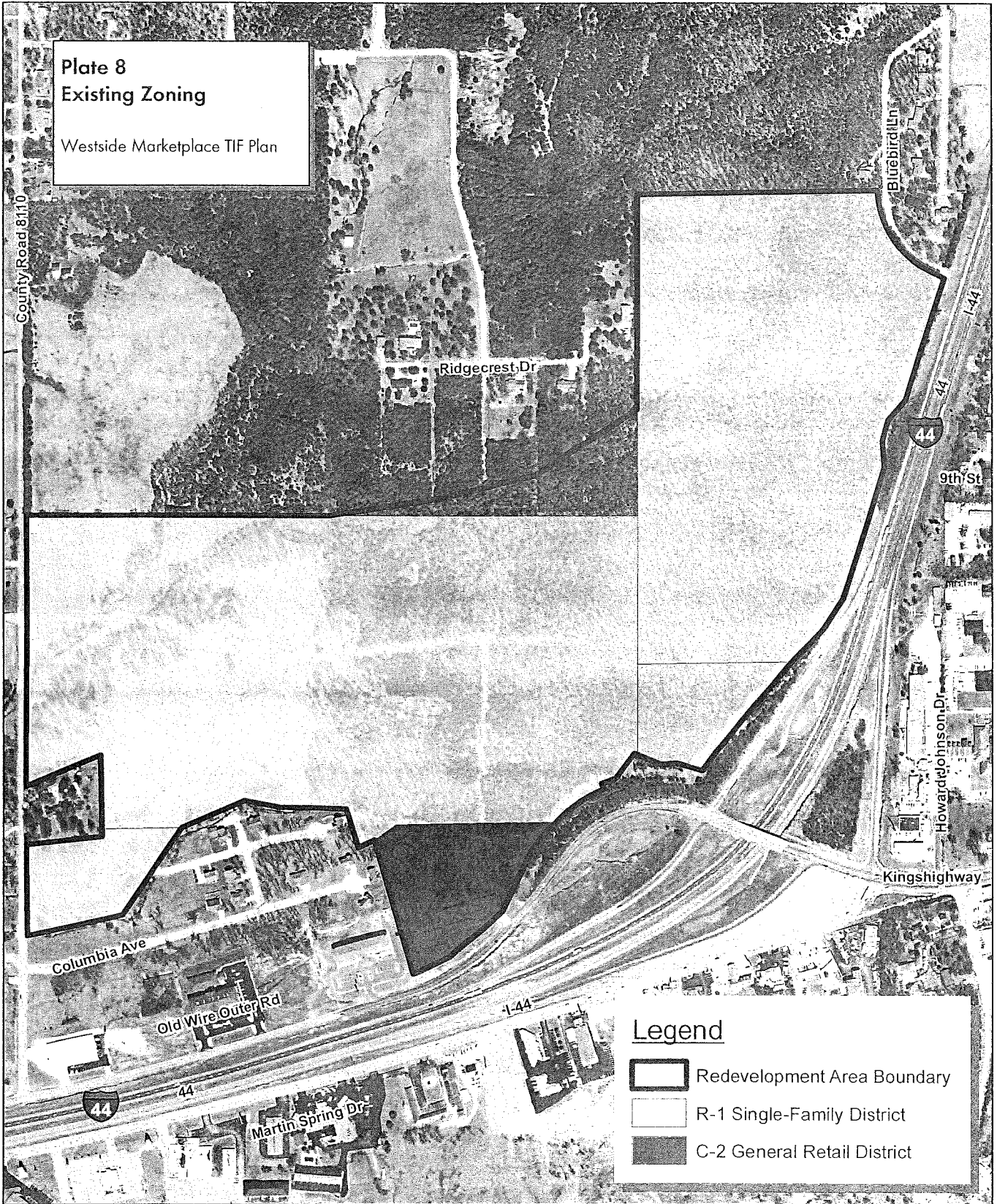
**PLATE 7 – ROLLA WEST MASTER PLAN
FUTURE LAND USE MAP**

Exhibit 6B: Rolla West Master Plan






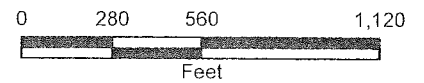
**Plate 8
Existing Zoning**

Westside Marketplace TIF Plan



Legend

-  Redevelopment Area Boundary
-  R-1 Single-Family District
-  C-2 General Retail District



ATTACHMENT 2

BOUNDARY DESCRIPTION

BOUNDARY DESCRIPTION

WESTSIDE MARKETPLACE REDEVELOPMENT AREA

The Westside Marketplace TIF Redevelopment Area includes the areas described below.

BEGINNING at the point at which the southern right-of-way line of Bluebird Lane intersects with the northern right-of-way of Interstate 44, traveling then along the southern right-of-way line of Bluebird Lane to the point at which it intersects with the northern boundary line of parcel number 71-09-2.0-10-001-004-001.000. Continuing then along the northern boundary line of the aforesaid parcel, continuing then along the western boundary line of the aforesaid parcel to the northern boundary of parcel number 71-09-2.0-10-002-001-034.000. Continuing then along the northern boundary line of the aforesaid parcel to its terminus at the eastern right-of-way line of County Road 8110 (a.k.a. Sally Road) and continuing then south along the aforesaid right-of-way to the northern boundary line of parcel number 71-09-2.0-10-002-001-034.001, continuing then along the eastern right-of-way line of the aforesaid parcel, and then continuing along the southern boundary line of the aforesaid parcel to its terminus at the eastern right-of-way line of County Road 8110, continuing then south along said right-of-way line to a point at which the right-of-way line intersects with the southwestern corner of parcel number 71-09-2.0-10-003-003-004.000. Continuing then east along the southern boundary line of the aforesaid parcel to the parcel's northeastern corner at which point the southern parcel boundary line meets the southern boundary line of parcel number 71-09-2.0-10-002-001-034.000; continuing then along the southern boundary line of the aforesaid parcel as it runs to a point at which this boundary line meets the eastern boundary line of parcel number 71-09-2.0-10-003-001-002.002. Continuing then along the eastern boundary line of the aforesaid parcel to a point of intersection with the northern right-of-way line of Interstate 44 and continuing east along this right-of-way line to the point of BEGINNING.

The Westside Marketplace TIF Redevelopment Area includes parcels 71-09-2.0-10-003-003-004.000, 71-09-2.0-10-002-001-034.000, 71-09-2.0-10-003-001-002.002, 71-09-2.0-10-003-001-002.001, 71-09-2.0-10-001-004-002.000, 71-09-2.0-10-001-004-001.000, and a portion of parcel 71-09-2.0-10-002-001-010.000 which is described as follows:

That portion of parcel 71-09-2.0-10-002-001-010.000 BEGINNING at the point at which the northern boundary line of parcel 71-09-2.0-10-002-001-034.000 meets the eastern boundary line of parcel 71-09-2.0-10-001-004-001.000 and continuing 420.7 feet north to a point and then continuing at a bearing S57°44'19"W 514.2 feet then continuing at a bearing S76°23'13"W 413.4 feet and then continuing at a bearing S81°12'38"W 408.5 feet to a point of intersection with the northern boundary line of parcel 71-09-2.0-10-002-001-034.000 and then continuing east to the point of BEGINNING.

ATTACHMENT 3

**COMMITMENT LETTER
& AFFIDAVIT**

January 4, 2016

Mr. Alan Bornstein
UTW Rolla Development, L.L.C.
c/o Dentons
One Metropolitan Square, Suite 3000
St. Louis, MO 63102

RE: Rolla Westside Market Place Redevelopment Area

Dear Mr. Bornstein:

Bank of America has reviewed and considered your proposed redevelopment of the Rolla Westside Market Place Redevelopment Area. We are pleased to provide a commitment to finance your redevelopment project, contingent upon loan committee approval and supported by loan documentation typical of a transaction of this size and nature (similar to loans we have closed in the past with your platform).

Please note, if Phelps County provides tax increment financing and all other developmental issues are satisfactorily addressed, UTW Rolla Development, L.L.C. has the financial ability to proceed with the development. Bank of America has previous experience working with other Missouri municipalities in developments involving tax increment financing and look forward to working with Phelps County. Should you have any questions, or concerns, please feel free to contact me directly.

Sincerely,



Bryan Frese
Senior Vice President
Bank of America Commercial Real Estate Banking
Tel: 312.904.9166 | e-mail bryan.frese@baml.com



DEVELOPER'S AFFIDAVIT

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

AFFIDAVIT

I, the undersigned, am over the age of 18 years and have personal knowledge of the matters stated herein.

I am a duly authorized representative of UTW Rolla Development, L.L.C., a Missouri limited liability company (the "Developer"), and am authorized to attest to the matters set forth herein.

I am familiar with the property described in the Tax Increment Financing Redevelopment Plan for the Rolla Westside Market Place Redevelopment Area in the Phelps County, Missouri (the "Redevelopment Area"). To the best of my knowledge, based upon information available to me, the Redevelopment Area qualifies as a "Blighted Area", as defined in Section 99.805 of the Revised Statutes of Missouri, as amended, has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without the adoption of tax increment financing.

Because of the inordinately high site work costs resulting from the conditions in this area, the Developer would not construct a project as set out in its proposal to the Phelps County with respect to the Redevelopment Area without tax increment financing as provided in the Redevelopment Plan. The provisions of Section 99.810.1(1) of the Missouri Revised Statutes, as amended, have been met.

Further Affiant Sayeth Not.

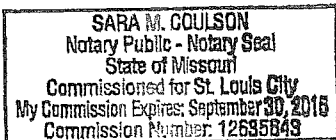
UTW Rolla Development, L.L.C.

By: [Signature]

Name: JERREY P. OFHO

Title: AUTHORIZED REPRESENTATIVE

Subscribed to and sworn to before me this 31st day of December, 2015.



Sara M Coulson
Notary Public

ATTACHMENT 4

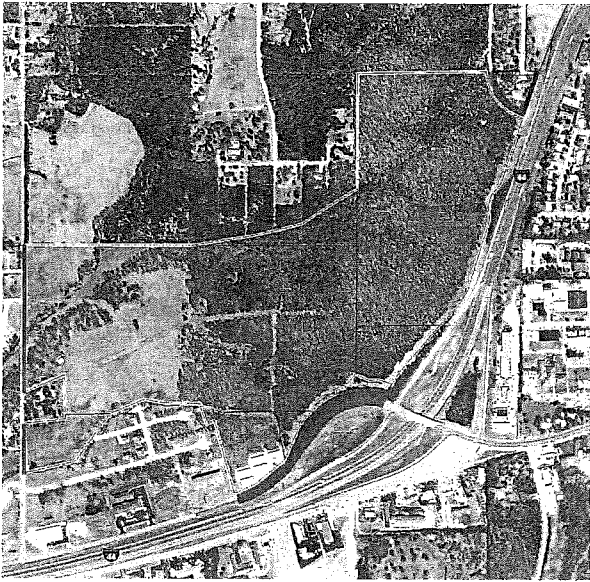
PHOTO APPENDIX

On June 27, 2014 and November 19, 2015 PGAV PLANNERS staff conducted a field review of the Area inside of the Rolla West Redevelopment Area (the "Area"). The following pages contain a series of photos taken on that date. These photos are grouped according to various factors for designation of a "Blighted area" as defined in the TIF Act.

Overview

The Area is located north of Interstate 44 generally between Sally Road and Vista Drive. The Area mostly consists of undeveloped land, with some commercial and residential properties. The Area contains defective or inadequate street layout, deterioration of site improvements, and improper subdivision or obsolete platting.

Defective or Inadequate Street Layout



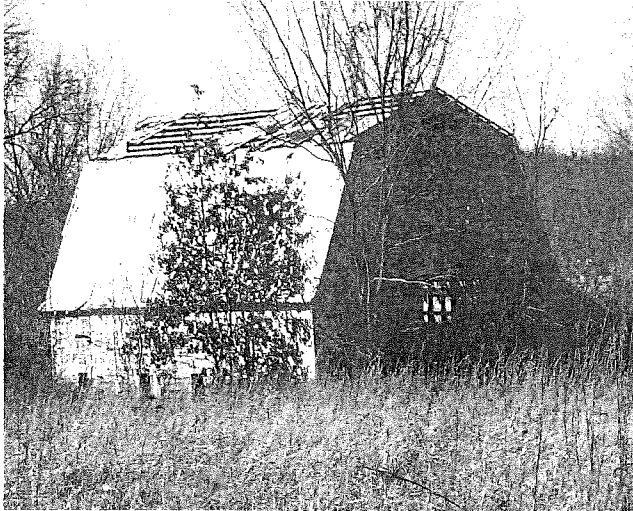
Above: The lack of street access is shown above, The red highlighted roads are roads that border the Area.



Above: Bluebird Lane is of insufficient width for even a residential street and becomes unusable as you get closed to the Interstate.

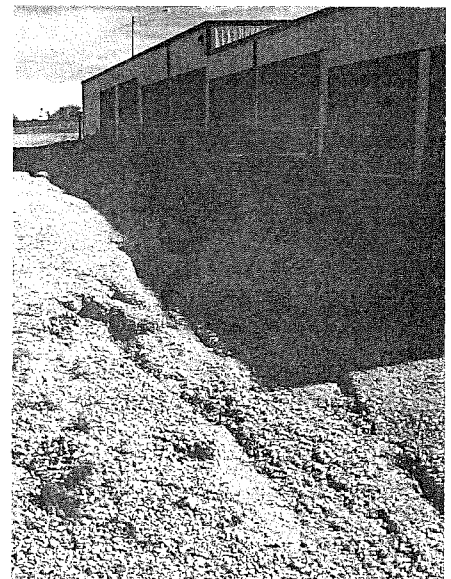
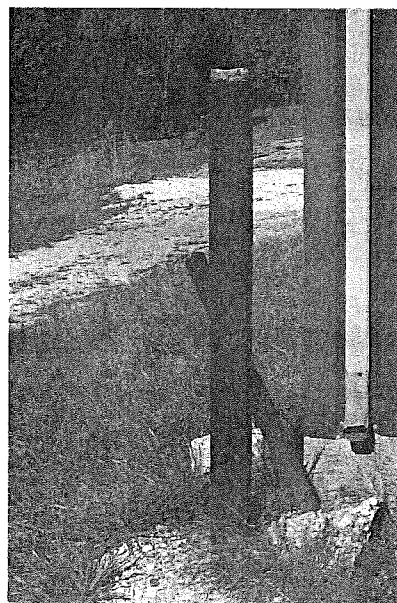
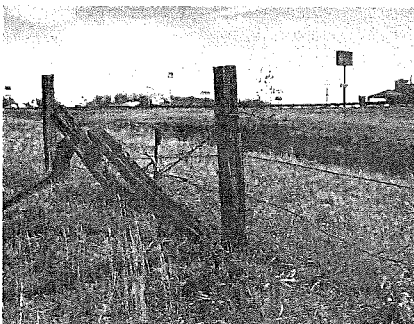
Deterioration of Site Improvements

The Area contains an abandoned and deteriorated barn, and deterioration is evidence at the Mid-America Self Storage site (the only commercial site in the Area).



Above: A deteriorated barn site on one of the undeveloped parcels. Note missing sections of roof.

Below: Deteriorated fencing, parking lot, and parking bollards located on the self storage lot.



Improper Subdivision or Obsolete Platting

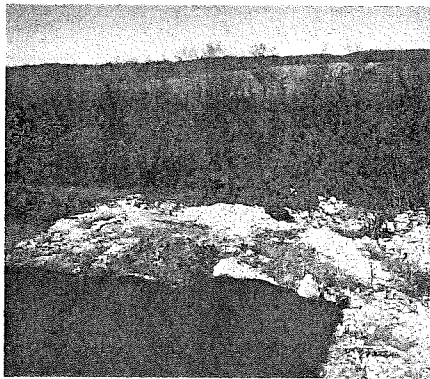
Several of the parcels in the Area are not accessible by right-of-way and are landlocked.



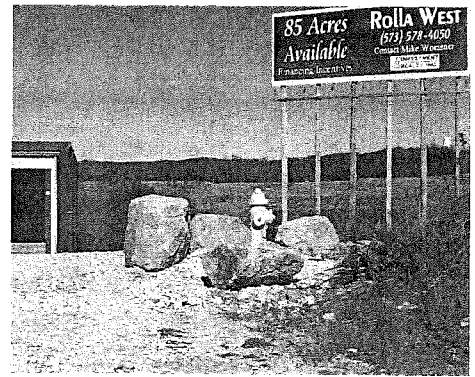
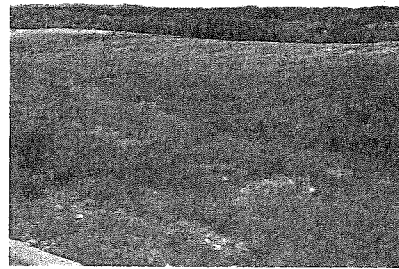
Looking east onto an inaccessible portion of the Area.



An access path onto one of the properties in the Area.



Looking north onto an inaccessible portion of the Area.



Looking down hill from the self storage lot onto a section of the Area that is inaccessible.

ATTACHMENT 5

RELOCATION POLICY

**AN ORDER ESTABLISHING A RELOCATION POLICY WITH
RESPECT TO PLANS, PROJECTS AND AREAS DESIGNATED
FOR REDEVELOPMENT PURSUANT TO CHAPTERS 99, 100
OR 353 OF THE REVISED STATUTES OF MISSOURI.**

WHEREAS, the County wishes to adopt a relocation policy for plans, projects and areas designated for redevelopment pursuant to Chapters 99, 100 and 353 of the Revised Statutes of Missouri, as amended (the "Relocation Policy"), in accordance with the requirements of Sections 523.200 to 523.215 of the Revised Statutes of Missouri, as amended; and

WHEREAS, the Relocation Policy described in this Order establishes the minimum benefits to be provided to displaced persons and businesses, and the County Commission may, upon approval of specific redevelopment projects, provide additional benefits for displaced persons and businesses;

NOW, THEREFORE, BE IT ORDERED BY THE COUNTY COMMISSION OF PHELPS COUNTY, MISSOURI, AS FOLLOWS:

Section 1. Relocation Policy. The provisions of Sections 523.200 to 523.215 of the Revised Statutes of Missouri, as amended, are hereby incorporated herein as if expressly set forth and are adopted as the Relocation Policy of the County with respect to any plan, project or area for redevelopment under the operation of Chapter 99, Chapter 100 and/or Chapter 353 of the Revised Statutes of Missouri, as amended.

Section 2. Severability. The sections of this Order shall be severable. If any section of this Order is found by a court of competent jurisdiction to be invalid, the remaining sections of this Order are valid, unless the court finds the valid sections of the Order are so essential and inseparably connected with and dependent upon the void section that it cannot be presumed that this County Commission would have enacted the valid sections without the void ones, or unless the court finds that the valid sections standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 3. Effective Date. This Order shall take effect and be in full force from and after its adoption.

ORDERED by the County Commission of Phelps County, Missouri, this ____ day of January, 2016.

Presiding Commissioner

Associate Commissioner

Associate Commissioner

(Seal)

ATTEST:

Clerk of the County Commission

