

RESOLUTION NO.

BILL# 210-22

A RESOLUTION OF OFFICIAL INTENT OF THE CITY COUNCIL OF THE CITY OF ST. JOSEPH, MISSOURI, FOR THE ISSUANCE OF THE CITY'S TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$15,000,000 TO FINANCE A PROJECT FOR THE BENEFIT OF SCHUTZ CONTAINER SYSTEMS, INC., AND AUTHORIZING CERTAIN ACTIONS RELATING THERETO.

- WHEREAS,** the City of St. Joseph, Missouri (the "**City**"), is authorized and empowered under the provisions of Article VI, Section 27(b) of the Missouri Constitution, as amended, and Sections 100.010 to 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) for the purposes set forth 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,** Schutz Container Systems, Inc., a Delaware corporation (the "**Company**"), has requested that the City (a) prepare and approve a plan for an industrial development project (the "**Project**") consisting of the purchase of machinery, equipment, and other personal property (the "**Project Equipment**") to be installed at the Company's existing facilities located at 5500 Providence Hill Drive in the City, (b) issue its taxable industrial development revenue bonds (the "**Bonds**") to provide funds to pay the costs of the Project, and (c) lease the Project Equipment either to the Company directly or to another entity which would sublease the Project Equipment to the Company, all in accordance with and pursuant to the Act; and
- WHEREAS,** the Bonds would be payable solely out of payments, revenues, and receipts derived from the lease of the Project Equipment by the City to the Company or other entity (the Company or such other entity being referred to as the "**Lessee**"); and
- WHEREAS,** the City has determined that it is necessary and desirable to declare the official intent of the City to finance the costs of the Project from the proceeds of the Bonds for such purposes, subject to certain terms and conditions set forth in this Resolution; and
- WHEREAS,** Section 100.050 of the Act requires the City to prepare a plan in connection with any industrial development project proposed to be undertaken pursuant to the Act (the "**Plan**"); and
- WHEREAS,** Section 100.059 of the Act requires the City Council, not less than twenty days prior to the City Council's approval of the Plan, to provide notice of the proposed project to the taxing jurisdictions.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ST. JOSEPH, MISSOURI, AS FOLLOWS:

- SECTION 1. Finding of Public Benefit.** The City Council hereby finds and determines that the equipping of the Project will promote the economic well-being and industrial development of the City and the taxing jurisdictions within which the Project is located, and that the issuance of the Bonds to pay the cost of the Project will be in furtherance of the public purposes set forth in the Act.

SECTION 2. Authorization of Plan and Declaration of Intent. The City Council authorizes the preparation of the Plan and declares the intent of the City to issue the Bonds in a principal amount of approximately \$15,000,000 to provide funds to finance the costs of the Project, subject to the conditions set forth in this Resolution.

SECTION 3. Limited Obligations. The Bonds shall be limited and special revenue obligations payable solely out of payments, revenues and receipts derived from the lease of the Project Equipment by the City to the Lessee. The Bonds and the interest thereon shall not be a debt of the City or the State of Missouri, and neither the City nor the State shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction.

SECTION 4. Conditions to Issuance of Bonds. This Resolution constitutes a statement of intent of the City Council. The issuance of the Bonds and the execution and delivery of any documents related to financing the Project are subject, in the sole discretion of the City, to the following conditions:

(a) approval by the City Council of a plan for industrial development in accordance with Section 100.050 of the Act, including a cost-benefit analysis of the impact of the Project and the terms of personal property tax abatement with respect to the Project Equipment which encompasses capital investments expected to be made by the Company through calendar year 2023;

(b) authorization by ordinance of the City Council;

(c) obtaining any other necessary governmental approvals for the Project;

(d) agreement by the City, the Company and the purchaser of the Bonds upon (1) mutually acceptable terms for the Bonds and for the sale and delivery thereof and (2) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project, and execution and delivery to the City by the purchaser of the Bonds of an investment representation letter satisfactory to the City; and

(e) receipt by the City of satisfactory indemnification for all matters relating to the Project.

SECTION 5. Reimbursement for Project Costs. The Company is hereby authorized to proceed with the acquisition and equipping of the Project, including the entering of contracts and purchase orders in connection therewith, and to advance such funds as may be necessary to accomplish such purposes. If the Bonds are issued, the Company may be reimbursed out of the proceeds thereof for expenditures paid or incurred in connection with the Project.

SECTION 6. Notice to Taxing Jurisdictions. The City Clerk or designee shall send a notice to all taxing jurisdictions from which taxable property is included in the Project, which notice shall (a) include a copy of the Plan, (b) state the date that the City Council will first consider approval of the Plan, and (c) invite such entities to submit comments to the City Council regarding the Plan.

SECTION 7. Preparation of Documents. Counsel to the City and Gilmore & Bell, P.C., as Bond Counsel, together with the officers and employees of the City, are hereby authorized to work with the purchaser of the Bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the City Council all documents necessary to effect the authorization, issuance, and sale of the Bonds and other

actions contemplated hereunder in connection with the financing of the Project.

SECTION 8. Further Authority. The City hereby authorizes and empowers the officers and representatives of the City to do all such acts and things and to execute, acknowledge, and deliver all such documents as may in their discretion be deemed necessary or desirable in order to carry out or comply with the terms and provisions of this Resolution in connection with the structure and sale of the Bonds. All of the acts and undertakings of such officers and representatives that are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be, and the same are hereby in all respects, ratified, confirmed, and approved

SECTION 9. Effective Date. This Resolution shall be in full force and effect from and after the date of its adoption.

Approved as to form:

City Attorney

Passed: _____, 20____

City Clerk

Mayor