

AN ORDINANCE AUTHORIZING THE CITY OF NEVADA, MISSOURI, TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS (3M COMPANY PROJECT), SERIES 2014, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$50,070,000 FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF PURCHASING, CONSTRUCTING, INSTALLING AND EQUIPPING A PROJECT FOR INDUSTRIAL DEVELOPMENT IN THE CITY; APPROVING A PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT; AND AUTHORIZING THE MAYOR TO ENTER INTO CERTAIN AGREEMENTS AND TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS

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

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

WHEREAS, a Plan for an Industrial Development Project (the "**Plan**") has been prepared in the form of Exhibit A, attached hereto and incorporated herein by reference; and

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

WHEREAS, the City Council hereby finds and determines that it is desirable for the improvement of the economic welfare and development of the City and within the public purposes of the Act that the City: (1) approve the Plan pursuant to the Act, (2) issue its Taxable Industrial Revenue Bonds (3M Company Project), Series 2014, in a principal amount not to exceed \$50,070,000 (the "**Bonds**") for the purpose of purchasing, constructing, extending, improving and leasing certain tangible personal property (the "**Project Improvements**") located within the City at 2120 East Austin Boulevard (the "**Project Site**"), (3) lease the Project Improvements to 3M Company, a Delaware corporation (the "**Company**"), and (4) enter into a Performance Agreement

with the Company under which the Company will make certain payments in lieu of tax (the “**PILOT Payments**”) in consideration of the City issuing the Bonds; and

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

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI, AS FOLLOWS:

SECTION 1. Approval of the Plan. The City Council hereby approves the Plan for an Industrial Development Project attached as Exhibit A, attached hereto and incorporated herein by reference.

SECTION 2. Authorization for the Project. The City is hereby authorized to provide for the purchase, construction, extension and improvement of the Project Improvements (collectively, the “**Project**”), all in the manner and as more particularly described in the Indenture and the Lease Agreement described below.

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

SECTION 4. Limitation on Liability. The Bonds and the interest thereon shall be limited obligations of the City, payable solely out of certain payments, revenues and receipts derived by the City from the Lease Agreement described below. Such payments, revenues and receipts shall be pledged and assigned to U.S. Bank National Association, as trustee (the “**Trustee**”) as security for the payment of the Bonds as provided in the Indenture. The Bonds and the interest thereon shall not constitute general obligations of the City, the State of Missouri (the “**State**”) or any political subdivision thereof, and neither the City nor the State shall be liable thereon. The Bonds shall not constitute indebtedness within the meaning of any constitutional, charter or statutory debt limitation or restriction, and are not payable in any manner by taxation.

SECTION 5. Authorization of Documents. The City is hereby authorized to enter into the following documents (the “**City Documents**”), in substantially the forms presented to and approved by the City Council and attached to this Ordinance, with such changes therein as shall be approved by the officials of the City executing the documents, such officials’ signatures thereon being conclusive evidence of their approval thereof:

- (a) Trust Indenture (the “**Indenture**”) between the City and the Trustee set forth as Exhibit B, attached hereto and incorporated herein by reference, pursuant to which the Bonds will be issued and the City will pledge the Project

and assign certain of the payments, revenues and receipts received pursuant to the Lease Agreement to the Trustee for the benefit and security of the owners of the Bonds upon the terms and conditions as set forth in the Indenture;

(b) Lease Agreement (the "**Lease Agreement**") between the City and the Company set forth as Exhibit C, attached hereto and incorporated herein by reference, under which the City will lease the Project to the Company pursuant to the terms and conditions in the Lease Agreement, in consideration of rental payments by the Company that will be sufficient to pay the principal of and interest on the Bonds;

(c) Bond Purchase Agreement between the City and the Company set forth as Exhibit D, attached hereto and incorporated herein by reference; and

(d) Performance Agreement among the City and the Company set forth as Exhibit E, attached hereto and incorporated herein by reference.

SECTION 6. Execution of Documents. The Mayor is hereby authorized to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the Indenture. The Mayor is hereby authorized to execute the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk is hereby authorized to attest to and affix the seal of the City to the Bonds and the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

SECTION 7. Further Authority. The City shall, and the officials, agents and employees of the City are hereby authorized to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents. The Mayor is hereby authorized, through the term of the Lease Agreement, to execute all documents on behalf of the City as may be required to carry out and comply with the intent of this Ordinance, the Indenture and the Lease Agreement.

SECTION 8. Severability. If any section of this Ordinance is found by a court of competent jurisdiction to be invalid or unconstitutional, the remaining sections of this Ordinance shall remain valid unless otherwise directed by the court.

SECTION 9. Effective Date. This Ordinance shall be in full force and effect upon its adoption by the City Council.

PASSED, APPROVED and ADOPTED by the City Council of the City of Nevada, Missouri, this 2nd day of December, 2014.

Seth Barrett, Mayor

[SEAL]

Bev Baker, City Clerk

EXHIBIT A

**PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT
3M COMPANY PROJECT**

(Attached hereto.)

EXHIBIT B

FORM OF TRUST INDENTURE

(Attached hereto.)

EXHIBIT C

FORM OF LEASE AGREEMENT

(Attached hereto.)

EXHIBIT D

FORM OF BOND PURCHASE AGREEMENT

(Attached hereto.)

EXHIBIT E

FORM OF PERFORMANCE AGREEMENT

(Attached hereto.)