

ORDINANCE 12-2020

AN ORDINANCE OF THE CITY OF OWENSBORO, KENTUCKY, EXPANDING THE BOUNDARIES OF THE GATEWAY COMMONS DEVELOPMENT AREA (THE “DEVELOPMENT AREA”); APPROVING AN AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT RELATING TO THE DEVELOPMENT AREA; APPROVING A FIRST AMENDMENT TO THE DEVELOPMENT PLAN RELATED TO THE DEVELOPMENT AREA; APPROVING A MASTER DEVELOPMENT AGREEMENT AMONG THE CITY, THE DEPARTMENT OF FINANCE & SUPPORT SERVICES OF THE CITY, G W DEVELOPMENT, INC. AND THE OWENSBORO REGIONAL WATER RESOURCE AGENCY, AND FURTHER RESTATING AND REAFFIRMING ORDINANCES 16-2015 AND 15-2018.

WHEREAS, the City of Owensboro, Kentucky (City) approved Ordinances 16-2015 and 15-2018 (the “Development Area Ordinances”), which established and enlarged the Gateway Commons Development Area pursuant to KRS 65.7041 to 65.7083 (the “Act”) to encourage public improvements as permitted under the Act to fund public infrastructure improvements within the Development Area through the use of state and local “incremental revenues”, as defined in the Act; which said Development Area Ordinances approved a Development Plan and Local Participation Agreement (the “Local Participation Agreement”) relating to the Development Area; and

WHEREAS, the Development Area Ordinances designated the Department of Finance & Support Services of the City of Owensboro (the “Agency”), pursuant to the Act as the agency responsible for the implementation and administration of the Development Area; and

WHEREAS, the City has determined it to be advisable to further expand the boundaries of the Development Area, as shown on the map and description attached as

Exhibit A; and in accordance therewith, has prepared a First Amendment to Development Plan relating to the Development Area (the “Amended Development Plan”), attached as Exhibit B, and has conducted an public hearing on the Amended Development Plan on July 21, 2020, in accordance with the Act; and

WHEREAS, in accordance with the expansion of the Development Area there is a need to amend and replace the Local Participation Agreement with an Amended and Restated Local Participation Agreement (the “Amended LPA”), attached as Exhibit C; and

WHEREAS, the City previously approved and executed a Memorandum of Agreement with G W Development, Inc. a Kentucky corporation (the “Developer”), dated April 8, 2015, and amended June 12, 2017 (collectively the “Annexation Agreement”), which Annexation Agreement relates to the development of the Development Area; and

WHEREAS, to encourage and support the construction of the Development Area by the City, Developer and other parties as contemplated by the Annexation Agreement and the City when it established the Development Area, and to provide a fair and reasonable allocation of local and state incremental revenues to pay for or reimburse infrastructure costs related to the Development Area, the City, Agency, Developer and the Owensboro Regional Water Resource Agency (the “RWRA”) have negotiated a Master Development Agreement, attached as Exhibit D (the “Development Agreement”), relating to the Gateway Commons Development Project (the “Project”), which Development Agreement will replace in full the Annexation Agreement; and

WHEREAS, the expansion of the Development Area, approval of the Amended Development Plan, the Amended LPA and the Development Agreement are for a public purpose, and for the benefit and welfare of the City's citizens; and

WHEREAS, the City deems it necessary to enact this Ordinance in accordance with the Act and for the purposes set forth and described herein and in the Act.

NOW, THEREFORE, BE IT HEREBY ORDAINED AND ADOPTED BY THE OWENSBORO BOARD OF COMMISSIONERS AS FOLLOWS:

SECTION 1. Expansion of Development Area. That the boundary of the Development Area is hereby expanded in accordance with the map and description attached as Exhibit A.

SECTION 2. Amended Development Plan. That the City hereby approves the Amended Development Plan attached as Exhibit B.

SECTION 3. Amended and Restated Local Participation Agreement. The Mayor of the City and the Director of Finance & Support Services of the City (the "Director of Finance") are hereby authorized and directed to execute, acknowledge and deliver on behalf of the City and the Agency an Amended LPA for the Development Area authorizing the pledge of a portion of the Incremental Revenues of the City from the Development Area into the Special Fund to be used for the reimbursement of Approved Public Infrastructure Costs described in the Act and Public Infrastructure Costs that have been expended within the Development Area. The form of the Amended LPA to be signed by the Mayor and the Director of Finance on behalf of the City and Agency shall be in substantially the form attached hereto and incorporated herein as Exhibit C, subject to further negotiations and changes therein as determined by the Mayor and the Director of

Finance, in their discretion that are not materially inconsistent with this Ordinance and not substantially adverse to the City. The approval of such changes by said officers, and that such changes are not substantially adverse to the City, shall be conclusively evidenced by the execution of such Amended LPA by such officials.

SECTION 4. Master Development Agreement. The Mayor of the City and the Director of Finance of the City are hereby authorized and directed to execute, acknowledge and deliver on behalf of the City and the Agency and the Development Agreement among the City, Agency, Developer and RWRA related to the development of the Development Area and the Project. The form, the Development Agreement to be signed by the Mayor and the Director of Finance on behalf of the City and Agency shall be in substantially the form attached hereto and incorporated herein as Exhibit D, subject to further negotiations and changes therein as determined by the Mayor and the Director of Finance, in their discretion that are not materially inconsistent with this Ordinance and not substantially adverse to the City. The approval of such changes by said officers, and that such changes are not substantially adverse to the City, shall be conclusively evidenced by the execution of such Development Agreement by such officials.

SECTION 5. All previous provisions of Ordinance 16-2015 and 15-2018 not in conflict herewith are hereby restated and reaffirmed.

SECTION 6. The Mayor, City Manager, and appropriate Staff members are hereby authorized to sign any and all other documents deemed necessary to the furtherance of the authority described herein.

INTRODUCED AND PUBLICLY READ ON FIRST READING, this the 21st day of July, 2020.

**GIVEN SECOND READING AND ADOPTED AT A DULY CONVENED MEETING
OF THE BOARD OF COMMISSIONERS OF THE CITY OF OWENSBORO**, held on the
4th day of August, 2020 and on the same occasion signed by the Mayor as evidence of
his approval, attested by the City of Owensboro City Clerk, published and filed as required
by law, and declared to be in full force and effect from and after its adoption and approval
according to law.

Approved:

By: _____
Thomas H. Watson, Mayor

ATTEST:

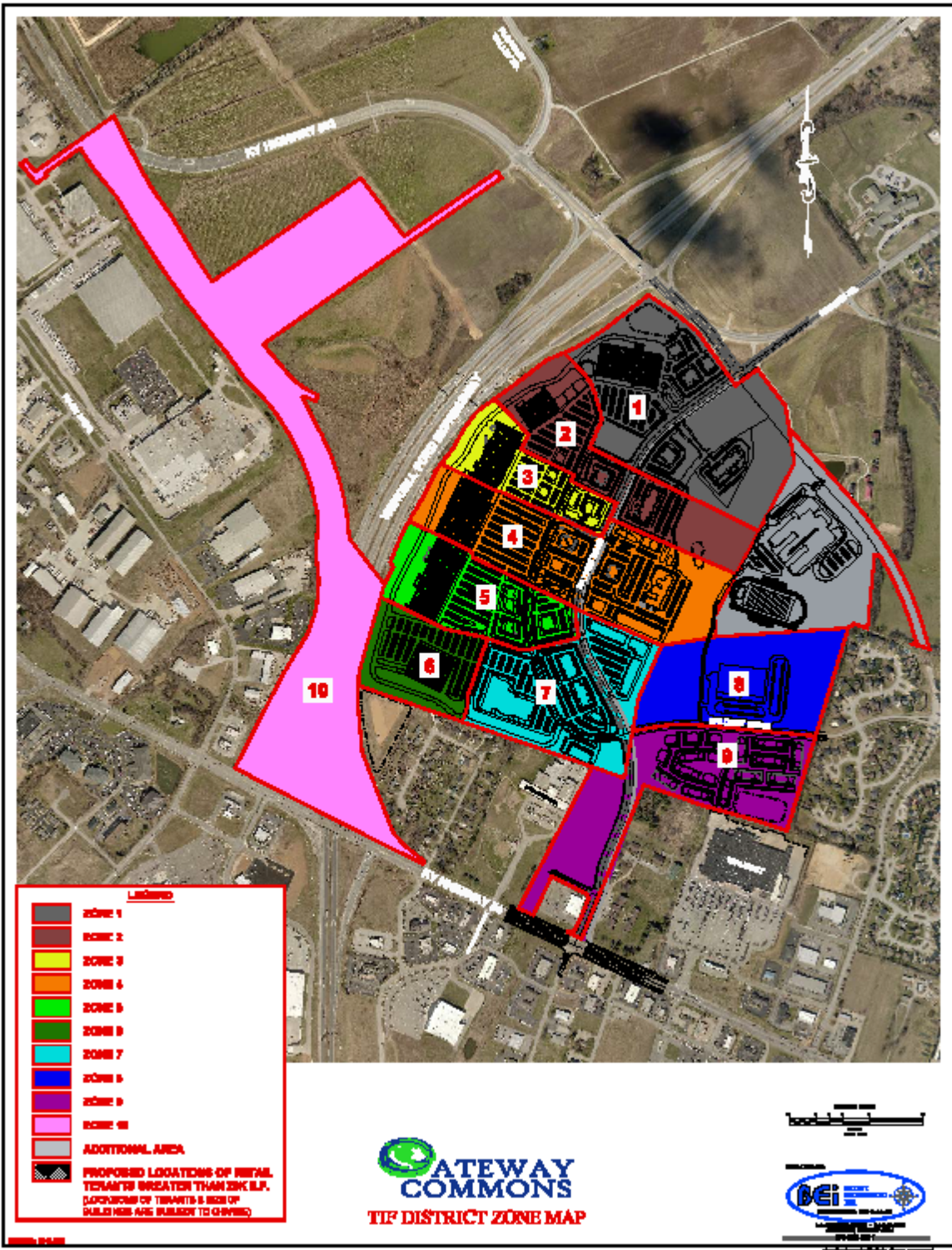
By: _____
Beth Cecil, City Clerk

EXHIBIT A

MAP AND DESCRIPTION OF THE DEVELOPMENT AREA

EXHIBIT A: Map and Description of the Development Area







BRYANT ENGINEERING, INC.

1535 FEDERICA STREET • P.O. BOX 21382 • OWENSBORO, KY 42304

PHONE: (270)685-2811 • FAX: (270)683-4991

DESCRIPTION FOR TIF

Beginning at a calculated point being in the north right-of-way of Kentucky Highway 54, said north right-of-way line varies in width from its centerline and being the southwest corner of the Commonwealth of Kentucky Department of Human Resources property, as recorded in Deed Book 448, at Page 514 in the office of the Daviess County Clerk; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 123.88 feet to a calculated point being the southeast corner of the property located at 2945 Highway 54; thence with said property for the following seven (7) calls:

1) in a curve to the left being subtended by a chord of North 71 degrees 54 minutes 59 seconds East, a chord distance of 69.55 feet and having a radius of 50.00 feet, in all an arc distance of 76.91 feet to a calculated point;

2) North 27 degrees 51 minutes 01 seconds East, a distance of 60.97 feet to a calculated point;

3) in a curve to the left being subtended by a chord of North 24 degrees 55 minutes 17 seconds East, a chord distance of 22.33 feet and having a radius of 218.50 feet, in all an arc distance of 22.34 feet to a calculated point;

4) North 21 degrees 59 minutes 33 seconds East, a distance of 152.34 feet to a calculated point;

5) in a curve to the left being subtended by a chord of North 21 degrees 00 minutes 45 seconds West, a chord distance of 50.47 feet and having a radius of 37.00 feet, in all an arc distance of 55.54 feet to a calculated point;

6) North 64 degrees 01 minutes 04 seconds West, a distance of 282.48 feet to a calculated point;

7) South 25 degrees 58 minutes 56 seconds West, a distance of 318.03 feet to a calculated point being in said north right-of-way line; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 119.93 feet to a calculated point being the southeast corner of the Daviess County School District Finance Corp. property, as recorded in Deed Book 800, at Page 604 in said clerk's office; thence with the east line of said school property North 27 degrees 31 minutes 53 seconds East, passing through the southeast corner of the Ohio Valley Two Way Radio, Inc. property, as recorded in Deed Book 678, at Page 570 in said clerk's office, then continuing on the same course with the east line of said radio property, a total distance of 1,184.89 feet to a calculated point being the northeast corner of said radio property; thence with the north line of said radio property North 70 degrees 49 minutes 28 seconds West, passing through the northeast corner of said school property, Owen D. Wimsatt Subdivision, as recorded in Deed Book 419, at Page 95 in said clerk's office, Commonwealth of Kentucky, as shown on highway plans, and Gateway Land, LLC property, as recorded in Deed Book 945, at Page 733 properties then continuing on the same course with the north line of each property, a total distance of 1,842.51 feet to a calculated point being in the

east right-of-way line of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

1) South 01 degrees 43 minutes 01 seconds West, a distance of 154.11 feet to a calculated point;

2) South 05 degrees 06 minutes 32 seconds East, a distance of 339.77 feet to a calculated point;

3) South 20 degrees 42 minutes 49 seconds East, a distance of 257.22 feet to a calculated point;

4) South 21 degrees 13 minutes 46 seconds East, a distance of 390.48 feet to a calculated point;

5) South 41 degrees 55 minutes 34 seconds East, a distance of 130.00 feet to a calculated point;

6) South 51 degrees 33 minutes 55 seconds East, a distance of 185.84 feet to a calculated point;

7) South 28 degrees 30 minutes 08 seconds West, a distance of 19.75 feet to a calculated point being in the east line of the corporate limits of Owensboro, Kentucky; thence with said east line for the following twenty-three (23) calls:

1) North 63 degrees 32 minutes 54 seconds West, a distance of 139.55 feet to a calculated point;

2) North 64 degrees 47 minutes 08 seconds West, a distance of 120.58 feet to a calculated point;

3) North 63 degrees 22 minutes 42 seconds West, a distance of 102.97 feet to a calculated point;

4) North 62 degrees 41 minutes 22 seconds West, a distance of 126.78 feet to a calculated point;

5) North 62 degrees 51 minutes 58 seconds West, a distance of 158.92 feet to a calculated point;

6) North 63 degrees 11 minutes 03 seconds West, a distance of 191.84 feet to a calculated point;

7) North 62 degrees 33 minutes 26 seconds West, a distance of 237.10 feet to a calculated point;

8) North 63 degrees 16 minutes 58 seconds West, a distance of 196.27 feet to a calculated point;

9) North 62 degrees 17 minutes 22 seconds West, a distance of 299.41 feet to a calculated point;

10) North 27 degrees 07 minutes 23 seconds East, a distance of 777.34 feet to a calculated point;

11) North 31 degrees 12 minutes 19 seconds East, a distance of 362.79 feet to a calculated point;

12) North 20 degrees 11 minutes 25 seconds East, a distance of 156.38 feet to a calculated point;

13) North 09 degrees 30 minutes 19 seconds East, a distance of 99.88 feet to a calculated point;

14) North 04 degrees 54 minutes 03 seconds East, a distance of 146.04 feet to a calculated point;

15) North 05 degrees 12 minutes 31 seconds West, a distance of 222.32 feet to a calculated point;

16) North 05 degrees 03 minutes 26 seconds East, a distance of 237.69 feet to a calculated point;

17) North 11 degrees 51 minutes 35 seconds West, a distance of 243.44 feet to a calculated point;

18) North 19 degrees 09 minutes 05 seconds West, a distance of 199.82 feet to a calculated point;

19) North 25 degrees 34 minutes 51 seconds West, a distance of 200.40 feet to a calculated point;

20) North 32 degrees 01 minutes 47 seconds West, a distance of 199.92 feet to a calculated point;

21) North 36 degrees 47 minutes 30 seconds West, a distance of 100.21 feet to a calculated point;

22) North 43 degrees 53 minutes 53 seconds West, a distance of 246.62 feet to a calculated point;

23) North 35 degrees 36 minutes 13 seconds West, a distance of 146.96 feet to a calculated point; thence severing said corporate limits for the following eighteen (18) calls:

1) North 34 degrees 56 minutes 50 seconds West, a distance of 104.01 feet to a calculated point;

2) North 39 degrees 12 minutes 03 seconds West, a distance of 200.54 feet to a calculated point;

3) North 38 degrees 26 minutes 55 seconds West, a distance of 95.00 feet to a calculated point;

4) North 38 degrees 03 minutes 23 seconds West, a distance of 204.79 feet to a calculated point;

5) North 35 degrees 50 minutes 48 seconds West, a distance of 200.05 feet to a calculated point;

6) North 34 degrees 14 minutes 44 seconds West, a distance of 200.03 feet to a calculated point;

7) North 33 degrees 14 minutes 00 seconds West, a distance of 200.06 feet to a calculated point;

8) North 31 degrees 45 minutes 25 seconds West, a distance of 157.57 feet to a calculated point;

9) North 31 degrees 30 minutes 43 seconds West, a distance of 160.50 feet to a calculated point;

10) North 39 degrees 08 minutes 39 seconds West, a distance of 301.37 feet to a calculated point;

11) North 31 degrees 32 minutes 38 seconds West, a distance of 157.27 feet to a calculated point;

12) South 54 degrees 30 minutes 41 seconds West, a distance of 320.29 feet to a calculated point;

13) South 40 degrees 03 minutes 39 seconds East, a distance of 25.08 feet to a calculated point;

14) South 54 degrees 30 minutes 41 seconds West, a distance of 100.00 feet to a calculated point;

15) North 40 degrees 03 minutes 39 seconds West, a distance of 187.48 feet to a calculated point;

16) North 55 degrees 39 minutes 36 seconds East, a distance of 50.25 feet to a calculated point;

17) South 40 degrees 03 minutes 38 seconds East, a distance of 111.23 feet to a calculated point;

18) North 54 degrees 30 minutes 41 seconds East, a distance of 715.19 feet to a calculated point being in the east line of said corporate limits; thence with said east line for the following Twelve (12) calls:

- 1) South 26 degrees 15 minutes 01 seconds East, a distance of 166.17 feet to a calculated point;
- 2) South 27 degrees 54 minutes 08 seconds East, a distance of 306.65 feet to a calculated point;
- 3) South 29 degrees 45 minutes 13 seconds East, a distance of 143.87 feet to a calculated point;
- 4) South 35 degrees 37 minutes 40 seconds East, a distance of 238.66 feet to a calculated point;
- 5) South 30 degrees 45 minutes 26 seconds East, a distance of 119.29 feet to a calculated point;
- 6) South 30 degrees 45 minutes 13 seconds East, a distance of 279.84 feet to a calculated point;
- 7) South 34 degrees 26 minutes 42 seconds East, a distance of 181.88 feet to a calculated point;
- 8) North 55 degrees 12 minutes 06 seconds East, a distance of 1,349.70 feet to a calculated point;
- 9) South 36 degrees 32 minutes 31 seconds East, a distance of 539.98 feet to a calculated point;
- 10) North 55 degrees 11 minutes 19 seconds East, a distance of 845.00 feet to a calculated point;
- 11) South 34 degrees 24 minutes 43 seconds East, a distance of 60.00 feet to a calculated point;
- 12) South 55 degrees 11 minutes 19 seconds West, a distance of 2,164.39 feet to a calculated point being in the east right-of-way line of an access road east of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

- 1) South 39 degrees 55 minutes 56 seconds East, a distance of 237.91 feet to a calculated point;
- 2) in a curve to the left being subtended by a chord of South 54 degrees 33 minutes 26 seconds East, a chord distance of 274.18 feet and having a radius of 542.96 feet, in all an arc distance of 277.18 feet to a calculated point;
- 3) South 20 degrees 49 minutes 04 seconds West, a distance of 50.00 feet to a calculated point;
- 4) North 64 degrees 40 minutes 56 seconds West, a distance of 93.05 feet to a calculated point;
- 5) South 56 degrees 23 minutes 02 seconds West, a distance of 15.69 feet to a calculated point;
- 6) South 25 degrees 48 minutes 23 seconds East, a distance of 160.63 feet to a calculated point;

7) in a curve to the right being subtended by a chord of South 17 degrees 05 minutes 01 seconds East, a chord distance of 951.26 feet and having a radius of 2,019.86 feet, in all an arc distance of 960.23 feet to a calculated point being in the west right-of-way line of the Wendell Ford Expressway, said west right-of-way line varies in width from its centerline; thence crossing said expressway South 37 degrees 22 minutes 41 seconds East, a distance of 428.64 feet to a calculated point being in the east right-of-way line of said Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seventeen (17) calls:

1) North 27 degrees 13 minutes 37 seconds East, a distance of 148.80 feet to a calculated point;

2) North 36 degrees 48 minutes 38 seconds West, a distance of 41.07 feet to a calculated point;

3) North 21 degrees 57 minutes 38 seconds East, a distance of 51.24 feet to a calculated point;

4) North 21 degrees 57 minutes 38 seconds East, a distance of 122.78 feet to a calculated point;

5) North 27 degrees 09 minutes 56 seconds East, a distance of 196.83 feet to a calculated point;

6) North 31 degrees 16 minutes 05 seconds East, a distance of 196.52 feet to a calculated point;

7) North 25 degrees 08 minutes 19 second East, a distance of 197.26 feet to a calculated point;

8) North 38 degrees 00 minutes 35 seconds East, a distance of 206.86 feet to a calculated point;

9) North 29 degrees 29 minutes 03 seconds East, a distance of 187.35 feet to a calculated point;

10) North 37 degrees 29 minutes 21 seconds East, a distance of 147.74 feet to a calculated point;

11) North 54 degrees 34 minutes 45 seconds East, a distance of 330.20 feet to a calculated point;

12) South 36 degrees 18 minutes 15 seconds East, a distance of 0.19 feet to a calculated point;

13) North 53 degrees 41 minutes 45 seconds East, a distance of 12.21 feet to a calculated point;

14) North 52 degrees 34 minutes 47 seconds East, a distance of 294.84 feet to a calculated point;

15) North 66 degrees 45 minutes 30 seconds East, a distance of 254.01 feet to a calculated point;

16) North 56 degrees 33 minutes 16 seconds East, a distance of 249.99 feet to a calculated point;

17) North 52 degrees 15 minutes 55 seconds East, a distance of 401.11 feet to a calculated point being in the west right-of-way line of Kentucky Highway 603, said west right-of-way line varies in width from its centerline; thence with said west right-of-way line for the following three (3) calls:

1) South 56 degrees 24 minutes 44 seconds East, a distance of 241.35 feet to a calculated point;

2) South 51 degrees 17 minutes 47 seconds East, a distance of 206.27 feet to a calculated point;

3) South 35 degrees 19 minutes 13 seconds East, a distance of 501.17 feet to a calculated point being in the south right-of-way line of Hayden Road, said south right-of-way line varies in width from its centerline; thence with said south right-of-way line North 53 degrees 59 minutes 28 seconds East, a distance of 202.45 feet to a calculated point being in the northwest corner of the Senior Green, LLC property, as recorded in Deed Book 1011, at Page 316 in said clerk's office; thence with the west line of said Senior Green, LLC property South 37 degrees 30 minutes 08 seconds East, a distance of 342.40 feet to a calculated point; thence continuing with said west line South 08 degrees 40 minutes 12 seconds East, a distance of 167.29 feet to a calculated point; thence severing said Senior Green, LLC property South 41 degrees 29 minutes 23 seconds East, a distance of 713.42 feet to a calculated point; thence continuing to sever said Senior Green, LLC property in a curve to the right being subtended by a chord of South 35 degrees 37 minutes 38 seconds East, a chord distance of 518.89 feet and having a radius of 2,540.00 feet, in all an arc distance of 519.80 feet to a calculated point being in the west line of the James and Ernest Pantle property, as recorded in Deed Book 431, at Page 216 in said clerk's office; thence severing said Pantle property in a curve to the right being subtended by a chord of South 22 degrees 06 minutes 10 seconds East, a chord distance of 677.31 feet and having a radius of 2,540.00 feet, in all an arc distance of 679.33 feet to a calculated point; thence continuing to sever said Pantle property South 14 degrees 26 minutes 26 seconds East, a distance of 61.40 feet to a calculated point being in the north line of the Downs Subdivision, as recorded in Plat Book 28, at Page 77 and Plat Book 30, at Page 22 both in said clerk's office; thence with said north line North 71 degrees 57 minutes 07 seconds West, a distance of 126.88 feet to a calculated point being in the south line of said Pantle property; thence severing said Pantle property North 75 degrees 24 minutes 01 seconds East, a distance of 27.01 feet to a calculated point; thence continuing to sever said Pantle property in a curve to the left being subtended by a chord of North 22 degrees 49 minutes 00 seconds West, a chord distance of 703.17 and having a radius of 2,460.00 feet, in all an arc distance of 705.59 feet to a calculated point being in the east line of the Daviess County School District Finance Corp. property, as recorded in Deed Book 1012, at Page 26 in said clerk's office; thence with said east line North 85 degrees 42 minutes 45 seconds East, a distance of 41.53 feet to a calculated point; thence continuing with said east line South 05 degrees 12 minutes 16 seconds West, a distance of 546.15 feet to a calculated point being in said north line; thence with said north line North 71 degrees 13 minutes 38 seconds West, a distance of 107.91 feet to a calculated point; thence continuing said north line South 53 degrees 53 minutes 52 seconds West, a distance of 51.00 feet to a calculated point being in the west line of the Downs Subdivision, as recorded in Plat Book 29, at Page 330, Plat Book 30, at Page 22, and Plat Book 30, at Page 141 all in said clerk's office; thence with said west line South 16 degrees 53 minutes 40 seconds West, a distance of 1,578.30 feet to a calculated point being in the north line of the Wal-Mart Real Estate Business Trust property, as recorded in Deed Book 785, at Page 260 in said clerk's office; thence with said north line North 71 degrees 46 minutes 46 seconds West, a distance of 235.51 feet to a calculated point; thence continuing with said north line North 74 degrees 21 minutes 33 seconds West, a distance of 395.33 feet to a calculated point being the northeast corner of said human resources property; thence with the north line of said human resources property North 70 degrees 51 minutes 57 seconds West, a distance of 490.34 feet to a calculated point being the northwest corner of said human resources property; thence with the west line of said human resources property South 21 degrees 59 minutes 33 seconds West, a

distance of 1,235.72 feet to the point of beginning and containing 308.56 acres. This description was prepared for a tax area only and is NOT to be used for the transfer of real property.

J. William Weikel, Jr. *April 30, 2020*
J. William Weikel, Jr., KY PLS No. 2813 Date

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EXHIBIT B
FIRST AMENDMENT TO DEVELOPMENT PLAN

AMENDMENT TO
TAX INCREMENT FINANCING DEVELOPMENT PLAN
FOR
THE GATEWAY COMMONS DEVELOPMENT AREA

WHEREAS, the City of Owensboro, Kentucky (the “City”) established the Gateway Commons Development Area (the “Development Area”), pursuant to the provisions of KRS 65.7041 to KRS 65.7083, and KRS 154.30-010 to KRS 154.30-090 (the “Act”), in 2015 by Ordinance 16-2015, as updated by Ordinance 15-2018 (the “Development Area Ordinance”); and

WHEREAS, there is a need to amend the Development Area to expand its boundaries and make other related amendments; and

WHEREAS, amending the Development Area in accordance with the Act requires amending the Development Plan prepared for the Development Area, and approved by the Development Area Ordinance, by the adoption of an Amendment to Tax Increment Financing Development Plan for the Gateway Commons Development Area (the “Amendment”).

NOW, THEREFORE, THE DEVELOPMENT PLAN FOR THE DEVELOPMENT AREA IS HEREBY AMENDED AS FOLLOWS:

A. That Section 2.1(a) of the Development Plan is amended in-full to read as follows:

(a) The Development Area is a contiguous area consisting of 306.56 acres, which is less than three (3) square miles in area;

B. That Exhibit “B” to the Development Plan, which sets forth the site plan and legal description of the Development Area, is amended to the site plan and legal description attached as Exhibit “A” to this Amendment.

C. That Section 3.8 of the Development Plan is amended in-full to read as follows:

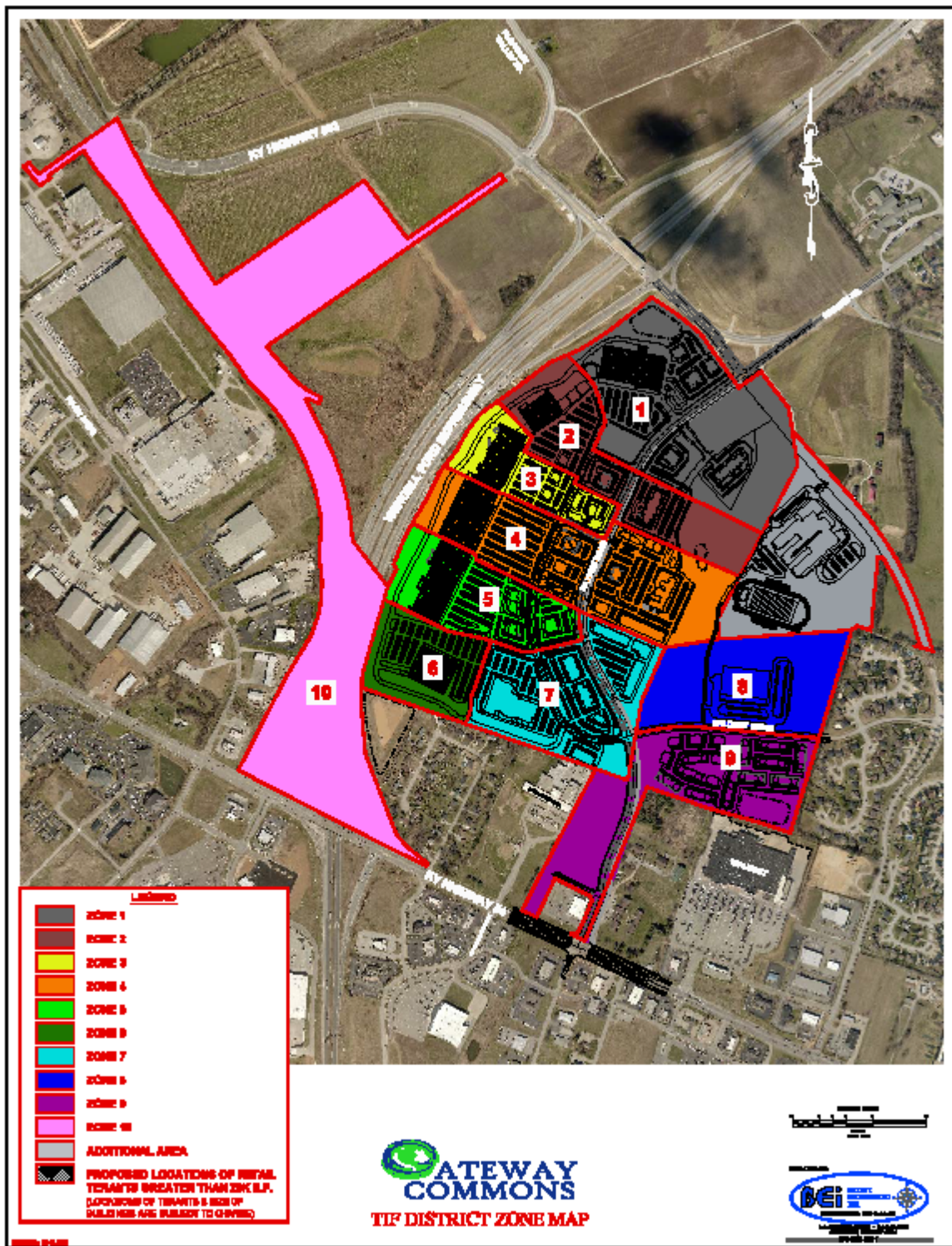
3.8 **Public Buildings.** Plans for the Project may include the completion of a multi-purpose Community Center for recreation, wellness, and medical clinic care, and shall include a new elementary school and a middle school, together with related educational facilities, to be constructed by the Daviess County Board of Education.

D. The findings in the Development Plan are still relevant and are not be impacted by the provisions of this Amendment. Since the area added to the Development Area by this Amendment is publicly owned, the old revenues for the Development Area will not need to be adjusted.

E. That except as amended by this Amendment, the Development Plan for the Development Area shall remain in full force and effect.

EXHIBIT A: Site Plan and Legal Description of the Development Area







BRYANT ENGINEERING, INC.

1535 FREDERICA STREET • P.O. Box 21382 • OWENSBORO, KY 42304
PHONE: (270)685-2811 • FAX: (270)683-4991

DESCRIPTION FOR TIF

Beginning at a calculated point being in the north right-of-way of Kentucky Highway 54, said north right-of-way line varies in width from its centerline and being the southwest corner of the Commonwealth of Kentucky Department of Human Resources property, as recorded in Deed Book 448, at Page 514 in the office of the Daviess County Clerk; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 123.88 feet to a calculated point being the southeast corner of the property located at 2945 Highway 54; thence with said property for the following seven (7) calls:

1) in a curve to the left being subtended by a chord of North 71 degrees 54 minutes 59 seconds East, a chord distance of 89.55 feet and having a radius of 50.00 feet, in all an arc distance of 76.91 feet to a calculated point;

2) North 27 degrees 51 minutes 01 seconds East, a distance of 60.97 feet to a calculated point;

3) in a curve to the left being subtended by a chord of North 24 degrees 55 minutes 17 seconds East, a chord distance of 22.33 feet and having a radius of 218.50 feet, in all an arc distance of 22.34 feet to a calculated point;

4) North 21 degrees 59 minutes 33 seconds East, a distance of 152.34 feet to a calculated point;

5) in a curve to the left being subtended by a chord of North 21 degrees 00 minutes 45 seconds West, a chord distance of 50.47 feet and having a radius of 37.00 feet, in all an arc distance of 55.54 feet to a calculated point;

6) North 64 degrees 01 minutes 04 seconds West, a distance of 282.48 feet to a calculated point;

7) South 25 degrees 58 minutes 56 seconds West, a distance of 318.03 feet to a calculated point being in said north right-of-way line; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 119.93 feet to a calculated point being the southeast corner of the Daviess County School District Finance Corp. property, as recorded in Deed Book 800, at Page 604 in said clerk's office; thence with the east line of said school property North 27 degrees 31 minutes 53 seconds East, passing through the southeast corner of the Ohio Valley Two Way Radio, Inc. property, as recorded in Deed Book 678, at Page 570 in said clerk's office, then continuing on the same course with the east line of said radio property, a total distance of 1,184.88 feet to a calculated point being the northeast corner of said radio property; thence with the north line of said radio property North 70 degrees 49 minutes 28 seconds West, passing through the northeast corner of said school property, Owen D. Wimsatt Subdivision, as recorded in Deed Book 419, at Page 95 in said clerk's office, Commonwealth of Kentucky, as shown on highway plans, and Gateway Land, LLC property, as recorded in Deed Book 945, at Page 733 properties then continuing on the same course with the north line of each property, a total distance of 1,842.51 feet to a calculated point being in the

east right-of-way line of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

1) South 01 degrees 43 minutes 01 seconds West, a distance of 154.11 feet to a calculated point;

2) South 05 degrees 06 minutes 32 seconds East, a distance of 339.77 feet to a calculated point;

3) South 20 degrees 42 minutes 49 seconds East, a distance of 257.22 feet to a calculated point;

4) South 21 degrees 13 minutes 46 seconds East, a distance of 390.48 feet to a calculated point;

5) South 41 degrees 55 minutes 34 seconds East, a distance of 130.00 feet to a calculated point;

6) South 51 degrees 33 minutes 55 seconds East, a distance of 185.84 feet to a calculated point;

7) South 28 degrees 30 minutes 06 seconds West, a distance of 19.75 feet to a calculated point being in the east line of the corporate limits of Owensboro, Kentucky; thence with said east line for the following twenty-three (23) calls:

1) North 63 degrees 32 minutes 54 seconds West, a distance of 139.55 feet to a calculated point;

2) North 64 degrees 47 minutes 06 seconds West, a distance of 120.58 feet to a calculated point;

3) North 63 degrees 22 minutes 42 seconds West, a distance of 102.97 feet to a calculated point;

4) North 62 degrees 41 minutes 22 seconds West, a distance of 126.78 feet to a calculated point;

5) North 62 degrees 51 minutes 58 seconds West, a distance of 158.92 feet to a calculated point;

6) North 63 degrees 11 minutes 03 seconds West, a distance of 191.84 feet to a calculated point;

7) North 62 degrees 33 minutes 26 seconds West, a distance of 237.10 feet to a calculated point;

8) North 63 degrees 16 minutes 58 seconds West, a distance of 196.27 feet to a calculated point;

9) North 62 degrees 17 minutes 22 seconds West, a distance of 299.41 feet to a calculated point;

10) North 27 degrees 07 minutes 23 seconds East, a distance of 777.34 feet to a calculated point;

11) North 31 degrees 12 minutes 19 seconds East, a distance of 362.79 feet to a calculated point;

12) North 20 degrees 11 minutes 25 seconds East, a distance of 156.38 feet to a calculated point;

13) North 09 degrees 30 minutes 19 seconds East, a distance of 99.88 feet to a calculated point;

14) North 04 degrees 54 minutes 03 seconds East, a distance of 146.04 feet to a calculated point;

15) North 05 degrees 12 minutes 31 seconds West, a distance of 222.32 feet to a calculated point;

16) North 05 degrees 03 minutes 26 seconds East, a distance of 237.69 feet to a calculated point;

17) North 11 degrees 51 minutes 35 seconds West, a distance of 243.44 feet to a calculated point;

18) North 19 degrees 09 minutes 05 seconds West, a distance of 199.82 feet to a calculated point;

19) North 25 degrees 34 minutes 51 seconds West, a distance of 200.40 feet to a calculated point;

20) North 32 degrees 01 minutes 47 seconds West, a distance of 199.92 feet to a calculated point;

21) North 36 degrees 47 minutes 30 seconds West, a distance of 100.21 feet to a calculated point;

22) North 43 degrees 53 minutes 53 seconds West, a distance of 246.62 feet to a calculated point;

23) North 35 degrees 36 minutes 13 seconds West, a distance of 146.96 feet to a calculated point; thence severing said corporate limits for the following eighteen (18) calls:

1) North 34 degrees 56 minutes 50 seconds West, a distance of 104.01 feet to a calculated point;

2) North 39 degrees 12 minutes 03 seconds West, a distance of 200.54 feet to a calculated point;

3) North 38 degrees 26 minutes 55 seconds West, a distance of 95.00 feet to a calculated point;

4) North 38 degrees 03 minutes 23 seconds West, a distance of 204.79 feet to a calculated point;

5) North 35 degrees 50 minutes 48 seconds West, a distance of 200.05 feet to a calculated point;

6) North 34 degrees 14 minutes 44 seconds West, a distance of 200.03 feet to a calculated point;

7) North 33 degrees 14 minutes 00 seconds West, a distance of 200.06 feet to a calculated point;

8) North 31 degrees 45 minutes 25 seconds West, a distance of 157.57 feet to a calculated point;

9) North 31 degrees 30 minutes 43 seconds West, a distance of 160.50 feet to a calculated point;

10) North 39 degrees 08 minutes 39 seconds West, a distance of 301.37 feet to a calculated point;

11) North 31 degrees 32 minutes 38 seconds West, a distance of 157.27 feet to a calculated point;

12) South 54 degrees 30 minutes 41 seconds West, a distance of 320.29 feet to a calculated point;

13) South 40 degrees 03 minutes 39 seconds East, a distance of 25.08 feet to a calculated point;

14) South 54 degrees 30 minutes 41 seconds West, a distance of 100.00 feet to a calculated point;

15) North 40 degrees 03 minutes 39 seconds West, a distance of 187.48 feet to a calculated point;

16) North 55 degrees 39 minutes 36 seconds East, a distance of 50.25 feet to a calculated point;

17) South 40 degrees 03 minutes 36 seconds East, a distance of 111.23 feet to a calculated point;

18) North 54 degrees 30 minutes 41 seconds East, a distance of 715.19 feet to a calculated point being in the east line of said corporate limits; thence with said east line for the following Twelve (12) calls:

1) South 26 degrees 15 minutes 01 seconds East, a distance of 166.17 feet to a calculated point;

2) South 27 degrees 54 minutes 08 seconds East, a distance of 306.65 feet to a calculated point;

3) South 29 degrees 45 minutes 13 seconds East, a distance of 143.87 feet to a calculated point;

4) South 35 degrees 37 minutes 40 seconds East, a distance of 238.66 feet to a calculated point;

5) South 30 degrees 45 minutes 26 seconds East, a distance of 119.29 feet to a calculated point;

6) South 30 degrees 45 minutes 13 seconds East, a distance of 279.84 feet to a calculated point;

7) South 34 degrees 26 minutes 42 seconds East, a distance of 181.88 feet to a calculated point;

8) North 55 degrees 12 minutes 06 seconds East, a distance of 1,349.70 feet to a calculated point;

9) South 36 degrees 32 minutes 31 seconds East, a distance of 539.98 feet to a calculated point;

10) North 55 degrees 11 minutes 19 seconds East, a distance of 845.00 feet to a calculated point;

11) South 34 degrees 24 minutes 43 seconds East, a distance of 60.00 feet to a calculated point;

12) South 55 degrees 11 minutes 19 seconds West, a distance of 2,164.39 feet to a calculated point being in the east right-of-way line of an access road east of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

1) South 39 degrees 55 minutes 56 seconds East, a distance of 237.91 feet to a calculated point;

2) in a curve to the left being subtended by a chord of South 54 degrees 33 minutes 26 seconds East, a chord distance of 274.18 feet and having a radius of 542.96 feet, in all an arc distance of 277.18 feet to a calculated point;

3) South 20 degrees 49 minutes 04 seconds West, a distance of 50.00 feet to a calculated point;

4) North 64 degrees 40 minutes 56 seconds West, a distance of 93.05 feet to a calculated point;

5) South 56 degrees 23 minutes 02 seconds West, a distance of 15.69 feet to a calculated point;

6) South 25 degrees 48 minutes 23 seconds East, a distance of 160.63 feet to a calculated point;

7) in a curve to the right being subtended by a chord of South 17 degrees 05 minutes 01 seconds East, a chord distance of 951.26 feet and having a radius of 2,019.86 feet, in all an arc distance of 960.23 feet to a calculated point being in the west right-of-way line of the Wendell Ford Expressway, said west right-of-way line varies in width from its centerline; thence crossing said expressway South 37 degrees 22 minutes 41 seconds East, a distance of 428.64 feet to a calculated point being in the east right-of-way line of said Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seventeen (17) calls:

- 1) North 27 degrees 13 minutes 37 seconds East, a distance of 148.80 feet to a calculated point;
- 2) North 36 degrees 48 minutes 38 seconds West, a distance of 41.07 feet to a calculated point;
- 3) North 21 degrees 57 minutes 38 seconds East, a distance of 51.24 feet to a calculated point;
- 4) North 21 degrees 57 minutes 38 seconds East, a distance of 122.78 feet to a calculated point;
- 5) North 27 degrees 09 minutes 56 seconds East, a distance of 196.83 feet to a calculated point;
- 6) North 31 degrees 16 minutes 05 seconds East, a distance of 196.52 feet to a calculated point;
- 7) North 25 degrees 08 minutes 19 second East, a distance of 197.26 feet to a calculated point;
- 8) North 38 degrees 00 minutes 35 seconds East, a distance of 206.86 feet to a calculated point;
- 9) North 29 degrees 29 minutes 03 seconds East, a distance of 187.35 feet to a calculated point;
- 10) North 37 degrees 29 minutes 21 seconds East, a distance of 147.74 feet to a calculated point;
- 11) North 54 degrees 34 minutes 45 seconds East, a distance of 330.20 feet to a calculated point;
- 12) South 36 degrees 18 minutes 15 seconds East, a distance of 0.19 feet to a calculated point;
- 13) North 53 degrees 41 minutes 45 seconds East, a distance of 12.21 feet to a calculated point;
- 14) North 52 degrees 34 minutes 47 seconds East, a distance of 294.84 feet to a calculated point;
- 15) North 66 degrees 45 minutes 30 seconds East, a distance of 254.01 feet to a calculated point;
- 16) North 56 degrees 33 minutes 16 seconds East, a distance of 249.99 feet to a calculated point;
- 17) North 52 degrees 15 minutes 55 seconds East, a distance of 401.11 feet to a calculated point being in the west right-of-way line of Kentucky Highway 603, said west right-of-way line varies in width from its centerline; thence with said west right-of-way line for the following three (3) calls:
 - 1) South 56 degrees 24 minutes 44 seconds East, a distance of 241.35 feet to a calculated point;

2) South 51 degrees 17 minutes 47 seconds East, a distance of 206.27 feet to a calculated point;

3) South 35 degrees 19 minutes 13 seconds East, a distance of 501.17 feet to a calculated point being in the south right-of-way line of Hayden Road, said south right-of-way line varies in width from its centerline; thence with said south right-of-way line North 53 degrees 59 minutes 28 seconds East, a distance of 202.45 feet to a calculated point being in the northwest corner of the Senior Green, LLC property, as recorded in Deed Book 1011, at Page 316 in said clerk's office; thence with the west line of said Senior Green, LLC property South 37 degrees 30 minutes 08 seconds East, a distance of 342.40 feet to a calculated point; thence continuing with said west line South 08 degrees 40 minutes 12 seconds East, a distance of 167.29 feet to a calculated point; thence severing said Senior Green, LLC property South 41 degrees 29 minutes 23 seconds East, a distance of 713.42 feet to a calculated point; thence continuing to sever said Senior Green, LLC property in a curve to the right being subtended by a chord of South 35 degrees 37 minutes 38 seconds East, a chord distance of 518.89 feet and having a radius of 2,540.00 feet, in all an arc distance of 519.80 feet to a calculated point being in the west line of the James and Ernest Pantle property, as recorded in Deed Book 431, at Page 216 in said clerk's office; thence severing said Pantle property in a curve to the right being subtended by a chord of South 22 degrees 06 minutes 10 seconds East, a chord distance of 677.31 feet and having a radius of 2,540.00 feet, in all an arc distance of 679.33 feet to a calculated point; thence continuing to sever said Pantle property South 14 degrees 26 minutes 26 seconds East, a distance of 61.40 feet to a calculated point being in the north line of the Downs Subdivision, as recorded in Plat Book 28, at Page 77 and Plat Book 30, at Page 22 both in said clerk's office; thence with said north line North 71 degrees 57 minutes 07 seconds West, a distance of 126.88 feet to a calculated point being in the south line of said Pantle property; thence severing said Pantle property North 75 degrees 24 minutes 01 seconds East, a distance of 27.01 feet to a calculated point; thence continuing to sever said Pantle property in a curve to the left being subtended by a chord of North 22 degrees 49 minutes 00 seconds West, a chord distance of 703.17 and having a radius of 2,460.00 feet, in all an arc distance of 705.59 feet to a calculated point being in the east line of the Daviess County School District Finance Corp. property, as recorded in Deed Book 1012, at Page 26 in said clerk's office; thence with said east line North 85 degrees 42 minutes 45 seconds East, a distance of 41.53 feet to a calculated point; thence continuing with said east line South 05 degrees 12 minutes 16 seconds West, a distance of 546.15 feet to a calculated point being in said north line; thence with said north line North 71 degrees 13 minutes 38 seconds West, a distance of 107.91 feet to a calculated point; thence continuing said north line South 53 degrees 53 minutes 52 seconds West, a distance of 51.00 feet to a calculated point being in the west line of the Downs Subdivision, as recorded in Plat Book 29, at Page 330, Plat Book 30, at Page 22, and Plat Book 30, at Page 141 all in said clerk's office; thence with said west line South 16 degrees 53 minutes 40 seconds West, a distance of 1,578.30 feet to a calculated point being in the north line of the Wal-Mart Real Estate Business Trust property, as recorded in Deed Book 785, at Page 260 in said clerk's office; thence with said north line North 71 degrees 46 minutes 46 seconds West, a distance of 235.51 feet to a calculated point; thence continuing with said north line North 74 degrees 21 minutes 33 seconds West, a distance of 395.33 feet to a calculated point being the northeast corner of said human resources property; thence with the north line of said human resources property North 70 degrees 51 minutes 57 seconds West, a distance of 490.34 feet to a calculated point being the northwest corner of said human resources property; thence with the west line of said human resources property South 21 degrees 59 minutes 33 seconds West, a

distance of 1,235.72 feet to the point of beginning and containing 306.56 acres. This description was prepared for a tax area only and is NOT to be used for the transfer of real property.

J. William Weikel, Jr. *April 30, 2020*
J. William Weikel, Jr., KY PLS No. 2813 Date

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EXHIBIT C

AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT

**AMENDED AND RESTATED
LOCAL PARTICIPATION AGREEMENT
FOR THE
GATEWAY COMMONS DEVELOPMENT AREA
BY AND BETWEEN
CITY OF OWENSBORO, KENTUCKY
AND
DEPARTMENT OF FINANCE OF
THE CITY OF OWENSBORO, KENTUCKY
June 16, 2015**

INDEX
TO
AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT
DATED
June 16, 2015
CITY OF OWENSBORO, KENTUCKY
AND
DEPARTMENT OF FINANCE OF THE CITY OF OWENSBORO, KENTUCKY

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
SECTION I. Recitals	5
SECTION II. Definitions	6
SECTION III. Parties	9
SECTION IV. Duties and Responsibilities of City	10
SECTION V. Duties and Responsibilities of the Agency	11
SECTION VI. Identification and Pledge of Incremental Revenues	12
SECTION VII. Anticipated Benefits to the City	13
SECTION VIII. Description of Development Area	13
SECTION IX. Description of Project; Costs	13
SECTION X. Financing Plan.....	14
SECTION XI. Commencement Date; Activation Date; Termination Date.....	14
SECTION XII. Default	14
SECTION XIII. Governing Law.....	15
SECTION XIV. Severability	15
SECTION XV. Force Majeure	15
SECTION XVI. Notices	16
SECTION XVII. Approvals.....	17
SECTION XVIII. Entirety of Agreement.....	17
SECTION XIX. Successors and Assigns.....	17
SECTION XX. Headings and Index	18
SECTION XXI. Exhibits	18
SECTION XXII. No Waiver; Construction.....	18
SECTION XXIII. MULTIPLE Counterparts	18
SECTION XXIV. Relationship of the Parties	18
SECTION XXV. No Third Party Beneficiary	19
SECTION XXVI. Diligent Performance	19

SECTION XXVII. Assignment of Rights and Delegation of Duties 19

SECTION XXVIII. Conflict with Other Agreements 19

**AMENDED AND RESTATED LOCAL
PARTICIPATION AGREEMENT
Gateway Commons Development Area**

THIS AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT (this “Agreement”) is made effective retroactive to the 16th day of June, 2015 (the “Effective Date”) by and between the CITY OF OWENSBORO, KENTUCKY, a Kentucky municipal corporation of the home rule class (the “City”), and the DEPARTMENT OF FINANCE OF THE CITY OF OWENSBORO, KENTUCKY (the “Agency”), collectively (the “Parties”);

RECITALS

WHEREAS, pursuant to the Act, as hereinafter defined, the City has on the 16th day of June, 2015, adopted Ordinance Number 16-2015, (the “Development Area Ordinance”), whereby it established the Gateway Commons Development Area (the “Development Area”) for the purpose of promoting a mixed-use development of previously undeveloped land; and

WHEREAS, the City’s Board of Commissioners (the “Board of Commissioners”) recognizes and determines individually that the real property that constitutes the Development Area has been and is currently characterized by underutilized land, that continuation of the underutilized status of this land within the Development Area will discourage and interfere with the City’s growth policies to encourage the sensible development of land within the City, and that the acquisition, financing, construction and development of those improvements and buildings, as identified in Exhibit B herein (collectively, the “Project”), will contribute to the public welfare of the citizens of the City, and the Commonwealth of Kentucky (the “State”) and will thereby materially enhance the area and be in furtherance of the general health and welfare of the citizens of the City and the State; and

WHEREAS, the Board of Commissioners recognizes and determines individually that the project is a mixed-use development which includes significant public infrastructure improvements; and

WHEREAS, the Parties recognize that the development of the Development Area will not likely occur without a public-private partnership and financial assistance provided to the Project by the City and the State; and

WHEREAS, the Parties desire to set forth the duties and responsibilities of the Parties with respect to the administration, financing and pledging of Incremental Revenues in support of the development of the Project within the Development Area, and to expand the boundaries of the Development Area; and

WHEREAS, pursuant to the Development Area Ordinance, and Ordinance Number ____-2020, the Board of Commissioners has authorized the City to execute and enter into this Agreement with the Agency, and the City desires to enter into this Agreement; and

WHEREAS, pursuant to the Development Area Ordinance, and Ordinance Number 12-2020, the Board of Commissioners has authorized the Director of Finance to execute and enter into this Agreement with the City, and the Agency desires to enter into this Agreement; and

WHEREAS, pursuant to the Act (as hereinafter defined), the City and the Agency desire to set forth their mutual agreements, understandings and obligations in this Amended and Restated Local Participation Agreement, in order to facilitate development of the Project within the Development Area.

STATEMENT OF AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties hereto, and in consideration of the premises and the mutual covenants and undertakings contained herein, it is agreed and covenanted by and among the Parties hereto as follows:

SECTION I. RECITALS

The Parties hereto agree that the above “recitals” or “recital clauses” are incorporated herein by reference as if fully restated herein and form a part of the agreement among the Parties hereto.

SECTION II. DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the meanings assigned in this Section II, unless the context clearly indicates that a contrary or different meaning is intended.

1. “Act” or “the Act”. Shall mean KRS 65.7041 to KRS 65.7083, KRS 154.30- 010-154.30-090 and KRS 139.515.

2. “Administrative Fee”. Shall be a fee retained by the City of two percent (2%) of the annual amount received by the Agency from State Incremental Revenues and City Incremental Revenues, to reimburse the City for its costs to oversee, administer and implement the Development Area Ordinance, including professional fees necessary to comply with any reporting and other requirements, and/or computing incremental tax revenues due, related to the Tax Incentive Agreement and this Agreement.

3. “Agency”. Shall mean the Department of Finance of the City of Owensboro, Kentucky, which shall be responsible for administering the Special Fund and the Development Area Ordinance pursuant to the TIF Documents and the Act.

4. “Agreement”. Shall mean this Amended and Restated Local Participation Agreement, including all Exhibits attached hereto.

5. “Approved Public Infrastructure Costs”. Shall be the cost approved for reimbursement from State Incremental Revenues as set forth in the Tax Incentive Agreement.

6. “City”. Shall mean the City of Owensboro, Kentucky.

7. “City Authorizations”. Shall mean those necessary governmental authorizations, resolutions, orders, hearings, notices, ordinances, and other acts, required by laws, rules, or regulations to provide the City and its officers with the proper authority to perform all obligations of the City

resulting from this Agreement, and perform all other obligations of the City made necessary by, or resulting from the establishment of the Development Area.

8. “City Incremental Revenues”. Shall mean the net tax revenues generated from the Development Area by deducting Old Revenues from New Revenues after the Activation Date.

9. “Developer” or “Master Developer”. Shall mean G W Development, Inc., a Kentucky corporation, its successors, affiliates, subsidiaries or related entities.

10. “Development Area”. Shall mean the “Gateway Commons Development Area” as defined in the Development Area Ordinance.

11. “Development Area Ordinance.” Shall mean Ordinance No. 16-2015, adopted by the City on June 16, 2015.

12. “Effective Date”. Shall have the meaning given in the introductory paragraph of this Agreement.

13. “Financing Plan”. Shall mean the plan for financing the Project as described in Section X of this Agreement and in Exhibit D attached hereto, as it may be amended with the approval of the of the City.

14. “State Incremental Revenues”. Shall mean the amount of State tax revenues received by the Agency to reimburse Approved Public Infrastructure Costs pursuant to the Tax Incentive Agreement.

15. “KEDFA”, Shall mean the Kentucky Economic Development Finance Authority.

16. “Master Development Area”. Shall mean the Master Development Area among the City, the RWRA, the Agency and the Developer, dated _____, 2020, related to the Project.

17. “Mixed-Use Project or Program”. Shall mean the Commonwealth Participation Program for Mixed-Use Redevelopment in Blighted Urban Areas as described in the Act.

18. “New Revenues”. Shall mean the City’s real property *ad valorem* taxes, based on the City’s real property *ad valorem* tax rate, and the City’s occupational license fees, from payroll and net profits license fees, but shall exclude that portion of the occupational license fees which is restricted for a specific purpose, which is currently in the amount of .33 of the City’s occupational tax from payroll and net profits tax amount), and any occupational license fees from net profits and payroll taxes related to the construction and operation of the Daviess County Middle School by the Daviess County Board of Education generated from the Development Area each year after the date of Activation.

19. “Old Revenues”. Shall mean the City’s real property *ad valorem* taxes, based on the City’s real property *ad valorem* tax rate, and the City’s occupational license fees, from payroll and net profits license fees, generated from the Development Area during calendar year 2015.

20. “Private Financing”. Shall mean the financing needed to provide for the development and construction of the Project elements or any financing received by the Developer, not including the pledge of Incremental Revenues from City or the State.

21. “Project”. Shall mean the mixed-use project being undertaken by the Developer and the related improvements within the Development Area.

22. “Project Costs”. Shall mean any Capital Investment, as defined in the Act, within the Development Area.

23. “Public Infrastructure Costs”. Shall mean the Project costs eligible for reimbursement by Incremental Revenues from City, including “Approved Public Infrastructure Costs”, and are currently estimated as shown in Exhibit C.

24. “Redevelopment Assistance”. Shall have the same meaning as set forth in the Act, and shall be the costs approved for reimbursement or payment from Incremental Revenues Incremental Revenues as determined by the City.

25. RWRA. Shall mean the Owensboro Regional Water Resource Agency.

26. “Special Fund”. Shall mean the Gateway Commons Development Area Special Fund established in the Development Area Ordinance and maintained by the Agency, for the purpose of receiving, distributing and maintaining City Incremental Revenues pledged by the City, and State Incremental Revenues received from the State, in the manner set forth in the TIF Documents in connection with the Development Area.

27. “State”. Shall mean the Commonwealth of Kentucky, including any of its agencies and departments.

28. “Tax Incentive Agreement”. Shall mean the agreement between KEDFA and the Agency dated October 27, 2016, related to the pledge of State Incremental Revenues to reimburse the costs of Approved Public Infrastructure Costs in connection with the construction of the Project.

29. “Termination Date”. Shall have the meaning as provided in the Development Area Ordinance.

30. “TIF Documents”. Shall mean the Development Area Ordinance, this Agreement, the Tax Incentive Agreement, the Master Development Agreement, the Development Plan, and related documents.

31. “Unavoidable Delays”. Shall mean delays due to labor disputes, lockouts, acts of God, enemy action, civil commotion, riot, governmental regulations not in effect at the date of execution of this Agreement, conditions that could not have been reasonably foreseen by the claiming party, inability to obtain construction materials or energy, fire, or unavoidable casualty, provided such matters are beyond the reasonable control of the party claiming such delay.

SECTION III. PARTIES

The parties to this Agreement shall be the City and the Agency.

SECTION IV.
DUTIES AND RESPONSIBILITIES OF CITY

The City shall have the following duties and responsibilities in connection with the development of the Development Area:

1. Provide for the establishment of the Special Fund for the collection of City Incremental Revenues from the Development Area pledged herein by the City, and State Incremental Revenues pledged from the footprint of the Project, in accordance with the terms of the Tax Incentive Agreement.

2. Pledge one hundred percent (100%) of the City Incremental Revenues, generated within the Development Area to pay for the cost of the Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance in connection with the Project and the Development Area, pursuant to the terms set forth in the TIF Documents, for up to a twenty (20) year period, which pledge is made in Section VI herein.

3. Designate the Agency as the entity responsible for the oversight, administration, and implementation of the Development Area Ordinance and the Special Fund pursuant to the TIF Documents and the Act.

4. Meet as may be required with the Developer and the Agency for the purpose of reviewing the progress of the development of the Development Area and prepare an analysis of such progress for distribution to the Agency and the State in accordance with the Act and any Tax Incentive Agreement.

5. Require its Department of Finance, as the “Agency” for purposes of the Act, to prepare by no later than June 1, or such other date to meet the reporting schedule of KEDFA, or the State, to receive State Incremental Revenues under the Tax Incentive Agreement, of each year during the term of this Agreement an annual report and provide same to the City and KEDFA including, but not limited to: (a) the total real property taxes, business occupational license taxes and business employee payroll taxes collected within the Development Area during the previous calendar year; (b) a determination of Incremental Revenues collected within the Development Area during the previous calendar year; and

(c) the amount, if any, of Incremental Revenues spent from the Special Fund on the Administrative Fee, Public Infrastructure Costs and/or Redevelopment Assistance in connection with the Project, and the Development Area,

6. Upon receipt of Developer's Request provide, or require the Agency to provide, written confirmation that the Developer is in good standing with its obligations under the terms of this Agreement.

SECTION V. DUTIES AND RESPONSIBILITIES OF THE AGENCY

The Agency shall have the following duties and responsibilities in connection with the development of the Development Area:

1. Act as the party responsible for the oversight, administration, and implementation of the Development Area Ordinance and the Special Fund.

2. Meet as may be required with the Developer and the City for the purpose of reviewing the progress of the development of the Development Area and prepare an analysis of such progress for distribution to the Agency and the State in accordance with the Act.

3. Prepare by no later than June 1, or such other date to meet the reporting schedule of KEDFA, or the State, to receive State Incremental Revenues under the Tax Incentive Agreement, of each year during the term of this Agreement an annual report and provide same to the City, the Developer and KEDFA including, but not limited to: (a) the total real property taxes, business occupational license taxes and business employee payroll taxes collected within the Development Area during the previous calendar year; (b) a determination of Incremental Revenues collected within the Development Area during the previous calendar year; and (c) the amount, if any, of Incremental Revenues spent from the Special Fund on the Administrative Fee, Public Infrastructure Costs and/or Redevelopment Assistance

4. Each year, once the Agency has received deposits of City Incremental Revenues and State Incremental into the Special Fund, pay such funds to the City, the RWRA, and/or Developer (as

applicable) within thirty (30) days to cover the payment of the Administrative Fee, Public Infrastructure Costs and/or Redevelopment Assistance pursuant to the terms set forth in the TIF Documents.

5. Comply with any requirements and carry out any duties and responsibilities as the Agency under the terms of a Tax Incentive Agreement (as defined in the Act) with KEDFA and this Agreement.

SECTION VI.
IDENTIFICATION AND PLEDGE OF INCREMENTAL REVENUES

1. To the extent City Incremental Revenues are generated, the City hereby pledges one hundred percent (100%) of the City Incremental Revenues, generated from the Development Area to pay for the Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance within the Development Area pursuant to the terms set forth in the TIF Documents, and in accordance with the Act, for up to a twenty (20) year period after the Activation Date.

2. City Incremental Revenues pledged by the City in this Section shall be deposited at least annually, no later than each June 1st after the first calendar year of Activation, to the Special Fund and shall be held by the Agency and used solely for payment of Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance in support of the Project and the Development Area, and for no other purpose. Such Special Fund shall be continued and maintained until the Termination Date (as defined in the Development Area Ordinance) of the Development Area. Amounts in the Special Fund, together with interest accruing thereon, are hereby irrevocably pledged for the payment of costs as provided in this Section VI of this Agreement, and for no other purpose.

3. State Incremental Revenues received by the Agency pursuant to the Tax Incentive Agreement shall be deposited in the Special Fund as soon as they are received each year after the first calendar year of activation of the Tax Incentive Agreement. The State Incremental Revenues are hereby irrevocably pledged and shall be maintained by the Agency and used solely for payment of, or as reimbursement of, the Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance in support of the Project, and the Development Area, pursuant to the terms set forth in the TIF

Documents and for no other purpose. The Special Fund shall be continued and maintained until the Termination Date of the Development Area.

4. At the Termination Date (as defined in the Development Area Ordinance) all amounts remaining in the Special Fund shall be transferred to the General Fund of the City.

SECTION VII. ANTICIPATED BENEFITS TO THE CITY

The City anticipates receiving substantial benefits as a result of the pledge of their Incremental Revenues to support development of the Development Area as set forth herein. Estimates of projected New Revenues for the City on an annual basis during the term of this Agreement are attached as Exhibit E hereto. The maximum amount of City Incremental Revenues to be pledged to the Development Area by the City shall be one hundred percent (100%) of the Incremental Revenues generated from the Development Area, and the maximum number of years the payment of City Incremental Revenues to support the development of the Development Area will be made is twenty (20) years.

SECTION VIII. DESCRIPTION OF DEVELOPMENT AREA

A detailed description of the Development Area is set forth in Exhibit A hereto.

SECTION IX. DESCRIPTION OF PROJECT; COSTS

A detailed description of the individual projects that collectively constitute the Project is set forth in Exhibit B hereto. Also included in Exhibit B is an estimate of the costs of construction, acquisition and development of such proposed projects. The elements of the Project planned to be supported or paid for with City Incremental Revenues and State Incremental Revenues are listed on the attached Exhibit C, subject to further amendment with approval by the City.

SECTION X.
FINANCING PLAN

The financing for the Project shall generally be in accordance with the Financing Plan set forth in Exhibit D attached hereto. It is understood that the Financing Plan for the Project may be modified as development of the Project progresses and that more specific details of the nature of each aspect of financing the Project shall be more particularly contained in any Private Financing and other documents at the time that each aspect of the financing needed for the Project is obtained. However, the pledge of City Incremental Revenues and State Incremental Revenues herein to support payment of Public Infrastructure Costs for construction of the Project shall not be modified without the specific approval of the City and State.

SECTION XI.
COMMENCEMENT DATE; ACTIVATION DATE; TERMINATION DATE

This Agreement shall commence and be effective as of the date of execution hereof by the City. The activation date for the pledge of City Incremental Revenues as set forth in Section VI hereof shall be January 1, 2018 (the “Activation Date”). This Agreement shall terminate twenty (20) years after the Activation Date. This Agreement shall not terminate upon the execution of any deeds or other agreements required or contemplated by this Agreement, or referred to herein, and the provisions of this Agreement shall not be deemed to be merged into the deeds, or any other such deeds or other agreements, it being the intent of the parties hereto that this Agreement shall survive the execution and delivery of any such agreements.

SECTION XII.
DEFAULT

If the City or the Agency (a “Defaulting Party”) shall default in its obligation to make payments of Incremental Revenues set forth herein, the Agency (unless it is the Defaulting Party), the Developer and/or the indenture trustee or trustees for outstanding financing obligations secured by such

Incremental Revenues shall have the power to enforce the provisions of this Agreement against the Defaulting Party. If the City or the Agency materially breaches or defaults on any of its nonpayment related obligations under this Agreement, the Developer, and/or the indenture trustee or trustees for the outstanding financing obligations may give notice that remedial action must be taken within thirty (30) days. The Defaulting Party shall correct such breach or default within thirty (30) days after such notice, provided however that if (i) the default is one which cannot with due diligence be remedied by the Defaulting Party within thirty (30) days and (ii) the Defaulting Party proceeds as promptly as reasonably possible after such notice and with all due diligence to remedy such default, the period after such notice within which to remedy the default shall be extended for such period of time as may be necessary to remedy the same with all due diligence.

SECTION XIII. GOVERNING LAW

The laws of the State shall govern as to the interpretation, validity and effect of this Agreement.

SECTION XIV. SEVERABILITY

If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held in any proceeding to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid or unenforceable, shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties essential objectives as expressed herein.

SECTION XV. FORCE MAJEURE

The City shall not be deemed to be in default in the performance of any obligation on such parties' part to be performed under this Agreement, other than an obligation requiring the payment of a sum of money, if and so long as the nonperformance of such obligation shall be directly caused by

Unavoidable Delays; provided, that within fifteen (15) days after the commencement of such Unavoidable Delay, the non performing party shall notify the other party in writing of the existence and nature of any such Unavoidable Delay and the steps, if any, which the nonperforming party shall have taken or planned to take to eliminate such Unavoidable Delay. Thereafter, the non-performing party shall, from time to time, on written request of the other party, keep the other party fully informed, in writing, of further developments concerning such Unavoidable Delay and the effort being made by the non-performing party to perform such obligation as to which it is in default. All provisions of any construction schedule shall be adjusted in accordance with such Unavoidable Delay.

SECTION XVI.
NOTICES

Any notice to be given under this Agreement shall be in writing, shall be addressed to the party to be notified at the address set forth below or at such other address as each party may designate for itself from time to time by notice hereunder, and shall be deemed to have been given upon the earliest of (i) three (3) days following deposit in the U.S. Mail with proper postage prepaid, Certified or Registered, (ii) the next business day after delivery to a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement, satisfactory with such carrier, made for the payment of such fees, or (iii) receipt of notice given by telecopy or personal delivery:

If to the City:	Mayor 101 East 4 th Street Owensboro, Kentucky 42303
-----------------	---

With a Copy to:	City Manager 101 East 4 th Street Owensboro, Kentucky 42303
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If to the Agency:	Finance Director 101 East 4 th Street Owensboro, Kentucky 42303
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SECTION XVII.
APPROVALS

Whenever a party to this Agreement is required to consent to, or approve, an action by the other party, or to approve any such action to be taken by another party, unless the context clearly specifies a contrary intention, or a specific time limitation, such approval or consent shall be given within thirty (30) business days and shall not be unreasonably withheld or delayed by the party from whom such approval or consent is required.

SECTION XVIII.
ENTIRETY OF AGREEMENT

As used herein, the term "Agreement" shall mean this Amended and Restated Local Participation Agreement and the Exhibits attached hereto. This Agreement embodies the entire agreement and understanding of the parties hereto with respect to the subject matter herein contained, and supersedes all prior agreements, correspondence, arrangements, and understandings relating to the subject matter hereof. No representation, promise, inducement, or statement of intention has been made by any party which has not been embodied in this Agreement, and no party shall be bound by or be liable for any alleged representation, promise, inducement, or statement of intention not so set forth. This Agreement may be amended, modified, superseded, or cancelled only by a written instrument signed by all of the parties hereto, and any of the terms, provisions, and conditions hereof may be waived only by a written instrument signed by the waiving party. Failure of any party at any time or times to require performance of any provision hereof shall not be considered to be a waiver of any succeeding breach of any such provision by any part.

SECTION XIX.
SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

SECTION XX.
HEADINGS AND INDEX

The headings in this Agreement and the Index are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any provision hereof.

SECTION XXI.
EXHIBITS

All exhibits to this Agreement shall be deemed to be incorporated herein by reference and made a part hereof, above the signatures of the parties hereto, as if set out in full herein.

SECTION XXII.
NO WAIVER; CONSTRUCTION

No waiver of any condition or covenant of this Agreement to be satisfied or performed by the City shall be deemed to imply or constitute a further waiver of the same, or any like condition or covenant, and nothing contained in this Agreement nor any act of either party, except a written waiver signed by such party, shall be construed to be a waiver of any condition or covenant to be performed by the other party. No provisions of this Agreement shall be construed against a party by reason of such party having drafted such provisions.

SECTION XXIII.
MULTIPLE COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall constitute an original document.

SECTION XXIV.
RELATIONSHIP OF THE PARTIES

Except as expressly stated and provided for herein, neither anything contained in this Agreement nor any acts of the parties hereto shall be deemed or construed by the Parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of association among any of the Parties of this Agreement.

SECTION XXV.
NO THIRD PARTY BENEFICIARY

Except as otherwise specified herein, the provisions of this Agreement are for the exclusive benefit of the City and the Agency, their successors and permitted assigns, and not for the benefit of any other person or entity, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any other person or entity.

SECTION XXVI.
DILIGENT PERFORMANCE

With respect to any duty or obligation imposed on a party to this Agreement, unless a time limit is specified for the performance of such duty or obligation, it shall be the duty or obligation of such party to commence and perform the same in a diligent and workmanlike manner and to complete the performance of such duty or obligation as soon as reasonably practicable after commencement of the performance thereof. Notwithstanding the above, time is of the essence with respect to any time limit specified herein.

SECTION XXVII.
ASSIGNMENT OF RIGHTS AND DELEGATION OF DUTIES

No Party to this Agreement may assign this Agreement, or any part hereof, except as provided herein, without the prior written consent of the other Parties. Nothing in this Section shall be construed to require prior written consent for any Developer to assign any of its rights or obligations to a subsidiary, affiliate or related entity.

SECTION XXVIII.
CONFLICT WITH OTHER AGREEMENTS

In the event of any conflict between this Agreement (or any portion thereof) and the Master Development Agreement, the terms and conditions of the Master Development Agreement shall be controlling.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands on the ____ day of _____, 2020, but to be effective retroactive to the Effective Date.

CITY OF OWENSBORO, KENTUCKY

Approved as to Form:

By: _____
Thomas H. Watson
Its: Mayor

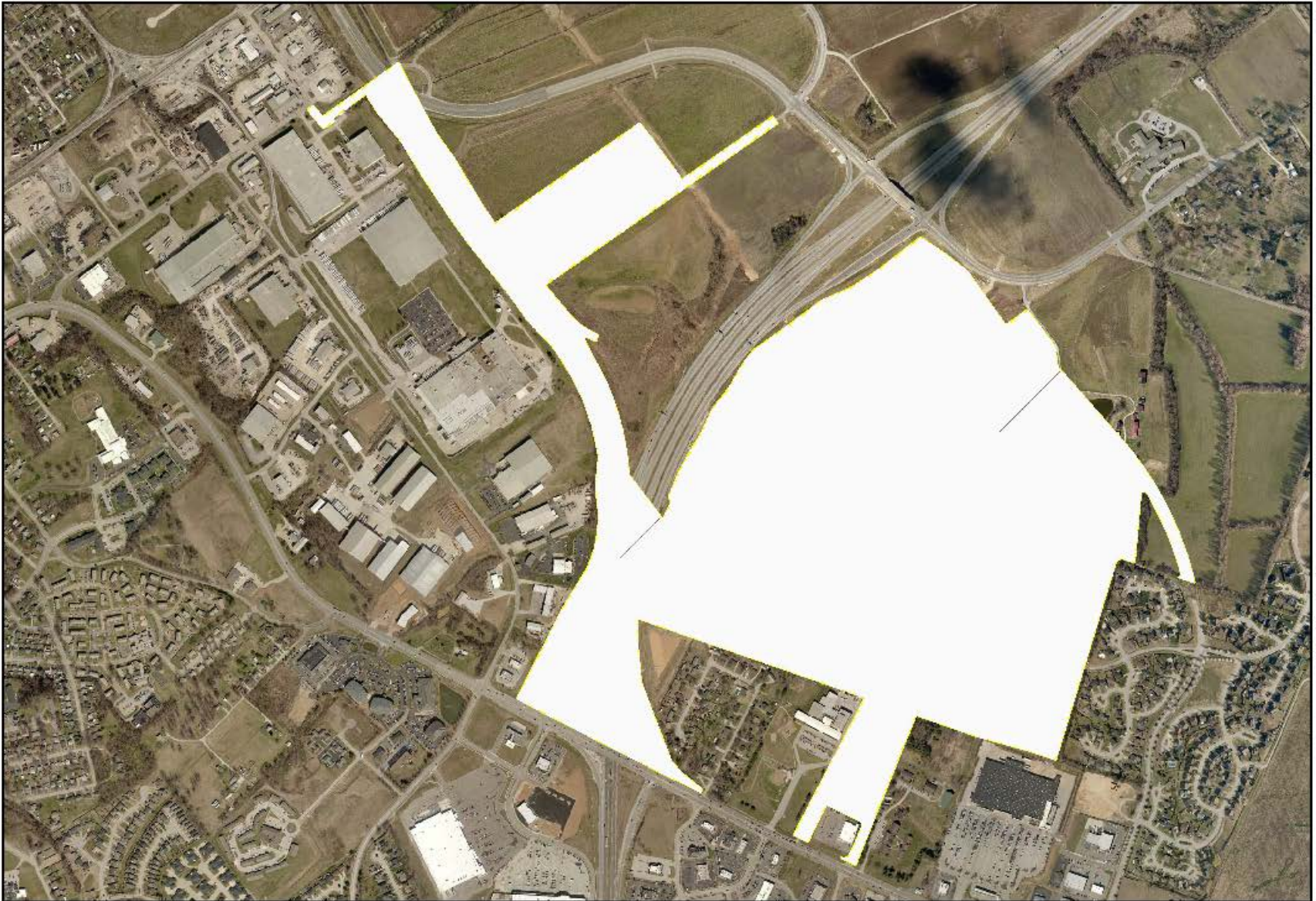
Stephen D. Lynn
City Attorney for the City of Owensboro, Kentucky

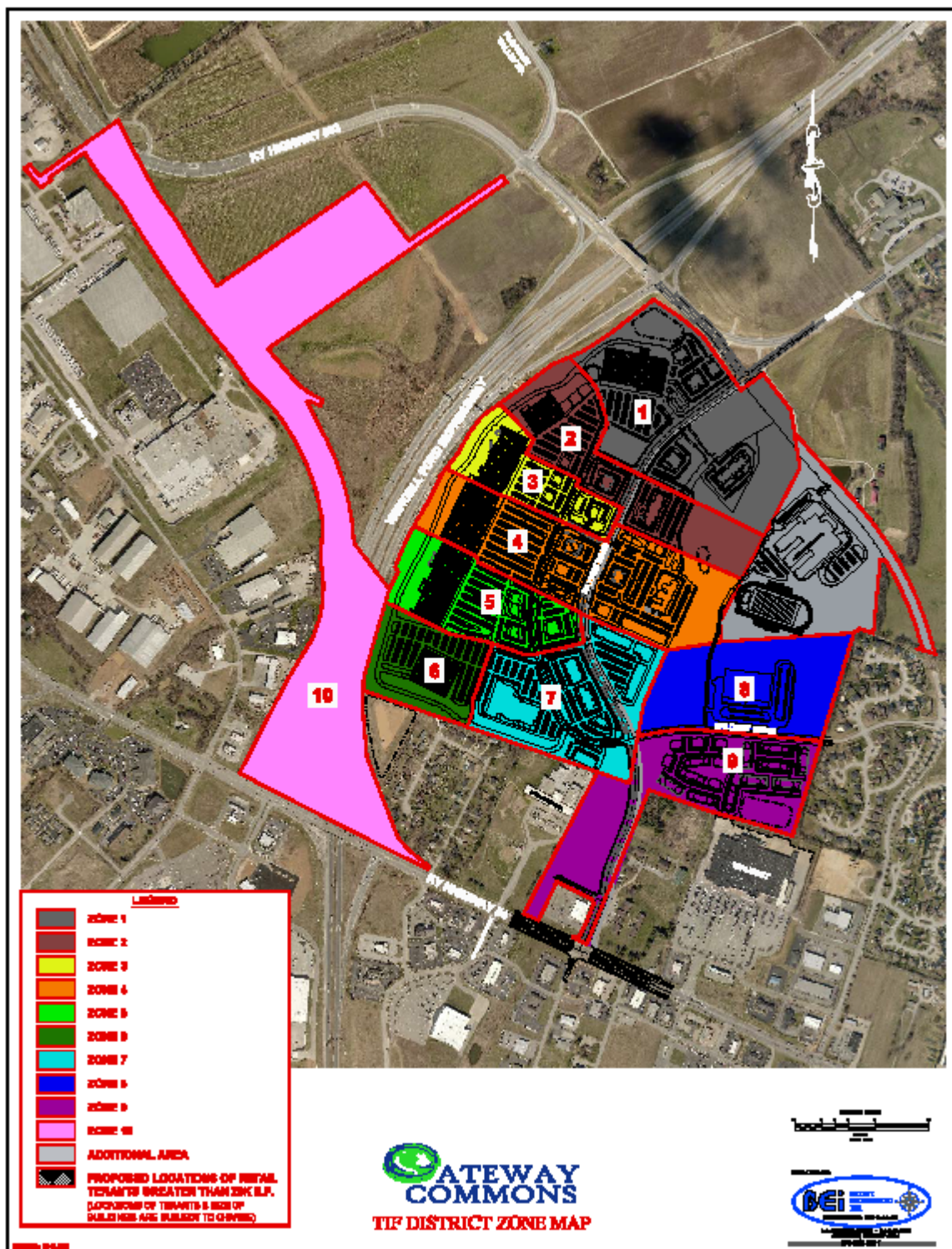
DEPARTMENT OF FINANCE OF THE
CITY OF OWENSBORO, KENTUCKY

By: _____
Angela Hamric Waninger
Its: Director of Finance for the City of
Owensboro

EXHIBIT A

Development Area Map and Description







BRYANT ENGINEERING, INC.

1535 FEDERICA STREET • P.O. BOX 21382 • OWENSBORO, KY 42304

PHONE: (270)685-2811 • FAX: (270)683-4991

DESCRIPTION FOR TIF

Beginning at a calculated point being in the north right-of-way of Kentucky Highway 54, said north right-of-way line varies in width from its centerline and being the southwest corner of the Commonwealth of Kentucky Department of Human Resources property, as recorded in Deed Book 448, at Page 514 in the office of the Daviess County Clerk; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 123.88 feet to a calculated point being the southeast corner of the property located at 2945 Highway 54; thence with said property for the following seven (7) calls:

1) in a curve to the left being subtended by a chord of North 71 degrees 54 minutes 59 seconds East, a chord distance of 88.55 feet and having a radius of 50.00 feet, in all an arc distance of 76.91 feet to a calculated point;

2) North 27 degrees 51 minutes 01 seconds East, a distance of 60.97 feet to a calculated point;

3) in a curve to the left being subtended by a chord of North 24 degrees 55 minutes 17 seconds East, a chord distance of 22.33 feet and having a radius of 218.50 feet, in all an arc distance of 22.34 feet to a calculated point;

4) North 21 degrees 59 minutes 33 seconds East, a distance of 152.34 feet to a calculated point;

5) in a curve to the left being subtended by a chord of North 21 degrees 00 minutes 45 seconds West, a chord distance of 50.47 feet and having a radius of 37.00 feet, in all an arc distance of 55.54 feet to a calculated point;

6) North 64 degrees 01 minutes 04 seconds West, a distance of 282.48 feet to a calculated point;

7) South 25 degrees 58 minutes 56 seconds West, a distance of 318.03 feet to a calculated point being in said north right-of-way line; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 119.93 feet to a calculated point being the southeast corner of the Daviess County School District Finance Corp. property, as recorded in Deed Book 800, at Page 604 in said clerk's office; thence with the east line of said school property North 27 degrees 31 minutes 53 seconds East, passing through the southeast corner of the Ohio Valley Two Way Radio, Inc. property, as recorded in Deed Book 678, at Page 570 in said clerk's office, then continuing on the same course with the east line of said radio property, a total distance of 1,184.88 feet to a calculated point being the northeast corner of said radio property; thence with the north line of said radio property North 70 degrees 49 minutes 28 seconds West, passing through the northeast corner of said school property, Owen D. Wimsatt Subdivision, as recorded in Deed Book 419, at Page 95 in said clerk's office, Commonwealth of Kentucky, as shown on highway plans, and Gateway Land, LLC property, as recorded in Deed Book 945, at Page 733 properties then continuing on the same course with the north line of each property, a total distance of 1,842.51 feet to a calculated point being in the

east right-of-way line of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

1) South 01 degrees 43 minutes 01 seconds West, a distance of 154.11 feet to a calculated point;

2) South 05 degrees 06 minutes 32 seconds East, a distance of 339.77 feet to a calculated point;

3) South 20 degrees 42 minutes 49 seconds East, a distance of 257.22 feet to a calculated point;

4) South 21 degrees 13 minutes 46 seconds East, a distance of 390.48 feet to a calculated point;

5) South 41 degrees 55 minutes 34 seconds East, a distance of 130.00 feet to a calculated point;

6) South 51 degrees 33 minutes 55 seconds East, a distance of 185.84 feet to a calculated point;

7) South 28 degrees 30 minutes 06 seconds West, a distance of 19.75 feet to a calculated point being in the east line of the corporate limits of Owensboro, Kentucky; thence with said east line for the following twenty-three (23) calls:

1) North 63 degrees 32 minutes 54 seconds West, a distance of 139.55 feet to a calculated point;

2) North 64 degrees 47 minutes 08 seconds West, a distance of 120.58 feet to a calculated point;

3) North 63 degrees 22 minutes 42 seconds West, a distance of 102.97 feet to a calculated point;

4) North 62 degrees 41 minutes 22 seconds West, a distance of 126.78 feet to a calculated point;

5) North 62 degrees 51 minutes 58 seconds West, a distance of 158.92 feet to a calculated point;

6) North 63 degrees 11 minutes 03 seconds West, a distance of 191.84 feet to a calculated point;

7) North 62 degrees 33 minutes 26 seconds West, a distance of 237.10 feet to a calculated point;

8) North 63 degrees 16 minutes 58 seconds West, a distance of 196.27 feet to a calculated point;

9) North 62 degrees 17 minutes 22 seconds West, a distance of 299.41 feet to a calculated point;

10) North 27 degrees 07 minutes 23 seconds East, a distance of 777.34 feet to a calculated point;

11) North 31 degrees 12 minutes 19 seconds East, a distance of 362.79 feet to a calculated point;

12) North 20 degrees 11 minutes 25 seconds East, a distance of 156.38 feet to a calculated point;

13) North 09 degrees 30 minutes 19 seconds East, a distance of 99.88 feet to a calculated point;

14) North 04 degrees 54 minutes 03 seconds East, a distance of 146.04 feet to a calculated point;

15) North 05 degrees 12 minutes 31 seconds West, a distance of 222.32 feet to a calculated point;

16) North 05 degrees 03 minutes 26 seconds East, a distance of 237.69 feet to a calculated point;

17) North 11 degrees 51 minutes 35 seconds West, a distance of 243.44 feet to a calculated point;

18) North 19 degrees 09 minutes 05 seconds West, a distance of 199.82 feet to a calculated point;

19) North 25 degrees 34 minutes 51 seconds West, a distance of 200.40 feet to a calculated point;

20) North 32 degrees 01 minutes 47 seconds West, a distance of 199.92 feet to a calculated point;

21) North 36 degrees 47 minutes 30 seconds West, a distance of 100.21 feet to a calculated point;

22) North 43 degrees 53 minutes 53 seconds West, a distance of 246.62 feet to a calculated point;

23) North 35 degrees 36 minutes 13 seconds West, a distance of 146.96 feet to a calculated point; thence severing said corporate limits for the following eighteen (18) calls:

1) North 34 degrees 56 minutes 50 seconds West, a distance of 104.01 feet to a calculated point;

2) North 39 degrees 12 minutes 03 seconds West, a distance of 200.54 feet to a calculated point;

3) North 38 degrees 26 minutes 55 seconds West, a distance of 95.00 feet to a calculated point;

4) North 38 degrees 03 minutes 23 seconds West, a distance of 204.79 feet to a calculated point;

5) North 35 degrees 50 minutes 48 seconds West, a distance of 200.05 feet to a calculated point;

6) North 34 degrees 14 minutes 44 seconds West, a distance of 200.03 feet to a calculated point;

7) North 33 degrees 14 minutes 00 seconds West, a distance of 200.06 feet to a calculated point;

8) North 31 degrees 45 minutes 25 seconds West, a distance of 157.57 feet to a calculated point;

9) North 31 degrees 30 minutes 43 seconds West, a distance of 160.50 feet to a calculated point;

10) North 39 degrees 08 minutes 39 seconds West, a distance of 301.37 feet to a calculated point;

11) North 31 degrees 32 minutes 38 seconds West, a distance of 157.27 feet to a calculated point;

12) South 54 degrees 30 minutes 41 seconds West, a distance of 320.29 feet to a calculated point;

13) South 40 degrees 03 minutes 39 seconds East, a distance of 25.08 feet to a calculated point;

14) South 54 degrees 30 minutes 41 seconds West, a distance of 100.00 feet to a calculated point;

15) North 40 degrees 03 minutes 39 seconds West, a distance of 187.48 feet to a calculated point;

16) North 55 degrees 39 minutes 38 seconds East, a distance of 50.25 feet to a calculated point;

17) South 40 degrees 03 minutes 38 seconds East, a distance of 111.23 feet to a calculated point;

18) North 54 degrees 30 minutes 41 seconds East, a distance of 715.19 feet to a calculated point being in the east line of said corporate limits; thence with said east line for the following Twelve (12) calls:

- 1) South 26 degrees 15 minutes 01 seconds East, a distance of 166.17 feet to a calculated point;
- 2) South 27 degrees 54 minutes 08 seconds East, a distance of 306.65 feet to a calculated point;
- 3) South 29 degrees 45 minutes 13 seconds East, a distance of 143.87 feet to a calculated point;
- 4) South 35 degrees 37 minutes 40 seconds East, a distance of 238.66 feet to a calculated point;
- 5) South 30 degrees 45 minutes 26 seconds East, a distance of 119.29 feet to a calculated point;
- 6) South 30 degrees 45 minutes 13 seconds East, a distance of 279.84 feet to a calculated point;
- 7) South 34 degrees 26 minutes 42 seconds East, a distance of 181.88 feet to a calculated point;
- 8) North 55 degrees 12 minutes 06 seconds East, a distance of 1,349.70 feet to a calculated point;
- 9) South 36 degrees 32 minutes 31 seconds East, a distance of 539.98 feet to a calculated point;
- 10) North 55 degrees 11 minutes 19 seconds East, a distance of 845.00 feet to a calculated point;
- 11) South 34 degrees 24 minutes 43 seconds East, a distance of 60.00 feet to a calculated point;
- 12) South 55 degrees 11 minutes 19 seconds West, a distance of 2,164.39 feet to a calculated point being in the east right-of-way line of an access road east of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

- 1) South 39 degrees 55 minutes 56 seconds East, a distance of 237.91 feet to a calculated point;
- 2) in a curve to the left being subtended by a chord of South 54 degrees 33 minutes 26 seconds East, a chord distance of 274.18 feet and having a radius of 542.96 feet, in all an arc distance of 277.18 feet to a calculated point;
- 3) South 20 degrees 49 minutes 04 seconds West, a distance of 50.00 feet to a calculated point;
- 4) North 64 degrees 40 minutes 56 seconds West, a distance of 93.05 feet to a calculated point;
- 5) South 56 degrees 23 minutes 02 seconds West, a distance of 15.69 feet to a calculated point;
- 6) South 25 degrees 48 minutes 23 seconds East, a distance of 160.63 feet to a calculated point;

7) in a curve to the right being subtended by a chord of South 17 degrees 05 minutes 01 seconds East, a chord distance of 951.26 feet and having a radius of 2,019.86 feet, in all an arc distance of 960.23 feet to a calculated point being in the west right-of-way line of the Wendell Ford Expressway, said west right-of-way line varies in width from its centerline; thence crossing said expressway South 37 degrees 22 minutes 41 seconds East, a distance of 428.64 feet to a calculated point being in the east right-of-way line of said Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seventeen (17) calls:

- 1) North 27 degrees 13 minutes 37 seconds East, a distance of 148.80 feet to a calculated point;
- 2) North 36 degrees 48 minutes 38 seconds West, a distance of 41.07 feet to a calculated point;
- 3) North 21 degrees 57 minutes 38 seconds East, a distance of 51.24 feet to a calculated point;
- 4) North 21 degrees 57 minutes 38 seconds East, a distance of 122.78 feet to a calculated point;
- 5) North 27 degrees 09 minutes 56 seconds East, a distance of 196.83 feet to a calculated point;
- 6) North 31 degrees 16 minutes 05 seconds East, a distance of 196.52 feet to a calculated point;
- 7) North 25 degrees 08 minutes 19 second East, a distance of 197.26 feet to a calculated point;
- 8) North 38 degrees 00 minutes 35 seconds East, a distance of 206.86 feet to a calculated point;
- 9) North 29 degrees 29 minutes 03 seconds East, a distance of 187.35 feet to a calculated point;
- 10) North 37 degrees 29 minutes 21 seconds East, a distance of 147.74 feet to a calculated point;
- 11) North 54 degrees 34 minutes 45 seconds East, a distance of 330.20 feet to a calculated point;
- 12) South 36 degrees 18 minutes 15 seconds East, a distance of 0.19 feet to a calculated point;
- 13) North 53 degrees 41 minutes 45 seconds East, a distance of 12.21 feet to a calculated point;
- 14) North 52 degrees 34 minutes 47 seconds East, a distance of 294.84 feet to a calculated point;
- 15) North 66 degrees 45 minutes 30 seconds East, a distance of 254.01 feet to a calculated point;
- 16) North 56 degrees 33 minutes 16 seconds East, a distance of 249.99 feet to a calculated point;
- 17) North 52 degrees 15 minutes 55 seconds East, a distance of 401.11 feet to a calculated point being in the west right-of-way line of Kentucky Highway 603, said west right-of-way line varies in width from its centerline; thence with said west right-of-way line for the following three (3) calls:

- 1) South 56 degrees 24 minutes 44 seconds East, a distance of 241.35 feet to a calculated point;

2) South 51 degrees 17 minutes 47 seconds East, a distance of 206.27 feet to a calculated point;

3) South 35 degrees 19 minutes 13 seconds East, a distance of 501.17 feet to a calculated point being in the south right-of-way line of Hayden Road, said south right-of-way line varies in width from its centerline; thence with said south right-of-way line North 53 degrees 59 minutes 28 seconds East, a distance of 202.45 feet to a calculated point being in the northwest corner of the Senior Green, LLC property, as recorded in Deed Book 1011, at Page 316 in said clerk's office; thence with the west line of said Senior Green, LLC property South 37 degrees 30 minutes 08 seconds East, a distance of 342.40 feet to a calculated point; thence continuing with said west line South 08 degrees 40 minutes 12 seconds East, a distance of 167.29 feet to a calculated point; thence severing said Senior Green, LLC property South 41 degrees 29 minutes 23 seconds East, a distance of 713.42 feet to a calculated point; thence continuing to sever said Senior Green, LLC property in a curve to the right being subtended by a chord of South 35 degrees 37 minutes 38 seconds East, a chord distance of 518.89 feet and having a radius of 2,540.00 feet, in all an arc distance of 519.80 feet to a calculated point being in the west line of the James and Ernest Pantle property, as recorded in Deed Book 431, at Page 216 in said clerk's office; thence severing said Pantle property in a curve to the right being subtended by a chord of South 22 degrees 06 minutes 10 seconds East, a chord distance of 677.31 feet and having a radius of 2,540.00 feet, in all an arc distance of 679.33 feet to a calculated point; thence continuing to sever said Pantle property South 14 degrees 26 minutes 26 seconds East, a distance of 61.40 feet to a calculated point being in the north line of the Downs Subdivision, as recorded in Plat Book 28, at Page 77 and Plat Book 30, at Page 22 both in said clerk's office; thence with said north line North 71 degrees 57 minutes 07 seconds West, a distance of 126.88 feet to a calculated point being in the south line of said Pantle property; thence severing said Pantle property North 75 degrees 24 minutes 01 seconds East, a distance of 27.01 feet to a calculated point; thence continuing to sever said Pantle property in a curve to the left being subtended by a chord of North 22 degrees 49 minutes 00 seconds West, a chord distance of 703.17 and having a radius of 2,460.00 feet, in all an arc distance of 705.59 feet to a calculated point being in the east line of the Daviess County School District Finance Corp. property, as recorded in Deed Book 1012, at Page 26 in said clerk's office; thence with said east line North 85 degrees 42 minutes 45 seconds East, a distance of 41.53 feet to a calculated point; thence continuing with said east line South 05 degrees 12 minutes 16 seconds West, a distance of 546.15 feet to a calculated point being in said north line; thence with said north line North 71 degrees 13 minutes 39 seconds West, a distance of 107.91 feet to a calculated point; thence continuing said north line South 53 degrees 53 minutes 52 seconds West, a distance of 51.00 feet to a calculated point being in the west line of the Downs Subdivision, as recorded in Plat Book 29, at Page 330, Plat Book 30, at Page 22, and Plat Book 30, at Page 141 all in said clerk's office; thence with said west line South 16 degrees 53 minutes 40 seconds West, a distance of 1,578.30 feet to a calculated point being in the north line of the Wal-Mart Real Estate Business Trust property, as recorded in Deed Book 785, at Page 260 in said clerk's office; thence with said north line North 71 degrees 46 minutes 46 seconds West, a distance of 235.51 feet to a calculated point; thence continuing with said north line North 74 degrees 21 minutes 33 seconds West, a distance of 395.33 feet to a calculated point being the northeast corner of said human resources property; thence with the north line of said human resources property North 70 degrees 51 minutes 57 seconds West, a distance of 490.34 feet to a calculated point being the northwest corner of said human resources property; thence with the west line of said human resources property South 21 degrees 59 minutes 33 seconds West, a

distance of 1,235.72 feet to the point of beginning and containing 308.56 acres. This description was prepared for a tax area only and is NOT to be used for the transfer of real property.

J. William Weikel, Jr. *April 30 2020*
J. William Weikel, Jr., KY PLS No. 2813 Date

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EXHIBIT B

The Project

Gateway Commons Mixed-Use Development Project

Estimated Project Scope

The Project is expected be built in phases and to include approximately:

- 835,600 square feet of retail space
 - 595,800 square feet of users over 20,000 square feet per store
 - 239,800 square feet of users under 20,000 square feet per store
- 45,500 square feet of restaurant space
- A 55,000 square foot theater with a bowling alley
- 220,000 square feet of leasable office and professional/medical space
- 650 residential units

The estimated construction costs include:

- Total construction cost of \$335.3 million
 - \$163.0 million in private costs excluding retail over 20,000 sq ft.
 - \$110.2 million in private costs for retail over 20,000 sq ft.
 - \$62.1 million in public costs

EXHIBIT C

Elements of Project to be Financed with City Incremental Revenues and State Incentive Revenues

Public Infrastructure

Site Preparation	\$5,760,800
Sanitary Waste Water Improvements	\$7,249,002
Storm Sewers and Detention	\$2,250,998
Utilities	\$3,000,000
Roadways	\$15,320,000
Public Spaces/Landscaping	\$1,500,000
Public Parking	<u>\$3,506,400</u>
Total Public Infrastructure	\$38,587,200

The above cost estimates are intended for description only and not as a limitation of the costs in each category that may be recovered pursuant to this Agreement

EXHIBIT D
Financing Plan

The Plan for Financing the Project

To provide funding support for the needed capital improvements set forth in the Development Plan and to provide support for the Project and provide development assistance, the City of Owensboro ("City") plans to create the Gateway Commons Development Area pursuant to the provision of KRS 65.7041 to KRS 65.7083 and to utilize a portion of the new incremental revenues generated to support the financing of public infrastructure improvements.

The plan provides that the City will pledge 80% of the new incremental revenues, generated from within the Development Area, from real property taxes and occupational taxes over a 20-year period to pay for certain project costs. It is understood that the local revenues from the Development Area that were being generated prior to the Project's development (the baseline) shall not be subject to any pledge of revenues to support the Project.

In addition, the plan provides for the City to submit an application to the Kentucky Economic Development Finance Authority (KEDFA) to seek a pledge of 80% of new incremental state revenues from the footprint of the Project, to provide funding for approved public infrastructure costs.

Financing Plan

The Project is made up of both public and private components. The total cost of the project is estimated to be approximately \$335.3 million. This includes approximately \$273.2 million in private expenditures and \$62.1 million in qualifying public infrastructure costs.

It is expected that certain public infrastructure costs and all private development costs of the project will be financed privately by the developer. While this private financing may include tax-exempt tax increment financing bonds, there will be no bonds or other debt issued that will be guaranteed by a public entity to finance this project. A portion of the incremental revenues pledged in this agreement will be granted to the developer or a trustee on a receipts basis, as outlined by KRS 154.30-090. The pledge of these incremental revenues is critical to the affordability of financing the project.

The developer has discussed the proposed development with several lenders and underwriters and has received positive feedback on the financing of the proposed project costs. Until the structure of the deal is finalized – and the balance of public and private cost sharing delineated – it is too early at this time to detail the financing costs of the project. The developer has strong relationships with many of the country's leading lending institutions and is confident in their ability to obtain the financing for the project costs once the aforementioned public revenues are formally pledged.

EXHIBIT E

Listing of Anticipated New Revenues for the City

Gateway Commons Mixed-Use Development Project
Incremental Tax Revenue Estimates - State Mixed-Use TIF Program

	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	20-Year Total
Estimated Tax Revenues from Project									
State Tax Revenues									
State Property Tax Revenues	\$2,127,910	\$25,578	\$33,281	\$83,740	\$92,316	\$106,041	\$113,724	\$131,981	\$2,127,910
State Sales and Use Tax Revenues	\$101,504,372	\$516,000	\$1,071,840	\$1,978,753	\$2,573,100	\$3,248,515	\$6,057,565	\$7,030,051	\$101,504,372
State Corporate/LLET Tax Revenues	\$973,190	\$3,225	\$6,699	\$15,664	\$19,428	\$23,700	\$59,888	\$69,502	\$973,190
State Individual Income Tax	\$30,568,636	\$59,745	\$142,571	\$433,286	\$524,191	\$616,082	\$1,911,478	\$2,218,349	\$30,568,636
Total State Tax Revenues	\$135,174,108	\$604,548	\$1,254,391	\$2,511,442	\$3,209,035	\$3,994,338	\$8,142,655	\$9,449,883	\$135,174,108
Local Tax Revenues									
Local Property Tax Revenues - Owensboro	\$4,522,681	\$54,363	\$70,737	\$177,981	\$196,209	\$225,380	\$241,710	\$280,514	\$4,522,681
Local Occupational License Fees - Owensboro	\$11,405,858	\$24,638	\$57,027	\$164,985	\$200,446	\$237,120	\$711,503	\$825,728	\$11,405,858
Local Property Tax Revenues - Daviess County	\$4,255,820	\$51,155	\$66,563	\$167,479	\$184,631	\$212,081	\$227,447	\$263,962	\$4,255,820
Local Occupational License Fees - Daviess County	\$3,001,542	\$6,484	\$15,007	\$43,417	\$52,749	\$62,400	\$187,238	\$217,297	\$3,001,542
Total Local Tax Revenues	\$23,185,901	\$136,641	\$209,333	\$553,862	\$634,035	\$736,981	\$1,367,897	\$1,587,501	\$23,185,901
Total Tax Revenues	\$158,360,008	\$741,188	\$1,463,724	\$3,065,304	\$3,843,071	\$4,731,319	\$9,510,552	\$11,037,384	\$158,360,008
"As-Is" Tax Revenues									
State Tax Revenues									
State Property Tax Revenues	\$36,403	\$1,574	\$1,598	\$1,622	\$1,646	\$1,671	\$1,800	\$2,089	\$36,403
Total State "As Is" Tax Revenues	\$36,403	\$1,574	\$1,598	\$1,622	\$1,646	\$1,671	\$1,800	\$2,089	\$36,403
Local Tax Revenues									
Local Property Tax Revenues - Owensboro	\$77,372	\$3,346	\$3,396	\$3,447	\$3,499	\$3,551	\$3,826	\$4,440	\$77,372
Local Property Tax Revenues - Daviess County	\$72,807	\$3,149	\$3,196	\$3,244	\$3,292	\$3,342	\$3,600	\$4,178	\$72,807
Total Local "As Is" Tax Revenues	\$150,179	\$6,495	\$6,592	\$6,691	\$6,791	\$6,893	\$7,426	\$8,618	\$150,179
Total "As-Is" Tax Revenues	\$186,582	\$8,069	\$8,190	\$8,313	\$8,437	\$8,564	\$9,226	\$10,707	\$186,582
Estimated Incremental Tax Revenues	\$158,173,426	\$733,119	\$1,455,534	\$3,056,992	\$3,834,633	\$4,722,755	\$9,501,326	\$11,026,677	\$158,173,426
(-) Retained by State at 20%	\$27,027,541	\$120,595	\$250,559	\$501,964	\$641,478	\$798,533	\$1,628,171	\$1,889,559	\$27,027,541
(-) Retained by Local at 20%	\$4,607,144	\$26,029	\$40,548	\$109,434	\$125,449	\$146,018	\$272,094	\$315,777	\$4,607,144
Net Incr. Tax Rev. Available from Project	\$126,538,741	\$586,495	\$1,164,428	\$2,445,593	\$3,067,707	\$3,778,204	\$7,601,061	\$8,821,341	\$126,538,741
Incr. Tax Rev. Available for State TIF Program at 80%	\$108,110,163	\$482,379	\$1,002,235	\$2,007,856	\$2,565,911	\$3,194,133	\$6,512,684	\$7,558,235	\$108,110,163
Incr. Tax Rev. Available for Local Participation at 80%	\$18,428,578	\$104,117	\$162,193	\$437,737	\$501,795	\$584,071	\$1,088,377	\$1,263,106	\$18,428,578

EXHIBIT D
MASTER DEVELOPMENT AGREEMENT

MASTER DEVELOPMENT AGREEMENT

THIS MASTER DEVELOPMENT AGREEMENT (this “AGREEMENT”) dated the ____ day of _____, 2020 (the “Effective Date”) by and among the CITY OF OWENSBORO, KENTUCKY, a municipal corporation of the Home Rule Class, 101 East Fourth Street, P.O. Box 10003, Owensboro, Kentucky 42302-9003, (hereafter referred to as “City”), and the DEPARTMENT OF FINANCE & SUPPORT SERVICES OF THE CITY OF OWENSBORO (the “Agency”), and the OWENSBORO REGIONAL WATER RESOURCE AGENCY, 1722 Pleasant Valley Rd., Owensboro, Kentucky 42303, (hereafter referred to as “RWRA”), and G W DEVELOPMENT, INC., a Kentucky corporation, 2960 Fairview Drive, Owensboro, Kentucky 42303 (hereafter referred to as “Developer”, and collectively the City, Agency, RWRA and Developer shall be referred to as the “Parties”);

RECITALS

Whereas, the City and the Developer executed a Memorandum of Agreement dated April 8, 2015 and amended June 12, 2017 (collectively the “Annexation Agreement”), a copy of which is attached as Exhibit “E”, which related to the Gateway Commons Development Project (the “Project”) being undertaken by the Developer, and, which is mixed-use project consisting of hotels, retail, restaurant, office, residential, and similar appropriate uses, together with related public infrastructure, and more specifically described in Exhibit “B”, and wherein the Developer agreed to the voluntary annexation of an approximately 208 acre parcel (the “Project Site”) into the City; and

Whereas, the Annexation Agreement pledged to the Developer certain City tax revenues generated by the Project over a 20-year period more particularly set forth in the Annexation Agreement; and

Whereas, subsequent to the date of the Annexation Agreement, and pursuant to the Act, as hereinafter defined, the City by Ordinances No. 16-2015 and 15-2018 (the “Development Area Ordinances”), adopted on June 16, 2015 and September 18, 2018,` respectively, established the Gateway Commons Development Area (the “Development Area”) and pledged certain City Incremental Revenues [hereinafter defined], through the execution of a local participation agreement as provided in the Act, dated June 16, 2015 (the “Local Participation Agreement”), which is being amended concurrently herewith as an Amended and Restated Local Participation Agreement [hereinafter defined], which is attached as Exhibit “H”, to pay for or reimburse Public Infrastructure Costs within the Development Area as more specifically identified within the Local Participation Agreement; and

Whereas, in the Development Area Ordinance, City established the Agency as its agency and instrumentality and constituted authority for the purpose of performing functions related to the oversight, administration, and implementation of the Development Area Ordinance and Local Participation Agreement on behalf of City; and

Whereas, following the execution of the Local Participation Agreement, the City and Agency applied to the Kentucky Economic Development Cabinet, through an application to Kentucky Economic Development Finance Authority (“KEDFA”) seeking a pledge of State Incremental Revenues to reimburse approved public infrastructure costs related to the Project; and

Whereas, KEDFA approved though the execution of a tax incentive agreement (the “Tax Incentive Agreement with the Agency, attached as Exhibit “F”, a pledge of State Incremental

Revenues to reimburse Approved Public Infrastructure Costs, as defined in the Tax Incentive Agreement, over a 20-year period in an amount not to exceed twenty million five hundred seventy-one thousand dollars (\$20,571,000.00); and

Whereas, the City and the Developer seek to supersede the Annexation Agreement with this Agreement to account for changes in circumstances relating to the Project and the incentives available to the Project, subsequent to the Annexation Agreement, including, but not limited, to the pledge of State Incremental Revenues as set forth in the Tax Incentive Agreement; and

Whereas, in addition to the costs expended by the Developer related to the Project, the RWRA has, and will in the future, expend significant capital investment for infrastructure improvements within the Development Area and Project, the reimbursement of such capital investment to the RWRA, being one reason for the application to KEDFA for a pledge of State Incremental Revenues, and

Whereas, concurrently with the approval of this Agreement the City is approving an Amended and Restated Local Participation Agreement; and

Whereas, City recognizes that the redevelopment of the Development Area and the construction of Project, and the resulting economic impact from the Project to the community, will not occur without a public-private partnership and financial assistance provided to the Project by City and the Commonwealth of Kentucky (the “State”); and

Whereas, the Parties desire to set forth their mutual agreements, understandings and obligations, in order to facilitate the design, financing, development and construction of the Development Area and the Project, including deciding the priority and process for distributing State Incremental Revenues and Local Revenues [as hereinafter defined] to the Parties.

STATEMENT OF AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, and in consideration of the premises and the mutual covenants and undertakings contained in this Agreement, the Parties hereby agree and covenant as follows:

SECTION I. **PREAMBLES**

The Parties hereto agree that the above “preambles” or “preamble clauses” (the above “Recitals”) are incorporated herein by reference as if fully restated herein and form a part of the agreement between the parties hereto.

SECTION II. **DEFINITIONS**

For the purposes of this Agreement, the following words and phrases shall have the meanings assigned in this Section II, unless the context clearly indicates that a contrary or different meaning is intended.

A. “Act”. Shall mean KRS 65.7041 to KRS 65.7083 and KRS 154.30-010 to KRS 154.30-090, relating to tax increment financing of projects to promote economic development.

B. “Administrative Fee”. Shall be a fee retained by the City of two percent (2%) of the annual amount received by the Agency from State Incremental Revenues and City Incremental Revenues, to reimburse City for costs to oversee, administer and implement the Development Area Ordinance, including professional fees necessary to comply with any reporting and other requirements, and/or computing incremental tax revenues due, related to the Tax Incentive Agreement and/or Amended and Restated Local Participation Agreement.

C. “Affiliate”. Shall mean a corporation or other entity controlled by, controlling or under common control of the Developer, as determined by the Developer.

D. “Agency”. Shall mean the Department of Finance & Support Services of the City of Owensboro.

E. “Agreement”. Shall mean this Master Development Agreement, including all Exhibits attached hereto.

F. “Amended and Restated Local Participation Agreement”. Shall mean the agreement, attached at Exhibit H, pledging certain City Incremental Revenues to pay for the Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance within the Development Area as authorized by the Development Area Ordinance, or as it may be amended.

G. “Capital Investment”. Shall have the meaning as provided in the Act.

H. “City Incremental Revenues”. Shall mean the City’s incremental tax revenues pledged to the Development Area as set forth in the Amended and Restated Local Participation Agreement.

I. “Developer”. Shall mean G W Development, Inc., a Kentucky corporation.

J. “Development Area”. Shall have the meaning given in the Recitals to this Agreement and as depicted on Exhibit A, which area has been expanded over the Development Area established by the Development Area Ordinances.

K. “Effective Date”. Shall have the meaning given in the introductory paragraph of this Agreement.

L. “City”. Shall mean the City of Owensboro, Kentucky, a Kentucky municipal corporation of the Home Rule Class.

M. “Local Revenues.” Shall mean real and personal property, occupational, and net profits tax/fee revenues (excluding taxes related to bank shares, insurance premium taxes, and excluding any taxes levied and restricted to a specific purpose, which include that portion of the

occupational and net profits/fees which is restricted for a specific purpose, which is currently in the amount of .33 of the City's occupational and net profits tax amount) derived by the City from the Project from City levied taxes, including City Incremental Revenues (with the understanding that the activation date for the pledge of City Incremental Revenues to the Development Area will begin January 1, 2018). Local Revenues shall not include any school taxes collected by the City on behalf of the applicable school district, and shall not include any occupational taxes from the City's net profits taxes and payroll taxes related to the construction of or the ongoing operation of the Daviess County Middle School by the Daviess County Board of Education.

N. “KEDFA”. Shall mean the Kentucky Economic Development Finance Authority, which is assigned for administrative purposes to the Kentucky Economic Development Cabinet.

O. “Private Project Elements”. Shall mean the elements of the Project that shall be privately developed and owned and operated, including hotels, retail, restaurants, office, residential, and other commercial aspects of the Project.

P. “Project”. Shall mean the Gateway Commons Development Project within the Development Area, which is conceptually planned and described in Section IV and Exhibit “B” attached hereto, which has been revised to match the Project description attached to the Tax Incentive Agreement, and which constitutes a mixed-use project and qualified for a pledge of State Incremental Revenues and Local Revenues.

Q. “Project Costs”. Shall mean any capital investment as defined in the Act incurred or expended to undertake the Project.

R. “Project Financing”. Shall mean the financing needed to provide for the development and construction of the Project or any financing received by the Developer that is not from City or State.

S. “Public Infrastructure Costs”. Shall mean the project costs incurred within the Development Area related to the construction and financing of the Project, including Approved Public Infrastructure Costs as set forth in the State Tax Incentive Agreement, and in the Amended and Restated Local Participation Agreement, reimbursable by State Incremental Revenues and Local Revenues from the State and City, respectively, attached as Exhibit “C”, to be undertaken and constructed by the Developer, the RWRA and/or the City.

T. “Redevelopment Assistance”. Shall have the same meaning as set forth in the Act, and shall be the costs approved for reimbursement or payment from State Incremental Revenues and/or City Incremental Revenues as determined by the City.

U. “State”. Shall mean the Commonwealth of Kentucky, including any of its agencies and departments.

V. “State Capped Amount”. Shall mean the maximum cost that may be reimbursed from State Incremental Revenues under the Tax Incentive Agreement to reimburse Approved Public Infrastructure Costs, which is \$20,571,000.00.

W. “State Incremental Revenues”. Shall mean the State tax revenues pledge to the Agency to reimburse Approved Public Infrastructure Costs as set forth in the Tax Incentive Agreement.

X. “Tax Incentive Agreement”. Shall mean an agreement pledging certain State Incremental Revenues to pay for designated costs within the Development Area, as it may be amended, by and between the Agency and KEDFA, attached as Exhibit “F”.

Y. “Tax Increment Financing” or “TIF”. Shall mean the tax increment financing that is created, regulated and administered by the Act, Amended and Restated Local Participation Agreement and the Tax Incentive Agreement.

Z. “Unavoidable Delays”. Shall mean delays due to labor disputes, lockouts, acts of God, enemy action, terrorist action, civil commotion, riot, governmental regulations not in effect at the date of execution of this Agreement, conditions that could not have been reasonably foreseen by the claiming party, including existing or future governmental mandates (such as those imposed by the COVID-19 Pandemic), or unavoidable casualty, provided such matters are beyond the reasonable control of the party claiming such delay.

SECTION III. REPRESENTATIONS

A. City and the Agency. City and Agency possess the requisite authority to enter into this Agreement, and neither City nor the Agency, in this Agreement or any schedule, exhibit, document or certificate delivered in accordance with the terms of this Agreement, has not knowingly or intentionally made any untrue statement of a material fact or failed to state a material fact.

B. Developer Representations. The Developer represents and warrants that: (i) the Developer (a) is a limited liability company possessing the requisite authority to enter into this Agreement; (b) is not a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code; (c) has not, in this Agreement or any schedule, exhibit, document, or certificate delivered in accordance with the terms of this Agreement, has not knowingly or intentionally made any untrue statement of a material fact or failed to state a material fact; and (d) would not enter into this Agreement to undertake and construct the Project but for the commitment of City and the Agency to provide financial and other incentives to the Project as provided in this Agreement; (ii) the execution of this Agreement and the construction of the Project by the Developer will not knowingly violate any applicable statute, law, ordinance, code, rule, or regulation or any restriction or agreement binding upon or otherwise applicable to the Developer; and (iii) there are no

undisclosed actions, suits or proceedings pending or threatened against the Developer which would, if adversely determined, have a material effect on the Developer's ability to enter into this Agreement or construct the Project in accordance with this Agreement.

C. RWRA. RWRA is a joint City/County agency and is the regional provider of comprehensive wastewater services for Daviess County, Kentucky. RWRA possesses the requisite authority to enter into this Agreement, and, in this Agreement or any schedule, exhibit, document or certificate delivered in accordance with the terms of this Agreement, has not knowingly or intentionally made any untrue statement of a material fact or failed to state a material fact.

D. Tax Incentive Agreement. The Parties acknowledge as of the Effective Date the Tax Incentive Agreement (1) has been approved and executed by KEDFA and the Agency, (2) that the minimum capital investment required by the Tax Incentive Agreement has been achieved and certified by the State, (3) that the Tax Incentive Agreement and the Amended and Restated Local Participation Agreement have been activated with an activation date of January 1, 2018, (4) that State Incremental Revenues beginning calendar year 2018, will be available and paid to reimburse Approved Public Infrastructure Cost related to the Project up to the State Capped Amount, (5) that as of June 30, 2019, the Agency has certified Capital Investment being expended for the Project in the amount of \$49,923,629.99, of which \$26,840,321.47 represents Approved Public Infrastructure Costs eligible to be reimbursed to the Agency from State Incremental Revenues, and of that amount of Approved Public Infrastructure Costs \$22,767,895.47 has been paid by the Developer, \$3,735,289.00 has been paid by the RWRA and \$337,137.00 has been paid by the City.

E. State Incremental Revenues. The Parties acknowledge that the payment and amount of State Incremental Revenues are dependent upon the terms the Tax Incentive Agreement, as it may be amended, and by maintaining compliance with the terms of the Tax Incentive

Agreement. Before any amendment to the Tax Incentive Agreement is agreed to and executed by the City and Agency, the Developer shall be given notice and the right to provide comments to the City related to any proposed amendment, and the right participate with the City in negotiations and/or meetings with the State related to any amendment. The Parties further acknowledge that the pledge of State Incremental Revenues will be calculated based on the “Footprint” of the Project as determined by KEDFA, as it may be amended.

SECTION IV. PROJECT

A. The Project currently under construction by the Developer is a mixed-use project expected to include a variety of stand-alone and mixed-use buildings with hotels, retail, restaurants, offices, residential and similar commercial uses. The Project is also expected to include sewage and drainage system improvements, public parking options, roadway improvements, utility improvements, and various green space improvements, undertaken in parts by the Developer, RWRA, and the City. In order to help ensure the success and support of the Project and encourage other investment in and related to the Development Area, and to encourage and support development within the territorial limits of the City, certain public improvements are needed within the Development Area. The Developer, or its Affiliates, may contract with any company to develop, construct and/or operate the various Private Project Elements, and the Developer shall have the right to assign any rights created by this Agreement to one or more of the Affiliates. The Developer or its assigns shall remain in good standing with the Office of the Secretary of State and the City of Owensboro (Business License, Payroll Tax, Zoning and Code Enforcement, etc.) for the full term of this Agreement. In addition, the Developer shall provide a listing of its Affiliates, to which it has assigned any rights related to this Agreement, prior to the

execution of the Agreement, which list shall be attached on Exhibit “D” attached hereto, and which shall be updated as necessary by the Developer as Affiliates are added or deleted.

B. Except for the work to be constructed by the RWRA, the City and other related public agencies, the Project shall be financed with Project Financing and equity provided by the Developer, and/or its Affiliates, subject to the pledge of State Incremental Revenues and Local Revenues to reimburse documented and incurred Public Infrastructure Costs, as set forth in Section VII of this Agreement, the Amended and Restated Local Participation Agreement, and Tax Incentive Agreement. The Developer shall keep City informed as to the status of the Project.

C. The Project shall be constructed in accordance with State and/or City requirements that govern the development of property within Kentucky and the City, including obtaining and complying with any applicable zoning, building code, all other public improvement specifications, and all other applicable federal, state and local permits, but subject to the Developer’s rights to seek any lawful administrative or other relief from any such codes or permits. Developer and RWRA shall not commence any site improvements without first obtaining the necessary permits and/or approvals from the relevant State government and/or City agencies.

D. The Developer and RWRA agree to proceed expeditiously, subject to market conditions, to complete construction plans and specifications to a level adequate to obtain all permits and approvals necessary to complete construction of the Project.

E. The Developer and RWRA shall document all Project Costs and Capital Investment, including which costs represent Public Infrastructure Costs associated with construction of the Project, and submit such costs to City and the Agency every six months during the construction of the Project, by completion of a Capital Investment Report attached as Exhibit

“T”, to enable the Agency and City to comply with its reporting requirements as set forth in the Amended and Restated Local Participation Agreement and Tax Incentive Agreement.

F. The Public Infrastructure Costs are itemized in Exhibit “C” to this Agreement and are eligible to be reimbursed by the Agency according to the terms and conditions of the Amended and Restated Local Participation Agreement, the Tax Incentive Agreement and this Agreement.

G. The Developer and RWRA shall assist the Agency in complying with any reporting requirements mandated by the Amended and Restated Local Participation Agreement and Tax Incentive Agreement, and in calculating the State Incremental Revenues and Local Revenues that may be due to the Agency for deposit into the Special Fund. The Developer shall, to the extent practicable, include provisions in any Affiliate agreements, construction agreements or leases relating to the construction or operation of the Project, to require the contractors constructing the Project and businesses operating within the Project to complete, upon request of the Agency, the Business Activity Reports attached as Exhibit J of this Agreement, and submit them to the Agency, relating to the City and State taxes that may be generated from the Project.

H. Notwithstanding any other provision of this Agreement, in the event KEDFA modifies or cancels its pledge of State Incremental Revenues, through an amendment or nullification of the Tax Incentive Agreement, no State Incremental Revenues will be paid to reimburse any Public Infrastructure Costs to the Developer, RWRA or the City.

SECTION V.
OBLIGATIONS OF THE DEVELOPER

A. The Developer shall have the overall obligation to plan, implement, finance, and construct the Project, except for those elements of the Project that will be undertaken by the RWRA as set forth in the Agreement. It is understood that the actual responsibility for the construction of the various elements of the Project may be assigned by the Developer, at its option, to Affiliates or sub-developers selected by the Developer. To the extent Developer assigns rights to an Affiliate or sub-developer, to construct certain elements of the Project, that entity shall be responsible for reporting any capital investment to the Agency, on the same terms as required by the Developer in Section IV of this Agreement.

B. The Project shall be constructed over a several year period by the Developer. The Developer shall provide to the City an estimated schedule for the completion of the Project, which the Developer shall annually update, by June 30th of each year, along with an updated report of Capital Investment expended by the Developer within the Development Area related to the Project.

C. The Project as-built shall substantially conform to the Project as set forth in Exhibit B in terms of estimated total Capital Investment and shall meet the definition of a Mixed-Use Project as defined by the Act.

D. The Developer acknowledges that the recovery of State Incremental Revenues may not be available to reimburse any of Developer's costs for that part of the Project that is not included within the Footprint, or that lies partially within and partially without of the Footprint.

SECTION VI.
OBLIGATIONS OF RWRA

A. The RWRA, at its expense, but subject to reimbursement from State Incremental Revenues, shall complete the improvements identified in Exhibit “G” (the “RWRA Improvements”), which are necessary to support the Project. These RWRA Improvements are currently under construction by the RWRA and are scheduled to be completed on or before December 2022.

B. The RWRA shall not less than every six (6) months document any costs expended for RWRA Improvements and report same to the City and Agency.

SECTION VII.
PRIORITY ON THE USE OF INCREMENTAL REVENUES

In consideration of the Developer and the RWRA constructing the Project and complying with the requirements and conditions of Section IV and Section V of this Agreement, City and the Agency agree that priority for the use of the State Incremental Revenues and Local Revenues received by the Agency from City and the State shall be as follows:

A. Beginning January 1, 2020, State Incremental Revenues and Local Revenues received by the Agency after payment to the City of the Administrative Fee, shall be distributed as follows:

1. Twenty-two percent (22%) shall be paid to the RWRA as reimbursement for Public Infrastructure Costs incurred by the RWRA within the Development Area, until such time as a total of seven million two hundred forty-nine thousand two dollars (\$7,249,002.00) has been paid to RWRA;

2. Sixty-five percent (65%) shall be paid to the Developer to reimburse Public Infrastructure Costs paid by the Developer, until the Developer has been reimbursed twenty-seven

million dollars (\$27,000,000) or January 1, 2040, whichever first occurs, and subject to the provisions of SECTION VII(B) of this Agreement;

3. Thirteen percent (13%) shall be paid to the City to reimburse Public Infrastructure Costs paid by the City and the cost of Redevelopment Assistance provided by the City to the Development Area.

4. That notwithstanding the provisions of sub-paragraphs 1, 2, and 3 above of SECTION VII(A) of this Agreement, in the event the State terminates the Tax Incentive Agreement for lack of State funds due to a bankruptcy filed by the State or a designated emergency, from the date of the termination of the Tax Incentive Agreement, the Agency, after first deducting the Administrative Fee, shall paid to the Developer one hundred percent (100%) of the Local Revenues. This provision shall not apply to any termination of the Tax Incentive Agreement or a reduction of the State Capped Amount, caused by a default by the Developer, or a failure of the Developer to construct the Project in accordance with Tax Incentive Agreement.

B. Any payments due the Developer or RWRA under SECTION VII(A) of this Agreement from State Incremental Revenues shall be paid annually by the Agency within thirty (30) days after the State transmits the State Incremental Revenues to the Agency; and the Agency shall distribute Local Revenues shall be paid quarterly within thirty (30) days after the Local Revenues are deposited by the Agency into the Special Fund for the receipt of Local Revenues. Payments to the Developer shall continue annually in case of the State Incremental Revenues, and quarterly in the case of the Local Revenues, until such time as the combined payments to the Developer from State Incremental Revenues and Local Revenues equals the lesser of

\$27,000,000.00 or the actual amount of Public Infrastructure Costs expended by the Developer and reported to the Agency and City, or until January 1, 2040, whichever first occurs.

1. It is understood between the Parties, that the Developer has expended as of the Effective Date (and reported same to the City and Agency) \$22,767,985.47 in Approved Public Infrastructure Costs related to the Project; and that to receive the maximum amount of reimbursement it may receive pursuant to this Agreement of \$27,000,000.00, Developer must expend and document to the satisfaction of the City and Agency, an additional \$4,232,014.53 in Public Infrastructure Costs.

C. Any State Incremental Revenues and City Incremental Revenues received by the Agency for calendar years 2018 and 2019 (the “2018 and 2019 Incremental Revenues”), shall be paid to the City to pay for the Administrative Fee, Public Infrastructure Costs or Redevelopment Assistance as determined by the City, except that \$500,000 of the 2018 and 2019 Incremental Revenues shall be used by the City to pay for street improvements and related costs for the extension of Fairview Drive.

D. After the obligations set forth in this Agreement to the RWRA and the Developer have been fully satisfied, the City may, at its option, terminate the Development Area.

E. Notwithstanding anything to the contrary, nothing in this Agreement shall be interpreted to commit City and/or the Agency to pay for or reimburse any Project Costs, except from the State Incremental Revenues, which recovery amount is subject to the terms of the Tax Incentive Agreement, as it may be amended, and Local Revenues that may be generated within the Development Area and due to the Agency as provided in the Amended and Restated Local Participation Agreement, the Tax Incentive Agreement, and this Agreement.

SECTION VIII. DEFAULT

If any Party or any Parties (in either case, the “Defaulting Party”) materially breaches or defaults on any of its obligations under this Agreement, the other Parties may give notice that remedial action must be taken by the Defaulting Party within thirty (30) days of the notice. The Defaulting Party shall correct such breach or default within thirty (30) days after such notice; provided, however, if (i) the default is one which cannot with due diligence be remedied by the Defaulting Party within thirty (30) days, and (ii) the Defaulting Party proceeds as promptly as reasonably possible after such notice and with all due diligence to remedy such default, the period after such notice within which to remedy such default shall be extended for such period as may be necessary to remedy the same with all due diligence. If such action is not taken, the non-defaulting parties may, in addition to all other remedies available at law or in equity (including but not limited to specific performance and/or recovery of damages, including reasonable attorneys’ fees and other costs and expenses), terminate this Agreement, or the portion of it affected by the default, by giving ten (10) days written notice to the defaulting Party or Parties.

In the event this Agreement is terminated, City, RWRA, Developer, and the Agency shall be (i) relieved of any executory obligations under this Agreement, (ii) released from undertaking any additional obligations as provided in this Agreement.

SECTION IX. MISCELLANEOUS PROVISIONS

A. Term; Survival; Termination. The term of this Agreement shall be from the date of this Agreement until the earliest of (i) the final payment of the State Incremental Revenues and Local Revenues up to the maximum amount due the RWRA and the Developer as set forth in SECTION VII of this Agreement, (ii) January 1, 2040, or (iii) the termination of this Agreement. This Agreement shall not terminate upon the execution of any agreements required or

contemplated by this Agreement, or referred to in this Agreement, and the provisions of this Agreement shall not be deemed to be merged into any such agreements, it being the intent of the Parties that this Agreement shall survive the execution and delivery of any such agreements and shall continue throughout the entire development of the Development Area.

B. Governing Law. The laws of the Commonwealth of Kentucky shall govern as to the interpretation, validity and effect of this Agreement.

C. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held in any proceeding to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid or unenforceable, shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties' essential objectives as expressed herein.

D. Force Majeure. City, Agency, RWRA, or Developer shall not be deemed to be in default in the performance of any obligation on such parties' part to be performed under this Agreement, other than an obligation requiring the payment of a sum of money, if and so long as the non-performance of such obligation shall be directly caused by Unavoidable Delays; provided, that within thirty (30) days after the commencement of such Unavoidable Delay, the non-performing party shall notify the other party in writing of the existence and nature of any such Unavoidable Delay and the steps, if any, which the non-performing party shall have taken or planned to take to eliminate such Unavoidable Delay (provided, however, that a failure to give such notice timely shall not be a default hereunder or impair the non-performing party's immunities hereunder or account of Unavoidable Delay, unless the failure to give such notice

timely actually prejudices the other party). Thereafter, the non-performing party shall, from time to time, on written request of the other party, keep the other party fully informed, in writing, of further developments concerning such Unavoidable Delay and the effort being made by the non-performing party to perform such obligation as to which it is in default.

E. Notices. Any notice to be given under this Agreement shall be in writing, shall be addressed to the party to be notified at the address set forth below or at such other address as each party may designate for itself from time to time by notice hereunder, and shall be deemed to have been given upon the earliest of (i) three (3) days following deposit in the U.S. Mail with proper postage prepaid, Certified or Registered, Return Receipt Requested, (ii) the next business day after delivery to a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement, satisfactory with such carrier, made for the payment of such fees, or (iii) receipt of notice given by telecopy or personal delivery:

If to City:	Mayor of Owensboro 101 East Fourth Street P.O. Box 10003 Owensboro, Kentucky 42302
With Copies to:	Owensboro City Manager 101 East Fourth Street P.O. Box 10003 Owensboro, Kentucky 42302
	Owensboro City Attorney 101 East Fourth Street P.O. Box 10003 Owensboro, Kentucky 42302
If to the Agency:	Owensboro Director of Finance 101 East Fourth Street P.O. Box 10003 Owensboro, Kentucky 42302
If to Developer:	G W Development, Inc. Attn: Matt Hayden

2960 Fairview Drive
Owensboro, Kentucky 42303

With Copies
(which shall not
constitute notice) to:

G W Development Inc.
Attn: Ed Ray
2960 Fairview Drive
Owensboro, Kentucky 42303

If to RWRA:

Owensboro Regional Water Resource Agency
Attn: Executive Director
1722 Pleasant Valley Rd.
Owensboro, Kentucky 42303

With Copies
(which shall not
constitute notice) to:

John H. Dwyer, Jr.
Zielke Law Firm, PLLC
162 S. 4th Street
Suite 1250
Louisville, Kentucky 40202

F. Approvals. Whenever a party to this Agreement is required to consent to, or approve, an action by the other party, or to approve any such action to be taken by another party, unless the context clearly specifies a contrary intention, or a specific time limitation, such approval or consent shall be given within ten (10) business days and shall not be unreasonably withheld, conditioned or delayed by the party from whom such approval or consent is required.

G. Entirety of Agreement. As used herein, the term “Agreement” shall mean this Master Development Agreement and the Exhibits attached hereto. This Agreement embodies the entire agreement and understanding of the parties hereto with respect to the subject matter herein contained, and supersedes or revokes all prior agreements, correspondence, arrangements, and understandings relating to the subject matter hereof, including the Memorandum of Agreement

between the City and Developer dated April 8, 2015 and First Amended Memorandum of Agreement dated June 12, 2017. No representation, promise, inducement, or statement of intention has been made by any party which has not been embodied in this Agreement or the previous agreements that are referenced herein, and no party shall be bound by or be liable for any alleged representation, promise, inducement, or statement of intention not so set forth. This Agreement may be amended, modified, superseded, or cancelled only by a written instrument signed by all of the Parties hereto, and any of the terms, provisions, and conditions hereof may be waived only by a written instrument signed by the waiving party. Failure of any party at any time or times to require performance of any provision hereof shall not be considered to be a waiver of any succeeding breach of any such provision by any party.

H. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

I. Headings. The headings in this Agreement are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any provision hereof.

J. Exhibits. All exhibits to this Agreement shall be deemed to be incorporated herein by reference and made a part hereof, above the signatures of the parties hereto, as if set out in full herein.

K. No Waiver. No waiver of any condition or covenant of this Agreement to be satisfied or performed by City, Agency, RWRA, or Developer shall be deemed to imply or constitute a further waiver of the same, or any like condition or covenant, and nothing contained in this Agreement nor any act of either party, except a written waiver signed by such party, shall be construed to be a waiver of any condition or covenant to be performed by the other party.

L. Construction. No provisions of this Agreement shall be construed against a Party by reason of such Party having drafted such provisions.

M. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original document.

N. Relationship of the Parties. Except as expressly stated and provided for herein, neither anything contained in this Agreement nor any acts of the Parties hereto shall be deemed or construed by the Parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of association between any of the Parties of this Agreement.

O. No Third-Party Beneficiary. Except as otherwise specified herein, the provisions of this Agreement are for the exclusive benefit of City, Agency, RWRA, and the Developer, any lender providing financing to Developer, and their successors and assigns, and not for the benefit of any other person or entity, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any other person or entity.

P. Diligent Performance. With respect to any duty or obligation imposed on a party to this Agreement, unless a time limit is specified for the performance of such duty or obligation, it shall be the duty or obligation of such party to commence and perform the same in a diligent and workmanlike manner and to complete the performance of such duty or obligation as soon as reasonably practicable after commencement of the performance thereof. Notwithstanding the above, time is of the essence with respect to any time limit specified herein.

Q. Assignment of Rights and Delegation of Duties. Neither City nor the Agency shall assign this Agreement without the prior written consent of RWRA and/or the Developer, which shall not be unreasonably withheld. RWRA and the Developer shall have the right to assign this

Agreement, or any part hereof, to an Affiliate, provided the assignee shall assume all assigned liabilities and obligations of RWRA and the Developer hereunder and City provides its consent in advance in writing, which consent shall not be unreasonably withheld.

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IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands on the date and year first above set forth herein, to be effective as of the Effective Date.

CITY OF OWENSBORO, KENTUCKY
a municipal corporation of the Home Rule Class

By: _____

Thomas H. Watson, Mayor

Date: _____

**DEPARTMENT OF FINANCE & SUPPORT SERVICES
OF THE CITY OF OWENSBORO, KENTUCKY**

By: _____

Angela Hamric, Director of Finance and Support Services

Date: _____

G W DEVELOPMENT, INC.
a Kentucky corporation

By: _____

Matt Hayden, President

Date: _____

OWENSBORO REGIONAL WATER RESOURCE AGENCY

By: _____

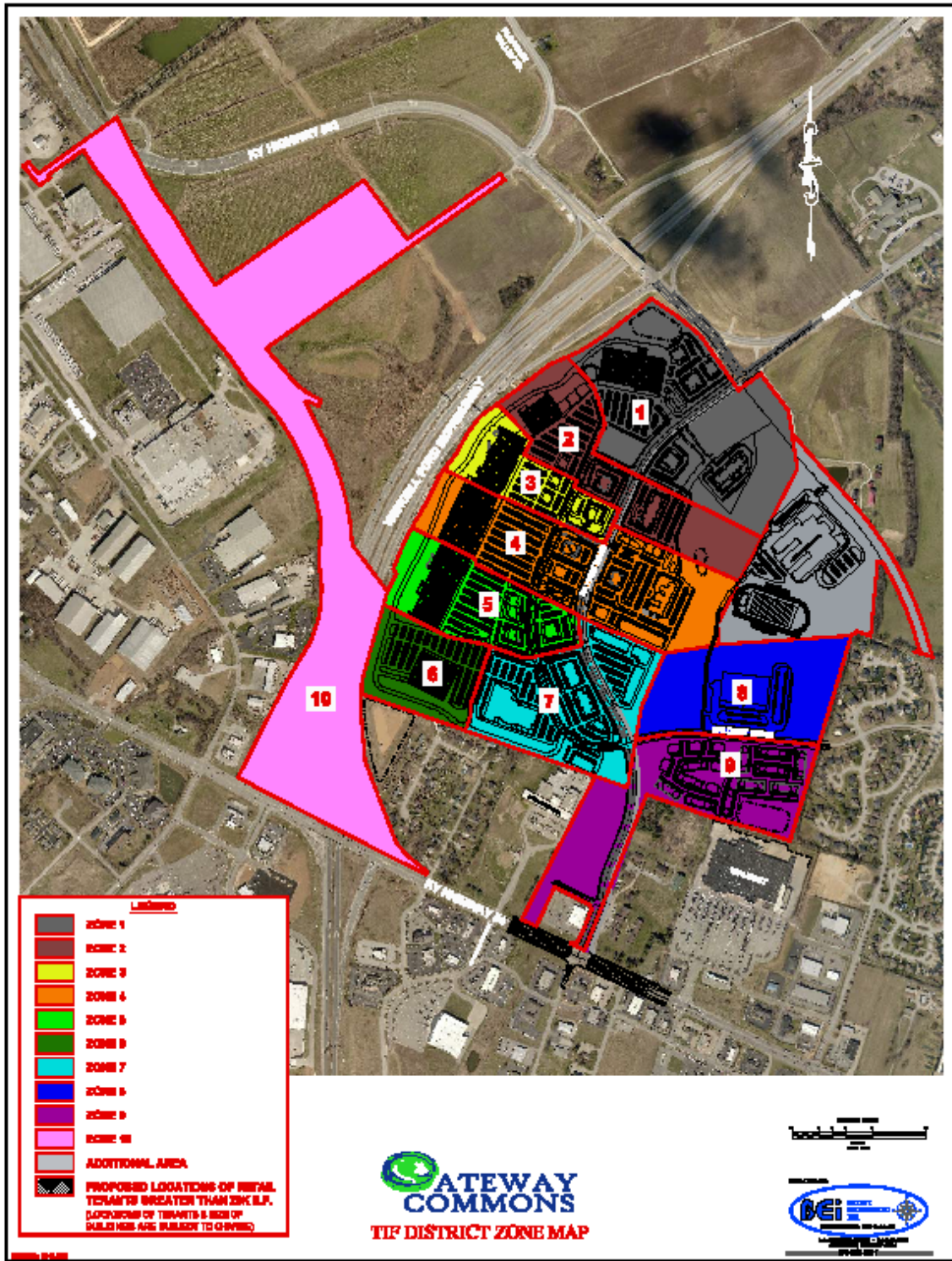
Joseph G. Schepers, Executive Director

Its:

Date: _____

Gateway Commons Development Area







BRYANT ENGINEERING, INC.

1535 FREDERICA STREET • P.O. BOX 21362 • OWENSBORO, KY 42304
PHONE: (270)685-2811 • FAX: (270)683-4991

DESCRIPTION FOR TIF

Beginning at a calculated point being in the north right-of-way of Kentucky Highway 54, said north right-of-way line varies in width from its centerline and being the southwest corner of the Commonwealth of Kentucky Department of Human Resources property, as recorded in Deed Book 448, at Page 514 in the office of the Daviess County Clerk; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 123.88 feet to a calculated point being the southeast corner of the property located at 2945 Highway 54; thence with said property for the following seven (7) calls:

1) in a curve to the left being subtended by a chord of North 71 degrees 54 minutes 59 seconds East, a chord distance of 59.55 feet and having a radius of 50.00 feet, in all an arc distance of 76.91 feet to a calculated point;

2) North 27 degrees 51 minutes 01 seconds East, a distance of 60.97 feet to a calculated point;

3) in a curve to the left being subtended by a chord of North 24 degrees 55 minutes 17 seconds East, a chord distance of 22.33 feet and having a radius of 218.50 feet, in all an arc distance of 22.34 feet to a calculated point;

4) North 21 degrees 59 minutes 33 seconds East, a distance of 152.34 feet to a calculated point;

5) in a curve to the left being subtended by a chord of North 21 degrees 00 minutes 45 seconds West, a chord distance of 50.47 feet and having a radius of 37.00 feet, in all an arc distance of 55.54 feet to a calculated point;

6) North 64 degrees 01 minutes 04 seconds West, a distance of 282.48 feet to a calculated point;

7) South 25 degrees 58 minutes 56 seconds West, a distance of 318.03 feet to a calculated point being in said north right-of-way line; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 119.93 feet to a calculated point being the southeast corner of the Daviess County School District Finance Corp. property, as recorded in Deed Book 800, at Page 604 in said clerk's office; thence with the east line of said school property North 27 degrees 31 minutes 53 seconds East, passing through the southeast corner of the Ohio Valley Two Way Radio, Inc. property, as recorded in Deed Book 678, at Page 570 in said clerk's office, then continuing on the same course with the east line of said radio property, a total distance of 1,184.88 feet to a calculated point being the northeast corner of said radio property; thence with the north line of said radio property North 70 degrees 49 minutes 28 seconds West, passing through the northeast corner of said school property, Owen D. Wimsatt Subdivision, as recorded in Deed Book 419, at Page 95 in said clerk's office, Commonwealth of Kentucky, as shown on highway plans, and Gateway Land, LLC property, as recorded in Deed Book 945, at Page 733 properties then continuing on the same course with the north line of each property, a total distance of 1,842.51 feet to a calculated point being in the

east right-of-way line of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

- 1) South 01 degrees 43 minutes 01 seconds West, a distance of 154.11 feet to a calculated point;
- 2) South 05 degrees 06 minutes 32 seconds East, a distance of 339.77 feet to a calculated point;
- 3) South 20 degrees 42 minutes 49 seconds East, a distance of 257.22 feet to a calculated point;
- 4) South 21 degrees 13 minutes 46 seconds East, a distance of 390.48 feet to a calculated point;
- 5) South 41 degrees 55 minutes 34 seconds East, a distance of 130.00 feet to a calculated point;
- 6) South 51 degrees 33 minutes 55 seconds East, a distance of 185.84 feet to a calculated point;
- 7) South 28 degrees 30 minutes 08 seconds West, a distance of 19.75 feet to a calculated point being in the east line of the corporate limits of Owensboro, Kentucky; thence with said east line for the following twenty-three (23) calls:

- 1) North 63 degrees 32 minutes 54 seconds West, a distance of 139.55 feet to a calculated point;
- 2) North 64 degrees 47 minutes 08 seconds West, a distance of 120.58 feet to a calculated point;
- 3) North 63 degrees 22 minutes 42 seconds West, a distance of 102.97 feet to a calculated point;
- 4) North 62 degrees 41 minutes 22 seconds West, a distance of 126.78 feet to a calculated point;
- 5) North 62 degrees 51 minutes 58 seconds West, a distance of 158.92 feet to a calculated point;
- 6) North 63 degrees 11 minutes 03 seconds West, a distance of 191.84 feet to a calculated point;
- 7) North 62 degrees 33 minutes 26 seconds West, a distance of 237.10 feet to a calculated point;
- 8) North 63 degrees 16 minutes 58 seconds West, a distance of 196.27 feet to a calculated point;
- 9) North 62 degrees 17 minutes 22 seconds West, a distance of 299.41 feet to a calculated point;
- 10) North 27 degrees 07 minutes 23 seconds East, a distance of 777.34 feet to a calculated point;
- 11) North 31 degrees 12 minutes 19 seconds East, a distance of 362.79 feet to a calculated point;
- 12) North 20 degrees 11 minutes 25 seconds East, a distance of 158.38 feet to a calculated point;
- 13) North 09 degrees 30 minutes 19 seconds East, a distance of 99.88 feet to a calculated point;
- 14) North 04 degrees 54 minutes 03 seconds East, a distance of 146.04 feet to a calculated point;
- 15) North 05 degrees 12 minutes 31 seconds West, a distance of 222.32 feet to a calculated point;

16) North 05 degrees 03 minutes 26 seconds East, a distance of 237.69 feet to a calculated point;

17) North 11 degrees 51 minutes 35 seconds West, a distance of 243.44 feet to a calculated point;

18) North 19 degrees 09 minutes 05 seconds West, a distance of 199.82 feet to a calculated point;

19) North 25 degrees 34 minutes 51 seconds West, a distance of 200.40 feet to a calculated point;

20) North 32 degrees 01 minutes 47 seconds West, a distance of 199.92 feet to a calculated point;

21) North 36 degrees 47 minutes 30 seconds West, a distance of 100.21 feet to a calculated point;

22) North 43 degrees 53 minutes 53 seconds West, a distance of 246.62 feet to a calculated point;

23) North 35 degrees 36 minutes 13 seconds West, a distance of 146.96 feet to a calculated point; thence severing said corporate limits for the following eighteen (18) calls:

1) North 34 degrees 56 minutes 50 seconds West, a distance of 104.01 feet to a calculated point;

2) North 39 degrees 12 minutes 03 seconds West, a distance of 200.54 feet to a calculated point;

3) North 38 degrees 26 minutes 55 seconds West, a distance of 95.00 feet to a calculated point;

4) North 38 degrees 03 minutes 23 seconds West, a distance of 204.79 feet to a calculated point;

5) North 35 degrees 50 minutes 48 seconds West, a distance of 200.05 feet to a calculated point;

6) North 34 degrees 14 minutes 44 seconds West, a distance of 200.03 feet to a calculated point;

7) North 33 degrees 14 minutes 00 seconds West, a distance of 200.06 feet to a calculated point;

8) North 31 degrees 45 minutes 25 seconds West, a distance of 157.57 feet to a calculated point;

9) North 31 degrees 30 minutes 43 seconds West, a distance of 160.50 feet to a calculated point;

10) North 39 degrees 08 minutes 39 seconds West, a distance of 301.37 feet to a calculated point;

11) North 31 degrees 32 minutes 38 seconds West, a distance of 157.27 feet to a calculated point;

12) South 54 degrees 30 minutes 41 seconds West, a distance of 320.29 feet to a calculated point;

13) South 40 degrees 03 minutes 39 seconds East, a distance of 25.08 feet to a calculated point;

14) South 54 degrees 30 minutes 41 seconds West, a distance of 100.00 feet to a calculated point;

15) North 40 degrees 03 minutes 39 seconds West, a distance of 187.48 feet to a calculated point;

16) North 55 degrees 39 minutes 36 seconds East, a distance of 50.25 feet to a calculated point;

17) South 40 degrees 03 minutes 38 seconds East, a distance of 111.23 feet to a calculated point;

18) North 54 degrees 30 minutes 41 seconds East, a distance of 715.19 feet to a calculated point being in the east line of said corporate limits; thence with said east line for the following Twelve (12) calls:

- 1) South 26 degrees 15 minutes 01 seconds East, a distance of 166.17 feet to a calculated point;
- 2) South 27 degrees 54 minutes 08 seconds East, a distance of 306.65 feet to a calculated point;
- 3) South 29 degrees 45 minutes 13 seconds East, a distance of 143.87 feet to a calculated point;
- 4) South 35 degrees 37 minutes 40 seconds East, a distance of 238.66 feet to a calculated point;
- 5) South 30 degrees 45 minutes 26 seconds East, a distance of 119.28 feet to a calculated point;
- 6) South 30 degrees 45 minutes 13 seconds East, a distance of 279.84 feet to a calculated point;
- 7) South 34 degrees 26 minutes 42 seconds East, a distance of 181.88 feet to a calculated point;
- 8) North 55 degrees 12 minutes 08 seconds East, a distance of 1,349.70 feet to a calculated point;
- 9) South 36 degrees 32 minutes 31 seconds East, a distance of 539.98 feet to a calculated point;
- 10) North 55 degrees 11 minutes 19 seconds East, a distance of 845.00 feet to a calculated point;
- 11) South 34 degrees 24 minutes 43 seconds East, a distance of 60.00 feet to a calculated point;
- 12) South 55 degrees 11 minutes 19 seconds West, a distance of 2,164.39 feet to a calculated point being in the east right-of-way line of an access road east of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

- 1) South 39 degrees 55 minutes 56 seconds East, a distance of 237.91 feet to a calculated point;
- 2) in a curve to the left being subtended by a chord of South 54 degrees 33 minutes 26 seconds East, a chord distance of 274.18 feet and having a radius of 542.96 feet, in all an arc distance of 277.18 feet to a calculated point;
- 3) South 20 degrees 49 minutes 04 seconds West, a distance of 50.00 feet to a calculated point;
- 4) North 64 degrees 40 minutes 56 seconds West, a distance of 93.05 feet to a calculated point;
- 5) South 56 degrees 23 minutes 02 seconds West, a distance of 15.69 feet to a calculated point;
- 6) South 25 degrees 48 minutes 23 seconds East, a distance of 160.63 feet to a calculated point;

7) in a curve to the right being subtended by a chord of South 17 degrees 05 minutes 01 seconds East, a chord distance of 951.26 feet and having a radius of 2,019.86 feet, in all an arc distance of 960.23 feet to a calculated point being in the west right-of-way line of the Wendell Ford Expressway, said west right-of-way line varies in width from its centerline; thence crossing said expressway South 37 degrees 22 minutes 41 seconds East, a distance of 428.64 feet to a calculated point being in the east right-of-way line of said Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seventeen (17) calls:

- 1) North 27 degrees 13 minutes 37 seconds East, a distance of 148.80 feet to a calculated point;
- 2) North 36 degrees 48 minutes 38 seconds West, a distance of 41.07 feet to a calculated point;
- 3) North 21 degrees 57 minutes 38 seconds East, a distance of 51.24 feet to a calculated point;
- 4) North 21 degrees 57 minutes 38 seconds East, a distance of 122.78 feet to a calculated point;
- 5) North 27 degrees 09 minutes 56 seconds East, a distance of 196.83 feet to a calculated point;
- 6) North 31 degrees 16 minutes 05 seconds East, a distance of 196.52 feet to a calculated point;
- 7) North 25 degrees 08 minutes 19 second East, a distance of 197.26 feet to a calculated point;
- 8) North 38 degrees 00 minutes 35 seconds East, a distance of 206.86 feet to a calculated point;
- 9) North 29 degrees 29 minutes 03 seconds East, a distance of 187.35 feet to a calculated point;
- 10) North 37 degrees 29 minutes 21 seconds East, a distance of 147.74 feet to a calculated point;
- 11) North 54 degrees 34 minutes 45 seconds East, a distance of 330.20 feet to a calculated point;
- 12) South 36 degrees 18 minutes 15 seconds East, a distance of 0.19 feet to a calculated point;
- 13) North 53 degrees 41 minutes 45 seconds East, a distance of 12.21 feet to a calculated point;
- 14) North 52 degrees 34 minutes 47 seconds East, a distance of 294.84 feet to a calculated point;
- 15) North 66 degrees 45 minutes 30 seconds East, a distance of 254.01 feet to a calculated point;
- 16) North 56 degrees 33 minutes 16 seconds East, a distance of 249.99 feet to a calculated point;
- 17) North 52 degrees 15 minutes 55 seconds East, a distance of 401.11 feet to a calculated point being in the west right-of-way line of Kentucky Highway 603, said west right-of-way line varies in width from its centerline; thence with said west right-of-way line for the following three (3) calls:

- 1) South 56 degrees 24 minutes 44 seconds East, a distance of 241.35 feet to a calculated point;

2) South 51 degrees 17 minutes 47 seconds East, a distance of 206.27 feet to a calculated point;

3) South 35 degrees 19 minutes 13 seconds East, a distance of 501.17 feet to a calculated point being in the south right-of-way line of Hayden Road, said south right-of-way line varies in width from its centerline; thence with said south right-of-way line North 53 degrees 59 minutes 28 seconds East, a distance of 202.45 feet to a calculated point being in the northwest corner of the Senior Green, LLC property, as recorded in Deed Book 1011, at Page 316 in said clerk's office; thence with the west line of said Senior Green, LLC property South 37 degrees 30 minutes 08 seconds East, a distance of 342.40 feet to a calculated point; thence continuing with said west line South 08 degrees 40 minutes 12 seconds East, a distance of 167.29 feet to a calculated point; thence severing said Senior Green, LLC property South 41 degrees 29 minutes 23 seconds East, a distance of 713.42 feet to a calculated point; thence continuing to sever said Senior Green, LLC property in a curve to the right being subtended by a chord of South 35 degrees 37 minutes 38 seconds East, a chord distance of 518.89 feet and having a radius of 2,540.00 feet, in all an arc distance of 519.80 feet to a calculated point being in the west line of the James and Ernest Pantle property, as recorded in Deed Book 431, at Page 216 in said clerk's office; thence severing said Pantle property in a curve to the right being subtended by a chord of South 22 degrees 06 minutes 10 seconds East, a chord distance of 677.31 feet and having a radius of 2,540.00 feet, in all an arc distance of 679.33 feet to a calculated point; thence continuing to sever said Pantle property South 14 degrees 26 minutes 26 seconds East, a distance of 61.40 feet to a calculated point being in the north line of the Downs Subdivision, as recorded in Plat Book 28, at Page 77 and Plat Book 30, at Page 22 both in said clerk's office; thence with said north line North 71 degrees 57 minutes 07 seconds West, a distance of 126.88 feet to a calculated point being in the south line of said Pantle property; thence severing said Pantle property North 75 degrees 24 minutes 01 seconds East, a distance of 27.01 feet to a calculated point; thence continuing to sever said Pantle property in a curve to the left being subtended by a chord of North 22 degrees 49 minutes 00 seconds West, a chord distance of 703.17 and having a radius of 2,460.00 feet, in all an arc distance of 705.59 feet to a calculated point being in the east line of the Daviess County School District Finance Corp. property, as recorded in Deed Book 1012, at Page 26 in said clerk's office; thence with said east line North 85 degrees 42 minutes 45 seconds East, a distance of 41.53 feet to a calculated point; thence continuing with said east line South 06 degrees 12 minutes 16 seconds West, a distance of 546.15 feet to a calculated point being in said north line; thence with said north line North 71 degrees 13 minutes 38 seconds West, a distance of 107.91 feet to a calculated point; thence continuing said north line South 53 degrees 53 minutes 52 seconds West, a distance of 51.00 feet to a calculated point being in the west line of the Downs Subdivision, as recorded in Plat Book 29, at Page 330, Plat Book 30, at Page 22, and Plat Book 30, at Page 141 all in said clerk's office; thence with said west line South 16 degrees 53 minutes 40 seconds West, a distance of 1,578.30 feet to a calculated point being in the north line of the Wal-Mart Real Estate Business Trust property, as recorded in Deed Book 785, at Page 260 in said clerk's office; thence with said north line North 71 degrees 46 minutes 46 seconds West, a distance of 235.51 feet to a calculated point; thence continuing with said north line North 74 degrees 21 minutes 33 seconds West, a distance of 395.33 feet to a calculated point being the northeast corner of said human resources property; thence with the north line of said human resources property North 70 degrees 51 minutes 57 seconds West, a distance of 490.34 feet to a calculated point being the northwest corner of said human resources property; thence with the west line of said human resources property South 21 degrees 59 minutes 33 seconds West, a

distance of 1,235.72 feet to the point of beginning and containing 306.56 acres. This description was prepared for a tax area only and is NOT to be used for the transfer of real property.

J. William Weikel, Jr. *April 30, 2020*
J. William Weikel, Jr., KY PLS No. 2813 Date

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Exhibit B: Planned Project Description

The project and its related improvements when fully developed will involve a new capital investment of \$198,857,200. The project contains approximately:

- 239,800 square feet of mixed-use space for retail
- 45,500 square feet for restaurant uses
- 55,000 square foot movie theater with a bowling alley
- 120,000 square feet of leasable office space
- 2 hotels each with 150 rooms
- 300 residential units

Description by Zone:

Zone 1

- 35,970 square feet of mixed-use space for retail
- 6,825 square feet for restaurant uses
- 24,000 square feet of leasable office space
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 2

- 23,980 square feet of mixed-use space for retail
- 4,550 square feet for restaurant uses
- 1 hotel with 150 rooms
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 3

- 23,980 square feet of mixed-use space for retail
- 4,550 square feet for restaurant uses
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Public Spaces or Parks; Parking

Zone 4

- 47,960 square feet of mixed-use space for retail
- 9,100 square feet for restaurant uses
- 1 hotel with 150 rooms
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 5

- 35,970 square feet of mixed-use space for retail
- 6,825 square feet for restaurant uses
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Provision of Utilities; Public Spaces or Parks; Parking

Zone 6

- Eligible Approved Public Infrastructure Costs include – Land Preparation; Provision of Utilities; Public Spaces or Parks

Zone 7

- 71,940 square feet of mixed-use space for retail
- 13,650 square feet for restaurant uses
- 55,000 square foot movie theatre with a bowling alley
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 8

- 300 residential units
- Community Center, if applicable
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 9

- 96,000 square feet of leasable office space
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 10

- Eligible Approved Public Infrastructure Costs include – Sewers/Storm Drainage; Provision of Utilities; Roads

Gateway Commons Project Components											
	Sq Ft Yr 1	Sq Ft Yr 2	Sq Ft Yr 3	Sq Ft Yr 4	Sq Ft Yr 5	Sq Ft Yr 6	Sq Ft Yr 7	Sq Ft Yr 8	Sq Ft Yr 9	Total	
Retail	20,000	15,000	40,000	15,000	40,000	20,000	30,000	20,000	39,800	239,800	
Restaurant	0	15,000	0	15,000	0	15,500	0	0	0	45,500	
Theater	55,000	0	0	0	0	0	0	0	0	55,000	
Office	0	0	30,000	0	0	60,000	0	0	30,000	120,000	
Residential (units)	0	0	150	0	150	0	0	0	0	300	
Hotel (rooms)	0	0	150	0	0	150	0	0	0	300	
Total Square Feet	75,000	30,000	70,000	30,000	40,000	95,500	30,000	20,000	69,800	460,300	
Total Units/Rooms	0	0	300	0	150	150	0	0	0	600	

Exhibit C: Public Infrastructure Costs

Public Infrastructure

Site Preparation	\$5,760,800
Sanitary Waste Water Improvements	\$7,249,002
Storm Sewers and Detention	\$2,250,998
Utilities	\$3,000,000
Roadways	\$15,320,000
Public Spaces/Landscaping	\$1,500,000
Public Parking	\$3,506,400
Total Public Infrastructure	\$38,587,200

The above cost estimates are intended for description only and not as a limitation of the costs in each category that may be recovered pursuant to this Agreement.

To the extent not included in the above cost categories, the following costs from the Annexation Agreement shall also be included as Public Infrastructure Costs, with the understanding that State Incremental Revenues may only reimburse Approved Public Infrastructure Costs as set forth in the Tax Incentive Agreement:

- Land preparation, including, excavation, demolition and clearance work within the Development Area;
- Construction of all on and offsite public utilities including sanitary sewer, storm water drainage, waterline, electricity, natural gas, and phone/cable/internet;
- Retention basins and retaining walls;
- Roads;
- Curbs, gutter, sidewalk, greenbelt, public promenades, and approved pedways that connect two public spaces;
- Medians and irrigation within and to public right-of-way;
- Street lighting;
- Mitigation costs incurred to achieve compliance with requirements from agencies such as Division of Water, FEMA, and EPA;
- Public spaces, parks such as a bike park in the public right-of-way;
- Existing utility or service line relocation from within an approved right-of-way;
- Approved amenities such as fountains, benches, monuments, decorative boundary fencing separating a public right-of-way, and sculptures within a public right-of-way (each of these items shall be maintained, in all aspects, by the Developer);
- Outside consulting costs for planning and design of those Project as defined in this Agreement;

- Interest on debt service for the expense directly attributable to a qualified Capital Investment for a Public Infrastructure Cost. Developer must submit a debt service payment schedule and demonstrate, to the satisfaction of the Director of Finance and Support Services, that the claimed interest is directly attributable to a Capital Investment for a Public Infrastructure Cost;
- Outside legal and engineering expenses attributable to the development of the Project and Development Area;
- 50% of real estate brokerage commissions/expenses incurred in connection with the sale or lease of property within the Project to a TIF qualified purchaser or tenant.

Exhibit D: Affiliates To Which Developer Has Assigned Interests

None at this time

Exhibit E: Memorandum of Agreement between Developer and City

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT made and entered into this 8th day of April, 2015, by and between CITY OF OWENSBORO, KENTUCKY, a municipality of the second class, 101 East Fourth Street, P. O. Box 10003, Owensboro, Kentucky 42302-9003, (hereafter referred to as "City"), and G W Development, Inc., 2960 Fairview Drive, Owensboro, Kentucky 42303 (hereafter referred to as "Developer"), Gateway Land, LLC of 2960 Fairview Drive, Owensboro, KY 42303 (hereafter collectively referred to as the "Owner").

RECITALS

WHEREAS, Owner is the owner of certain tracts of real property consisting of approximately one hundred and ninety nine (199) acres, more or less (hereinafter referred to as the "Subject Property" see also Exhibit A), which is located in the northeast corner of the intersection of the Wendell Ford Expressway and Kentucky Highway 54 in Daviess County, Kentucky; and

WHEREAS, the Subject Property, which is presently located in an unincorporated area of Daviess County that is contiguous to the corporate boundaries of the City, when annexed, developed, and/or sold, will utilize and benefit from, various municipal services, including public safety, sanitary sewer, water, and electric utilities; and

WHEREAS, the social and economic well being of the City is directly related to, and in many respects dependent upon, the substantial growth of the City and its tax revenue base through annexation of contiguous territories. In

order to meet various capital needs, especially in the area of public safety, provide and maintain infrastructure and other public facilities, promote economic development, and continue to provide affordable, quality municipal services to taxpayers; and,

WHEREAS, the City intends to submit to the state a request for a financial partnership (Tax Increment Financing) in funding the necessary infrastructure for developing in this area; and,

WHEREAS, as an incentive to incorporate the entirety of the Subject Property into the City through consensual annexation in order to make all municipal services available to said property and to facilitate overall municipal growth, the City desires to reimburse Developer for the cost of the construction of various public facilities and improvements dedicated to public use and maintenance within or for the direct benefit of the property, in an amount not to exceed twenty-five million dollars (\$25,000,000.00), the total cost of the public facilities, or the total ad valorem (excluding school tax), net profits, and occupational tax revenues derived from any property located therein, whichever is less, over a designated twenty (20) year period.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants and conditions contained herein, the parties agree as follows:

1. **ANNEXATION:** Upon the approval and execution of this Agreement by the parties, Developer shall proceed within the next six months with formal application for consensual annexation by the City of the Subject Property and consisting of approximately one hundred and ninety nine (199)

acres, more or less, and shall give its consent to, and in all other respects, support an annexation ordinance proposed to the Owensboro Board of Commissioners for adoption, pursuant to applicable law. The Owner agrees to convey fee simple title to Developer to portions of the Subject Property as and when development of the Subject Property progresses.

In consideration of the foregoing, the City or its designated agency, shall accept and assume maintenance of, all public facilities approved by the City Engineer and constructed by or for the Developer within the Subject Property to be annexed, including streets, (both city and state maintained) utilities, roadways, alleys, curbs, gutters, parks, bicycle/pedestrian trails, and public infrastructure (including sanitary sewers, stormwater drains, inlets, and retention basins, but excluding common areas), or other public improvements or right-of-way dedicated to public use and maintenance on the final development plan or plans and the final subdivision plat or plats approved by the Owensboro Metropolitan Planning Commission and filed of record in the Office of the Daviess County Clerk, hereafter referred to as "Public Facilities." Once fully completed to the approved specifications, all maintenance of the Public Facilities required hereunder shall be performed by the City according to its approved maintenance schedule, as may be changed from time to time.

2. ZONING: Developer intends to develop the Subject Property as a Mixed Use Development including commercial, professional, office, retail and multi-family uses. The parties hereto acknowledge, understand and agree that the incentives herein provided by the City are based on the Mixed Use

Development proposed by Developer at the time of this Agreement and Developer shall not seek rezoning for any other use of any unit, tract, lot or individual parcel within the Subject Property which it holds legal title to or has a vested or controlling ownership interest in, without the approval of the Owensboro Metropolitan Planning Commission and shall, in any conveyance to another person or entity, ensure that this restriction runs with the land as to subsequent owners. This restriction shall only run with the land and be in effect for the period of time that Developer receives any reimbursement under this Agreement.

3. INCENTIVES; REIMBURSEMENT FOR COST OF PUBLIC FACILITIES; CALCULATION OF TAX REVENUES; LIMITATIONS:

(A) Incentives: In consideration of the consensual annexation of the aforementioned Subject Property, the City hereby agrees to reimburse Developer for the verified cost of the Public Facilities required to be constructed, improved or consumed by Public Facilities as provided for in Section (C)1. below, its employees, agents or contractors, within or for the direct benefit of the property annexed herein, subject to the terms, conditions, and limitations set forth herein, whether incurred prior to the date hereof or thereafter. It is hereby agreed that the costs of Public Facilities incurred by Developer up to the date hereof equals \$906,879.63.

(B) Public Facilities: In addition to those stated above, and for purposes of this section, Public Facilities include those items listed as "Recoverable Costs" on Attachment 1 and streets (both city and state

maintained), roadways, curbs, gutters, public street medians, and infrastructure (including water pipes, sanitary sewers, storm drains), inlets, retention basins, shown and dedicated to the City on any final subdivision plat approved by the City Engineer and by the Owensboro Metropolitan Planning Commission and filed of record in the office of the Daviess County Court Clerk) both within or for the direct benefit of the property being annexed.

(C) Reimbursement for Public Facilities; Source of Funding:

1. The City shall reimburse Developer for the actual costs incurred (this may include interest on debt incurred by the Developer which is directly attributable to the cost of eligible reimbursable expenses) in connection with the construction of Public Facilities within, or for the direct benefit of, the Subject Property upon the release of any public improvement bond or other surety and submission of an itemized invoice properly documenting the same, including the fair market value of the acreage consumed by the Public Facilities including roads, parks, streets and retention basins. The parties have agreed that the fair market value of the acreage consumed by the Public Facilities shall be calculated at \$165,000 per acre, or applicable portion thereof, throughout the term of this Agreement. If the parties are unable to agree upon the fair market value of the contributed acreage, the value shall be determined by an independent third party appraiser to be chosen by the mutual agreement of the parties. Developer shall submit invoices to the City's Finance Manager on a quarterly basis. Upon verification and approval by the City Engineer, the Finance Manager shall process the invoice(s) for payment. Payments for verified and

approved invoices are paid in the months of February, May, August, and November provided the Developer submitted the applicable invoices at least 30 days prior to the first day of each payment month.

2. Expenses to be reimbursed by City to Developer under this Agreement shall be paid solely from all real and personal property, occupational, and net profits tax/fee revenues (excluding school taxes/fees, franchise bank deposit taxes, any and all in lieu of present or future taxes/fees, and any taxes levied and restricted to a specific purpose) derived by the City from the Subject Property, hereafter referred to as "Tax Revenues," over a maximum period of twenty (20) years (the "Reimbursement Term"). The twenty (20) year Reimbursement Term shall commence upon receipt of a written request for same by the Developer to the City, or, automatically five (5) years from the date of execution of this Agreement, whichever first occurs. The City's obligation to reimburse Developer for the cost of public facilities shall commence on the first day of the next fiscal quarter after the twenty (20) year term begins.

3. It is understood that all reimbursements provided in this Agreement shall be made solely to the present developer and not to any subsequent developer, purchasers, tenants, or other interests present or future.

4. The City intends to seek the creation of a state sanctioned Tax Increment Financing (TIF) district that will include the Subject Property. In connection therewith, the City will incur various consulting and professional fees ("Consulting Costs"). Upon final approval of the TIF by all necessary governmental agencies, Developer agrees to reimburse the City for

one-half of the Consulting Costs, up to a maximum reimbursement of \$70,000.00 to be paid from the proceeds of the first annexation (TIF) reimbursement received by Developer.

(D) Accounting: The Director of Finance and Support Services and the Finance Manager are authorized and directed to collect and deposit all Tax Revenues derived by the City from the Subject Property annexed hereby, in a separate, dedicated account established for the Subject Property incorporated by the City through consensual annexation, for the twenty (20) year Reimbursement Term designated herein. To assist the Finance Department in tracking tax revenues derived from the development, sale, and/or lease of real and personal property within the Subject Property, Developer shall, at its own expense, promptly provide the City with a copy of the final subdivision plat approved by the Owensboro Metropolitan Planning Commission and filed in the Office of the Daviess County Clerk, any deeds of conveyance, and the names and mailing addresses of any person, firm or corporation with a leasehold interest in any portion of subject property. Developer will use its best efforts to include in all deeds of conveyance or leases of any portion of the Subject Property a provision requiring the grantee or lessee, as the case may be, to comply with the reporting requirements of the City as to Tax Revenues in order to enable the City to pay Developer the reimbursement provided for hereunder. During the term of this Agreement, Developer shall also notify the City's Director of Finance and Support Services of the sale, transfer, and/or lease of any portion of subject property to any other person or entity for commercial development or

other use by providing a copy of the deed of conveyance or the name and mailing address of any person, firm or corporation with a leasehold interest.

It is agreed that in the event the Developer sells, transfers and/or leases any part of the subject property, Developer shall continue to receive the incentive payments as defined in this Agreement. It is understood that the incentive payments are to be paid directly to the Developer regardless as to who owns and/or leases the Subject Property provided the Developer is in compliance with all terms of this Agreement.

Additionally, payment under this Agreement is contingent upon those entities or persons from whom such Tax Revenues were derived, properly reporting such to the City of Owensboro. In the event that an entity or person does not properly report such Tax Revenues in a sufficient format to enable the City to attribute those Tax Revenues to the Subject Property, the payment will be withheld until a proper reporting has been received and processed. City and Developer agree that both shall immediately utilize any and all available means or authority to require those entities or persons to immediately and properly report such Tax Revenues so as not to delay further payment to Developer.

(E) Limitation on Reimbursement of Expenses:

1. The City's maximum liability to Developer for reimbursement of the cost of qualified Public Facilities shall not exceed twenty-five million dollars (\$25,000,000.00), the total verified cost of the public facilities, or the total sum of all Tax Revenues collected by the City from the Subject Property, whichever is less, over the designated twenty (20) year

Reimbursement Term. Tax Revenues collected by the City from the Subject Property prior to the commencement of the Reimbursement Term are not eligible for payment to the Developer under this Agreement. The City shall reimburse Developer for qualified expenses upon receipt of sufficient dedicated Tax Revenues under Sections 3(C)(2) of this Agreement.

4. TERM: This Agreement shall commence upon its execution by both parties and in the absence of a default by either party, shall remain in full force and effect for the duration of the designated twenty (20) year Reimbursement Term, or until such time as all terms and conditions set forth herein have been satisfied, whichever first occurs.

5. DEFAULT; REMEDIES: This Agreement may be terminated by the City, by written notice, in the event Developer breaches any one or more of the terms and conditions set forth herein, including failure to timely complete all public improvements as per applicable ordinances, Planning and Zoning requirements, and the City's Private Development Policy which is incorporated herein by reference as Exhibit 2, and fails to cure said breach within a reasonable time after written notice thereof. This Agreement may be terminated by Developer in the event the City fails to reimburse Developer for qualified public facility expenses on the terms and conditions set forth herein, and fails to cure said breach within a reasonable time after written notice thereof by Developer.

Upon a material breach of this Agreement by either party, the non-breaching party shall be entitled to all remedies at law or equity, including but not limited to, specific performance or mandatory injunctive relief, rescission, or

compensatory and consequential damages arising therefrom; provided, however, a material breach by the City notwithstanding, under no circumstances shall the City be required to de-annex property annexed pursuant to this Agreement, which process is a discretionary and non-negotiable legislative function, nor shall the City's total liability ever exceed the total verified cost of the public facilities or the total sum of all Tax Revenues collected by the City from the Subject Property, whichever is less.

6. NOTICES: Any written notices or requests required under the terms of this agreement shall be given to the following:

CITY: City of Owensboro, Kentucky
Attention: City Attorney
P. O. Box 10003
101 East 4th Street
Owensboro, Kentucky 42302-9003

DEVELOPER: Gateway Land, LLC
2960 Fairview Drive
Owensboro, Kentucky 42303

7. AGREEMENT NULL AND VOID: This Agreement shall terminate, and otherwise become null and void, and neither party shall have any further liability to the other, if the Subject Property described herein is not incorporated into the City by the Owensboro Board of Commissioners or the Commonwealth of Kentucky through consensual Annexation or, if for any reason, the Subject Property is de-annexed at any time. Additionally, the Developer shall have the right to terminate this Agreement if the Subject Property described herein is not incorporated into a tax increment financing incentive agreement between the Commonwealth of Kentucky, or a department or agency thereof, and the City of

Owensboro, or a department or agency thereof, at any time prior to the Reimbursement Term.

8. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement and understanding between the parties and supersedes all prior agreements, promises, communications, representations, whether oral or written, by any employee, officer, or representative of either party hereto. There are no promises, representations, covenants, undertakings, restrictions, or conditions, other than those expressly set forth herein. Any subsequent amendment hereto shall be in writing and executed by authorized representatives of both parties. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns, provided, however, that this Agreement shall not be transferred or assigned at any time by Developer without the express written consent of the City.

9. SEVERABILITY: The provisions of this Agreement are independent of and severable from each other, and no provision shall be effected or rendered invalid or unenforceable by virtue of the fact that for any reason, other provisions herein may be invalid or unenforceable, in whole or in part. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable as written, a court may interpret, construe, rewrite or revise such provision, to the fullest extent allowed by law, so as to make it valid and enforceable consistent with the intent of the parties. In the event a court of competent jurisdiction finally determines that any portion of this agreement is

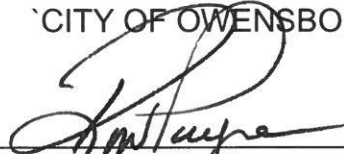
invalid or unenforceable as written, neither party shall have any liability to the other as a result thereof.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the day and year first hereinabove written.

FIRST PARTY:

CITY OF OWENSBORO, KENTUCKY

By


Ron Payne, Mayor

ATTEST:


Beth Cecil, City Clerk

DEVELOPER:

G W DEVELOPMENT, INC

By


Matthew R. Hayden, President

OWNER:

GATEWAY LAND, LLC

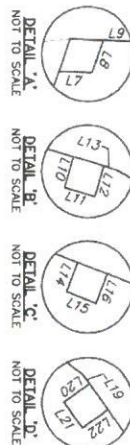
By


Matthew R. Hayden, Manager

Attachment 1

Recoverable Costs- must be within the Subject Property unless otherwise indicated herein

- Land preparation, including, excavation, demolition and clearance work within the Subject Property;
- Construction of all on and offsite public utilities including sanitary sewer, storm water drainage, waterline, electricity, natural gas, and phone/cable/internet;
- Retention basins and retaining walls
- Roads;
- Curbs, gutter, sidewalk, greenbelt, public promenades, and approved pedways that connect two public spaces;
- Medians and irrigation within and to public right-of-way;
- Street lighting;
- Mitigation costs incurred to achieve compliance with requirements from agencies such as Division of Water, FEMA, and EPA;
- Public spaces, parks such as a bike park in the public right-of-way;
- Existing utility or service line relocation from within an approved right-of-way;
- Approved amenities such as fountains, benches, monuments, decorative boundary fencing separating a public right-of-way, and sculptures within a public right-of-way (each of these items shall be maintained, in all aspects, by the Developer);
- Outside consulting cost for planning and design of those Public Facilities as defined in this Agreement;
- Interest on debt service for the expense directly attributable to a qualified Recoverable Costs. Developer must submit a debt service payment schedule and demonstrate, to the satisfaction of the Director of Finance and Support Services, that the claimed Recoverable Costs is directly attributable to a qualified Recoverable Cost.
- Outside legal and engineering expenses attributable to the development of the Subject Property.
- 50% of real estate brokerage commissions/expenses incurred in connection with the sale or lease of property within the Gateway Commons development to a TIF qualified purchaser or tenant.



CURVE	LENGTH	RADIUS	CHORD	BEARING
C1	76.91'	50.00'	69.55'	N 71°54'59" E
C2	22.34'	281.50'	22.48'	N 24°09'09" E
C3	55.54'	37.00'	50.47'	N 21°00'45" W
C4	77.93'	144.99'	77.00'	S 51°32'11" E

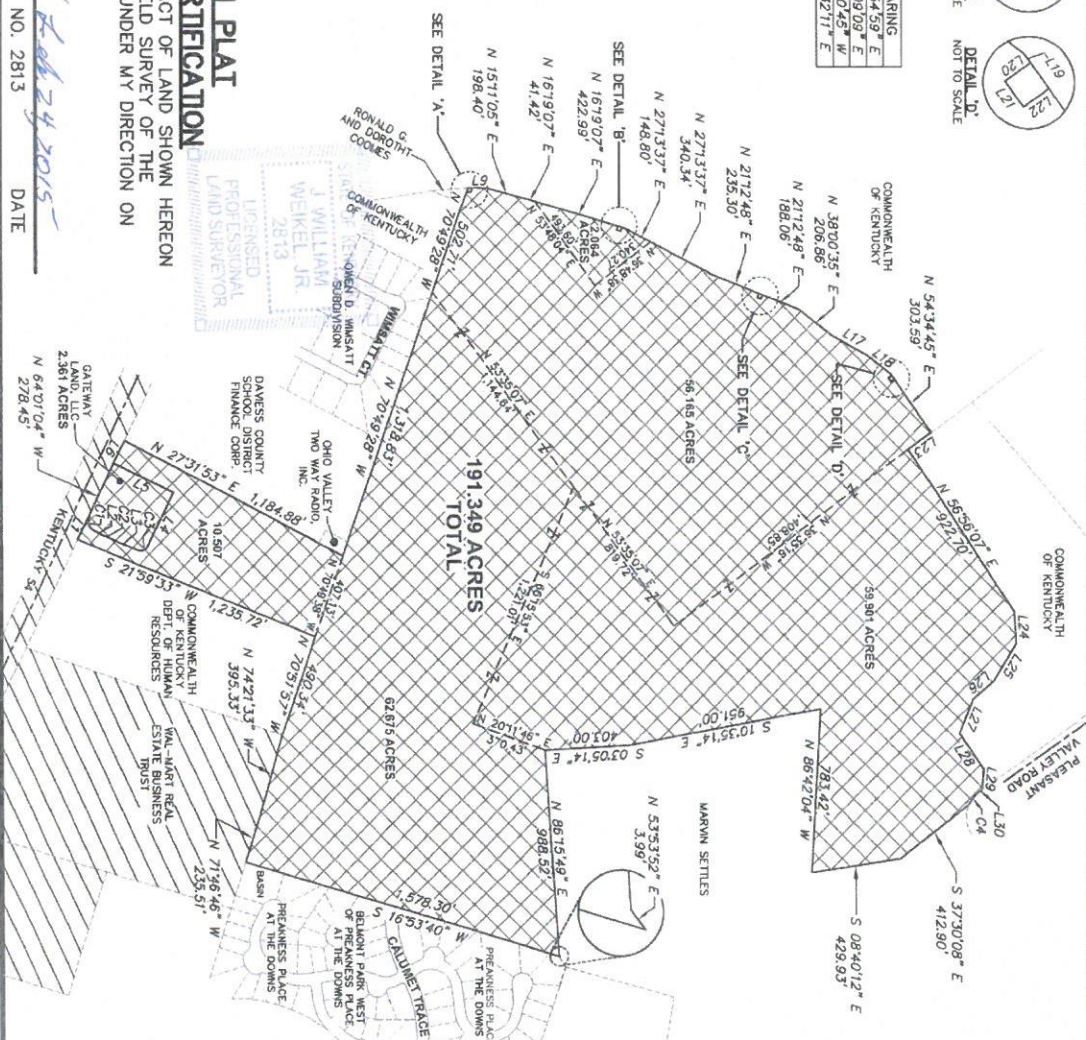
CURVE TABLE

LINE TABLE

LINE	BEARING	LENGTH
L1	N 64°01'04" W	122.89'
L2	N 27°31'01" E	60.97'
L3	N 21°39'33" E	192.34'
L4	N 64°01'04" W	282.48'
L5	N 25°56'56" E	318.03'
L6	N 64°01'04" W	118.93'
L7	N 01°39'19" E	20.97'
L8	N 70°49'28" W	20.97'
L9	N 01°39'19" E	68.70'
L10	S 73°40'53" E	20.00'
L11	N 16°19'07" E	20.00'
L12	N 33°40'53" W	20.00'
L13	N 16°19'07" E	6.75'
L14	S 68°47'12" E	20.00'
L15	N 21°24'48" E	20.00'
L16	N 68°47'12" W	20.00'
L17	N 29°29'03" E	187.35'
L18	N 37°29'21" E	147.24'
L19	N 54°34'45" E	6.61'
L20	S 35°29'15" E	20.00'
L21	N 54°34'45" E	20.00'
L22	N 35°29'15" W	20.00'
L23	S 36°16'15" E	156.14'
L24	N 66°46'28" E	153.66'
L25	S 68°56'17" E	201.70'
L26	S 40°05'40" E	133.41'
L27	S 68°23'08" E	175.83'
L28	N 66°33'23" E	208.58'
L29	S 65°20'13" E	99.72'
L30	S 36°08'18" E	21.22'

ANNEXATION PLAT
SURVEYOR'S CERTIFICATION
 I HEREBY CERTIFY THAT THE TRACT OF LAND SHOWN HEREON
 WAS PLOTTED BASED UPON A FIELD SURVEY OF THE
 SUBJECT PROPERTY COMPLETED UNDER MY DIRECTION ON
 FEBRUARY 12, 2015.

J. William Weikel, Jr.
 J. WILLIAM WEIKEL, JR., KY P.L.S. NO. 2813
 DATE



- ☐ IN COUNTY
- ☐ IN CITY
- ☒ TO BE ANNEXED

GATEWAY LAND, LLC.

ANNEXATION PLAT
 LOCATED ON KY HWY 54
 EAST OF OWENSBORO
 DAVESS COUNTY, KENTUCKY
 02-19-2015

BRYANT
Bei ENGINEERING INC.
 Civil Engineering • Land Surveying
 1535 FREDERICA STREET - P.O. BOX 21382
 OWENSBORO, KENTUCKY 42304
 270-685-2811

First Amended Memorandum of Agreement

THIS FIRST AMENDED MEMORANDUM OF AGREEMENT made and entered into this 12 day of June, 2017, by and between CITY OF OWENSBORO, KENTUCKY, a municipal corporation of the home rule class, 101 East Fourth Street, P.O. Box 10003, Owensboro, Kentucky 42302-9003, (hereafter referred to as "City"), and G W Development, Inc., 2960 Fairview Drive, Owensboro, Kentucky 42303 (hereafter referred to as "Developer"), Gateway Land, LLC of 2960 Fairview Drive, Owensboro, KY 42303 (hereafter collectively referred to as the "Owner").

RECITALS

WHEREAS, Owner is the owner of certain tracts of real property consisting of approximately 190.468 acres, more or less, which was annexed into the City in 2015; and

WHEREAS, as an incentive to incorporate the entirety of the 190.468 acres into the City through consensual annexation the City and Developer entered into the Memorandum of Agreement, dated April 8, 2015 (the "Original MOA") which set out the terms and conditions for the annexation; and

WHEREAS, the social and economic well being of the City is directly related to, and in many respects dependent upon, the substantial growth of the City and its tax revenue base through annexation of contiguous territories. In order to meet various capital needs, especially in the area of public safety, provide and maintain infrastructure and other public facilities, promote economic development, and continue to provide affordable, quality municipal services to taxpayers; and

WHEREAS, the Developer has acquired additional land that it wishes to annex into the City and include under the terms and conditions of the Original MOA, subject to the modifications contained herein.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants and conditions contained herein, the parties agree as follows:

1. "Exhibit A" of the Original MOA is hereby replaced in its entirety by "Amended Exhibit A" as attached hereto and incorporated herein by reference.

2. The words twenty-five million dollars (\$25,000,000.00) in Section (E)(1) of the Original MOA shall be replaced with twenty-seven million dollars (\$27,000,000.00).

3. Except as set forth in this Amendment, the Original MOA is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this amendment and the Agreement or any earlier amendment, the terms of this amendment will prevail.

IN WITNESS WHEREOF, the parties have executed this First Amended Memorandum of Agreement as of the day and year first hereinabove written.

FIRST PARTY:

CITY OF OWENSBORO

By Thomas H. Watson
Thomas H. Watson, Mayor

ATTEST:

Beth Cecil
Beth Cecil, City Clerk

DEVELOPER:

G W DEVELOPMENT, INC.

By Matthew R. Hayden
Matthew R. Hayden, President

Amended Exhibit A

Exhibit A

LEGAL DESCRIPTION:

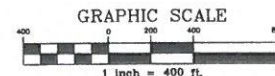
Beginning at a calculated point being the southwest corner of the Commonwealth of Kentucky Department of Human Resources property, as recorded in Deed Book 448, at Page 514 in the office of the Davess County Clerk and being in the north right-of-way line of Kentucky Highway 54, said north right-of-way line varies in width from its centerline; thence with said north right-of-way line N 64°01'04" W, 123.88' to a calculated point being the southeast corner of Lot 1, Section 1, Gateway Commons, as recorded in Plat Book 43, at Page 52 in said clerk's office; thence with the east line of said Lot 1 for the following five (5) calls: 1. In a curve to the left being subtended by a chord of N 71°54'53" E, 69.55' and having a radius of 50.00', in all an arc of 76.91' to a calculated point; 2. N 27°51'01" E, 60.97' to a calculated point; 3. In a curve to the left being subtended by a chord of N 24°55'17" E, 22.33' and having a radius of 218.50', in all an arc of 22.34' to a calculated point; 4. N 21°59'31" E, 132.24' to a calculated point; 5. In a curve to the left being subtended by a chord of N 21°00'45" W, 50.47' and having a radius of 37.00', in all an arc of 55.54' to a calculated point being the northeast corner of said Lot 1; thence with the north line of said Lot 1 N 64°01'04" W, passing through the northeast corner of the 0.844 acre tract, as recorded in Plat Book 44, at Page 129 in said clerk's office, then continuing on the same course with the north line of said 0.844 acre tract, in all 393.82' to a calculated point being in the east line of the Davess County School District Finance Corp. property, as recorded in Deed Book 800, at Page 608, thence with said east line N 27°31'53" E, passing through the southeast corner of the Ohio Valley Management, Inc. property, as recorded in Deed Book 919, at Page 122 in said clerk's office, then continuing on the same course with the east line of said Ohio Valley Management, Inc. property, in all 866.74' to a calculated point being the northeast corner of said Ohio Valley Management, Inc. property; thence with the north line of said Ohio Valley Management, Inc. property N70°49'28" W, passing through the northeast corners of said Davess County School District Finance Corp. property, then D. Wimsatt Subdivision, as recorded in Deed Book 394, at Page 314 and Deed Book 419, at Page 95, Commonwealth of Kentucky property, as recorded in Deed Book 848, at Page 91, and Gateway Land, LLC property, as recorded in Deed Book 945, at Page 733, all in said clerk's office, then continuing on the same course with the north line of each, in all 1,421.54' to a calculated point being the southeast corner of the Gateway Land, LLC property, as recorded in Plat Book 44, at Page 49 in said clerk's office; thence with the east line of said Gateway Land, LLC property N 01°30'19" E, 20.97' to a calculated point being the northeast corner of said Gateway Land, LLC property; thence with the north line of said Gateway Land, LLC property N 70°49'28" W, 20.97' to a calculated point being in the east right-of-way line of the Wendell H. Ford Expressway, as shown on the Kentucky State Right-of-Way Map, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following three (3) calls: 1. N 01°30'19" E, 68.70' to a calculated point; 2. N 15°11'05" E, 198.40' to a calculated point; 3. N 16°19'07" E, passing through the southeast corner of the Roadco D. Corbly, and Donald O. Coomes property, as recorded in Deed Book 588, at Page 86, then continuing on the same course with the east line of said Coomes property, in all 464.41' to a calculated point being the southwest corner of the Gateway Land, LLC property, as recorded in Deed Book 945, at Page 657 in said clerk's office; thence with said Gateway Land, LLC property for the following three (3) calls: 1. S 72°40'53" E, 20.00' to a calculated point; 2. N 16°19'07" E, 20.00' to a calculated point; 3. N 73°40'53" W, 20.00' to a calculated point being in said east line of the Coomes property; thence with said east line for the following three (3) calls: 1. N 16°19'07" E, 6.75' to a calculated point; 2. N 27°31'53" E, 146.80' to a calculated point; 3. N 18°46'38" W, 41.07' to a calculated point being in said east right-of-way line; thence with said east right-of-way line for the following three (3) calls: 1. N 21°57'38" E, 174.02' to a calculated point; 2. N 27°09'54" E, 196.83' to a calculated point; 3. N 31°05'05" E, 166.52' to a calculated point; thence leaving said east right-of-way line and crossing said Gateway Land, LLC property S 28°57'53" E, 17.58' to a calculated point being the southwest corner of another Gateway Land, LLC property, as recorded in Deed Book 945, at Page 657; thence with said Gateway Land, LLC property for the following four (4) calls: 1. S 68°47'13" E, 30.00' to a calculated point; 2. N21°12'48" E, 20.00' to a calculated point; 3. N 68°47'13" W, 20.00' to a calculated point; 4. S 21°12'48" W, 20.00' to a calculated point being said southwest corner; thence leaving said Gateway Land, LLC property N 28°57'53" E, 17.58' to a calculated point being in said east right-of-way line; thence with said east right-of-way line for the following five (5) calls: 1. N 25°08'19" E, 197.26' to a calculated point; 2. N 38°00'35" E, 206.86' to a calculated point; 3. N 29°29'21" E, 187.35' to a calculated point; 4. N 32°29'21" E, 147.24' to a calculated point; 5. N 54°34'45" E, 6.81' to a calculated point being the westernmost corner of another Gateway Land, LLC property, as recorded in Deed Book 945, at Page 657; thence with said Gateway Land, LLC property for the following three (3) calls: 1. S 25°25'15" E, 30.00' to a calculated point; 2. N 16°19'07" E, 20.00' to a calculated point; 3. N 35°25'35" W, 20.00' to a calculated point being in said east right-of-way line; thence with said east right-of-way line for the following ten (10) calls: 1. N54°34'45" E, 303.50' to a calculated point; 2. S 38°18'15" E, 0.19' to a calculated point; 3. N 54°34'45" E, 12.12' to a calculated point; 4. N 52°34'45" E, 294.84' to a calculated point; 5. N 60°45'30" E, 254.01' to a calculated point; 6. S 56°33'16" E, 249.99' to a calculated point; 7. N 52°15'55" E, 401.11' to a calculated point; 8. S 50°24'44" E, 241.35' to a calculated point; 9. S 51°17'47" E, 210.98' to a calculated point; 10. S 54°34'45" E, 154.74' to a calculated point; 10. S 54°34'45" E, 218.47' to a calculated point being in the west right-of-way line of Old Pleasant Valley Road "now reformed", said old west right-of-way line being 30.00' from its centerline; thence with said west right-of-way line S 36°08'18" E, 21.22' to a calculated point; thence continuing with said west right-of-way line in a curve to the left being subtended by a chord of S 51°32'11" E, 77.00' and having a radius of 144.99', in all an arc of 77.93' to a calculated point being the northeast corner of the Irene Settles Estate property, as recorded in Will Book 13, at Page 343 in said clerk's office; thence with said Irene Settles Estate property for the following six (6) calls: 1. S 37°30'08" E, 412.90' to a calculated point; 2. S 08°40'12" E, 429.93' to a calculated point; 3. S 27°29'58" W, 1,286.11' to a calculated point; 4. S 03°05'14" E, 151.57' to a calculated point; 5. N 86°15'49" E, 988.52' to a calculated point; 6. S 53°53'52" E, 3.99' to a calculated point being in the west line of the Downs Subdivision, as recorded in Plat Book 29, at Page 330, Plat Book 30, at Page 22, and Plat Book 30, at Page 141 all in said clerk's office; thence with said west line S 16°33'40" W, 1,578.30' to a calculated point being in the north line of the Walmart Real Estate Business Trust, as recorded in Deed Book 785, at Page 260 in said clerk's office; thence with said north line N 71°46'46" W, 235.51' to a calculated point; thence continuing with said north line N 74°21'33" W, 395.33' to a calculated point being the northeast corner of the Commonwealth of Kentucky Department of Human Resources property; thence with the north line of said Commonwealth of Kentucky Department of Human Resources property N 70°51'57" W, 490.34' to a calculated point being the northeast corner of said Commonwealth of Kentucky Department of Human Resources property; thence with the west line of said Commonwealth of Kentucky Department of Human Resources property S 21°59'31" W, 1,235.72' to the point of beginning and containing 208.104 acres.

SURVEYOR'S CERTIFICATION

I DO HEREBY EXCLUSIVELY CERTIFY TO THE PARTIES NAMED HEREON THAT SHOWN HEREON IS A TRUE AND CORRECT REPRESENTATION OF A SURVEY PERFORMED UNDER MY DIRECTION BY THE METHOD OF RANDOM CLOSED TRAVERSE, OF WHICH THE UNADJUSTED MATHEMATICAL ERROR OF CLOSURE RATIO WAS 1:694.263 WITH AN ANGULAR ERROR OF 0°00'00.25" / ANGLE AND HAS NOT BEEN ADJUSTED ALONG WITH 60% OF THE SURVEY BEING RTK: GPS MEASUREMENT USING DUAL FREQUENCY TRIMBLE GNSS RB EQUIPMENT, OF WHICH THE UNADJUSTED POSITIONAL ACCURACY OF EACH MONUMENT IS ±0.05 FEET+100PPM AND HAS NOT BEEN ADJUSTED. THE BEARINGS SHOWN HEREON ARE TIED TO KENTUCKY STATE PLANE COORDINATES (KY SOUTH ZONE 1602). THE SURVEY IS CLASSIFIED AS AN URBAN SURVEY AND MEETS ALL OF THE ACCURACY AND PRECISION SPECIFICATIONS FOR THAT CLASS AND IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I ALSO CERTIFY THAT ALL MONUMENTS INDICATED HEREON DO ACTUALLY EXIST AND THAT THEIR LOCATIONS, SIZES, AND MATERIALS ARE CORRECTLY INDICATED. THE SURVEY COMPLIES WITH 201 KAR 18:150.



J. William Weikel, Jr., KY P.L.S. NO. 2813 DATE May 9, 2017



NOTES

1. COMPLIES WITH 201 KAR18:150 SECTION 13.
2. NOT A BOUNDARY SURVEY.
3. NOT FOR TRANSFER OF REAL PROPERTY.



EXHIBIT 'A' GATEWAY COMMONS

OVERALL ANNEXATION OF GATEWAY COMMONS CITY OF OWENSBORO DAVESS COUNTY, KENTUCKY

05-05-2017



LINE TABLE

LINE	BEARING	LENGTH
L1	N 64°01'04" W	123.88'
L2	N 27°51'01" E	60.97'
L3	N 21°59'31" E	132.24'
L4	N 21°00'45" W	50.47'
L5	N 27°31'53" E	866.74'
L6	N 01°30'19" E	20.97'
L7	N 70°49'28" W	20.97'
L8	N 01°39'19" E	68.70'
L9	S 27°40'53" E	20.00'
L10	N 16°19'07" E	20.00'
L11	N 73°40'53" W	20.00'
L12	N 16°19'07" E	6.75'
L13	N 27°31'53" E	146.80'
L14	N 36°48'38" W	41.07'
L15	N 27°09'54" E	196.83'
L16	S 28°57'53" E	17.58'
L17	S 68°47'13" E	20.00'
L18	N 21°12'48" E	20.00'
L19	N 68°47'13" E	20.00'
L20	S 21°12'48" W	20.00'
L21	S 38°18'02" W	16.09'
L22	N 29°29'21" E	187.35'
L23	N 32°29'21" E	147.24'
L24	N 54°34'45" E	6.81'
L25	S 35°25'15" E	20.00'
L26	N 54°34'45" E	20.00'
L27	N 35°25'15" E	20.00'
L28	N 68°45'30" E	254.01'
L29	N 56°33'16" E	249.99'
L30	S 56°34'44" E	241.35'
L31	S 51°17'47" E	210.98'
L32	S 61°47'59" E	154.74'
L33	S 64°50'36" E	218.47'
L34	S 36°08'18" E	21.22'
L35	S 03°05'14" E	151.57'
L36	S 36°18'15" E	0.19'
L37	N 53°53'52" E	12.22'

CURVE TABLE

CURVE	BEARING	CHORD	LENGTH	RADIUS
C1	N 71°54'53" E	69.55'	76.91'	50.00'
C2	N 24°55'17" E	22.33'	22.34'	218.50'
C3	N 21°00'45" W	50.47'	55.54'	37.00'
C4	S 51°32'11" E	77.00'	77.93'	144.99'

SITE



VICINITY MAP

ACKNOWLEDGEMENT AND CONSENT

This Acknowledgement and Consent is made on this the ____ day of June, 2017, by the City of Owensboro, Kentucky ("City").

WHEREAS, GW Development, Inc. ("GW") is the developer of certain property commonly known as the Gateway Commons Commercial Development (the "Property");

WHEREAS, on April 8, 2015, City and GW entered into a Memorandum of Agreement which sets forth the terms and conditions of the incentives made available to GW in consideration of the voluntary annexation of the Property into the City;

WHEREAS, on May ___, 2017, City and GW entered into Amendment 1 to the Memorandum of Agreement;

WHEREAS, the Memorandum of Agreement and Amendment 1 prohibit the transfer or assignment of the incentive payments without the written consent of City;

WHEREAS, GW desires to conditionally pledge the incentive payments to South Central Bank, Inc. ("Bank"), as collateral to secure funding, which conditional pledge may constitute an assignment of GW's right to future incentive payments.

NOW THEREFORE, City does hereby consent to the conditional assignment of the incentive payments by GW to South Central Bank, Inc. City agrees that Bank, and any successor in title who acquires the Property from Bank following a foreclosure or transfer in lieu of foreclosure, shall be entitled to receive the payments as outlined in the Memorandum of Agreement and Amendment 1. GW agrees to indemnify and save the City harmless from any and all liability which may arise by reason of the payment of the incentives to the Bank pursuant to the provisions set forth herein.

CITY OF OWENSBORO

By: Thomas L. Watson

GW does hereby execute this Acknowledgement and Consent to agree to indemnify and save City harmless from any and all liability which may arise by reason of the payment of the incentives to the Bank, pursuant to the provisions set forth herein.

GW DEVELOPMENT, INC.

By: Matthew R. Hayden
Matthew R. Hayden, President

CONDITIONAL PLEDGE AGREEMENT

THIS CONDITIONAL PLEDGE AGREEMENT ("Agreement") is entered into on this ____ day of June, 2017, by and between GW Development, Inc. ("GW") and South Central Bank, Inc. ("Bank").

WITNESSETH

WHEREAS, GW is indebted to Bank under that certain Promissory Note of even date herewith, in the original principal sum of \$17,000,000.00 (the "Loan"); and,

WHEREAS, in order to secure payment of the Loan, GW has agreed to conditionally assign to Bank its entitlement to receive future incentive payments from the City of Owensboro, Kentucky under that certain Memorandum of Agreement dated August 8, 2015, as amended by Amendment 1 dated May ___, 2017, upon the terms hereafter set forth, copies of which are attached as **EXHIBITS A AND B**.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the adequacy and mutuality of said consideration being acknowledged by all parties, it is hereby agreed as follows:

Conditional Assignment. GW does hereby conditionally assign to Bank all of its right, title and interest in and to all future incentive payments due GW under the Memorandum of Agreement with the City of Owensboro, Kentucky dated April 8, 2015, as amended by Amendment 1, dated May ___, 2017. The parties acknowledge that this is a conditional assignment and so long as GW is not in default in payment of the Loan, GW shall be entitled to receive and retain all incentive payments received from the City.

In the event of default by GW under the Loan, the Bank shall have the right to notify the City of such default and to thereafter receive future incentive payments as provided for in the Acknowledgement and Consent which has been executed by the City, a copy of which is attached as **EXHIBIT C**.

IN WITNESS WHEREOF, GW has caused this Agreement to be duly executed as of the date first above written.

GW DEVELOPMENT, INC.

By: 
Matthew R. Hayden, President

SOUTH CENTRAL BANK, INC.

By: _____

EXHIBIT F: TAX INCENTIVE AGREEMENT

TAX INCENTIVE AGREEMENT

THIS TAX INCENTIVE AGREEMENT (the “Agreement”) dated as of October 27, 2016, is made by and between (i) the KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY (the “Authority”) on behalf of the COMMONWEALTH OF KENTUCKY (the “Commonwealth”) and (ii) the DEPARTMENT OF FINANCE & SUPPORT SERVICES FOR THE CITY OF OWENSBORO, a department of the City of Owensboro that the city has designated to manage the Gateway Commons Development Area (the “Agency”) (collectively the “Parties”).

RECITALS

WHEREAS, the Authority has been created and established as a public body, corporate and politic, under KRS Section 154.20-010 and has all the powers, duties and responsibilities delegated to it by law and is empowered by KRS 154.30-030 to review and approve applications for the Commonwealth’s participation in Tax Increment Financing programs and to pledge all, or a portion of, the incremental state tax revenues attributable to projects approved pursuant to the Mixed Use Redevelopment in Blighted Urban Areas Tax Increment Financing program established by KRS 154.30-060; and

WHEREAS, the Board of Commissioners of the City of Owensboro (the “City”) adopted Ordinance No. 16-2015 on June 16, 2015, which established the Gateway Commons Development Area pursuant to KRS 65.7049, KRS 65.7051 and KRS 65.7053 (the “Development Area”); and

WHEREAS, the City has designated the Agency as the entity responsible for managing the Development Area on the City of Owensboro’s behalf; and

WHEREAS, the Agency has submitted an application to the Authority pursuant to KRS 154.30-030 seeking state participation in the development of the Gateway Commons Mixed-Use Tax Increment Financing Project (the “Application”), which proposes the development of 262.56 acres at the intersection of Highway 54 and the U.S. 60 Bypass in Owensboro, Kentucky, which will involve the construction of approximately: i) 239,800 square feet of retail space, ii) 45,500 square feet of restaurant space, iii) a 55,000 square foot movie theater with a bowling alley, iv) 120,000 square feet of commercial office space, v) two hotels, each with at least 150 rooms, and vi) 300 residential units (the “Project,” which is more particularly described in Exhibit A to this Agreement); and

WHEREAS, the Authority adopted Resolution No. TIF-I-15-05 on July 30, 2015 (the “Inducement Resolution”), preliminarily approving the Project and directing an analysis of the Project to determine its net positive economic impact to the Commonwealth in accordance with KRS 154.30-030, and the parties executed a Memorandum of Agreement dated July 30, 2015 (the “Memorandum of Agreement”) in connection with the preliminary approval of the Project; and

WHEREAS, AECOM (the “Consultant”), in consultation with the Office of State Budget Director and the Finance & Administration Cabinet, has analyzed the data related to the project and the Development Area and has submitted the report required by KRS 154.30-030 (the “Report”), in which the Consultant has determined that the Project will not occur without the pledge of state tax incremental revenues to support the development of Approved Public Infrastructure Costs (as defined below); and

WHEREAS, based upon the Consultant’s Report, the Office of State Budget Director and the Finance & Administration Cabinet has certified to the Authority that the Project will result in a net positive economic impact to the Commonwealth and that the Project is estimated to generate One Hundred Twenty-Eight Million, Six Hundred Forty Five Thousand and 00/100 Dollars (\$128,645,000) of Incremental Revenues (as defined below) over a 20-year span (the “Certification”); and

WHEREAS, the Authority has determined that the Project meets the minimum requirements for a Mixed Use Redevelopment Tax Increment Financing project pursuant to KRS 154.30-060; and

WHEREAS, the Authority has determined the amount of Approved Infrastructure Costs, identified specific state tax revenues pledged for Incremental Revenues (as defined below), set forth the percentage of the pledged Incremental Revenues that will be payable to the Agency (the “Increment”) and identified a particular footprint and discreet assets and improvements within the Footprint of the Project that are eligible for incentives pursuant to the terms of this Agreement; and

WHEREAS, the total Capital Investment in the Project is estimated at One Hundred Ninety-Eight Million, Eight Hundred Fifty-Seven Thousand, Two Hundred Thousand and 00/100 Dollars (\$198,857,200), which includes estimated Public Infrastructure costs (as defined in KRS 154.30-010) of Sixty-Two Million, Eighty-Seven Thousand, Two Hundred and 00/100 Dollars (\$62,087,200); and

WHEREAS, the Authority has determined that the Commonwealth’s participation in the Project shall be limited to the pledge of Incremental Revenues to support the Approved Public Infrastructure Costs (as defined below) of the Project, as described in Exhibit A to this Agreement, in an amount not to exceed Twenty Million, Five Hundred Seventy-One Thousand and 00/100 Dollars (\$20,571,000) that, in addition to the incentives and local tax increments pledged by the City of Owensboro, will encourage increased property values, increased employment opportunities and increased economic activity; and

WHEREAS, the Authority adopted Resolution No. TIF-F-16-02 (the “Resolution”) on October 27, 2016 granting final approval to the Commonwealth’s participation in the Project and authorizing the execution and delivery of this Agreement by and between the Authority and the Agency, setting for the terms and conditions for the Commonwealth’s participation in the Project and the payment of Increments (as defined below) to the Agency; and

NOW, THEREFORE, in consideration of the premises and the terms and conditions hereinafter set forth, the parties to this Agreement hereby agree as follows:

SECTION 1 DEFINITIONS

In addition to the terms defined in the above recitals, the following additional terms used in this Agreement shall have the meanings assigned in this Section 1 unless the context clearly indicates that a contrary meaning is intended.

1.1 "Account Numbers" shall have the meaning set forth in Section 3.1 of this Agreement.

1.2 "Activation Date" means the date on which the time period for the pledge of Incremental Revenues shall commence and shall be set within two years from the Commencement Date (as defined below), unless the Authority approves an extension to the deadline to establish the Activation Date, in which case the Activation Date must be set within four years of the Commencement Date. The Activation Date shall be established in accordance with the terms of Section 4.2 of this Agreement.

1.3 "Approved Public Infrastructure Costs" means the costs described in KRS 154.30-010(3) that were incurred within the Footprint and that were reviewed and approved by the Authority for recovery from the available Increment. The Approved Public Infrastructure Costs are identified with particularity in Exhibit A, which is incorporated into this Agreement by reference, and shall not exceed Twenty Million, Five Hundred Seventy-One Thousand and 00/100 Dollars (\$20,571,000), as set forth in Section 4.1 of this Agreement.

1.4 "Annual Termination Date" means December 31 of each year, beginning with the year of the Activation Date, and each December 31 thereafter during the term established by Section 6 of this Agreement.

1.5 "Area Business" means (i) a holder of a Kentucky sales tax permit collecting and/or remitting sales tax within the Footprint pursuant to KRS 139.200 or (ii) an employer (as that term is defined in KRS Chapter 141) with a Physical Presence Within the Increment Footprint, or (iii) an Individual, Corporation, Sole Proprietorship or Pass-Through Entity with a Physical Presence Within the Footprint.

1.6 "Cabinet" means the Cabinet for Economic Development.

1.7 "Capital Investment" means:

(a) Obligations incurred for labor and to contractors, subcontractors, builders and materialmen in connection with the acquisition, construction, installation and equipping of the Project;

(b) The cost of acquiring land or rights in land within the development area on the Footprint of the Project, and any cost incident thereto, including recording fees;

(c) The cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of acquisition, construction, installation and equipping of the Project which is not paid by the contractor or contractors or otherwise provided;

(d) All costs of architectural and engineering services, including test borings, surveys, estimates, plans, specifications, preliminary investigations, supervision of construction, and the performance of all the duties required by or consequent upon the acquisition, construction, installation, equipping and rehabilitation of the Project;

(e) All costs that are required to be paid under the terms of any contract(s) for the acquisition, construction, installation, equipping and rehabilitation of the Project; and

(f) All other costs of a nature comparable to those described in paragraphs (a) through (e), above, that are incurred relative to improvements within the Footprint.

1.8 “Corporation” is defined in Section 7701(a)(3) of the Internal Revenue Code.

1.9 “Commencement Date” shall mean October 27, 2016.

1.10 “Footprint” means the actual perimeter of the Project and is identified and described in Exhibit B - Development Area and State Footprint Map, which is incorporated into this Agreement by reference.

1.11 “Increment” means eighty percent (80%) of Incremental Revenues, which is the amount payable to the Agency if all conditions contained in this Agreement have been met.

1.12 “Incremental Revenues” means the amount of revenues received by the Commonwealth as determined by subtracting Old Revenues from New Revenues in a calendar year with respect to the Footprint of the Project.

1.13 “New Revenues” means the amount received by the Commonwealth with respect to:

(a) Sales Taxes attributed to sales within the Footprint;

(b) Ad Valorem Property Taxes on real property located within the Footprint;

(c) Income Taxes that an Area Business is required to withhold from the wages of its employees pursuant to KRS Chapter 141, and attributable to work or services performed within the Footprint, or within and without the Footprint if the services performed without the Footprint is incidental to the Area Employee’s service within the Footprint;

in the first year after the Activation Date or any year thereafter. The projected New Revenues for the Project are attached as Exhibit C – Projected New State Revenues to this Agreement.

1.14 “New Revenues Determination” shall have that meaning as set forth in Section 4.6 of this Agreement.

1.15 “Old Revenues,” for calendar year 2015 (the “Base Year”), is equal to the amount determined in Section 4.5 of this Agreement. The Old Revenues shall be adjusted each calendar year after the Base Year by adding the Old Revenues calculated for the previous calendar year, multiplied by the Consumer Price Index (“CPI”), to the amount of Old Revenues calculated for the previous calendar year. This adjusted amount is the Old Revenues for the current calendar year.

1.16 “Project” shall mean the Gateway Commons Mixed-Use Tax Increment Financing project as defined in the above recitals and described in Exhibit A, which is incorporated into this Agreement by reference.

1.17 “Termination Date” shall be determined pursuant to Section 6 of this Agreement, and shall be the earlier of: (i) the Annual Termination Date (as defined above), provided that written notice is provided in accordance with Section 6 of this Agreement, (ii) the 20th anniversary of the date specified on the executed Notice of Activation (Exhibit F) submitted by the Agency, or (iii) June 16, 2055, whichever is earlier.

1.18 “Total Approved Cost” means the maximum amount of Approved Public Infrastructure Costs approved by the Authority for the Project and shall not exceed Twenty Million, Five Hundred Seventy-One Thousand and 00/100 Dollars (\$20,571,000) as set forth in detail in Section 4 of this Agreement.

SECTION 2 REPRESENTATIONS & WARRANTIES

2.1 Representations and Warranties of the Agency. The Agency hereby represents and warrants to the Commonwealth and the Authority as follows:

(a) Existence. The Agency is a department of the City of Owensboro that the city has designated to manage the Gateway Commons Development Area.

(b) Authority to Act. The Agency has the requisite power, capacity and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby, and to observe and to perform this Agreement, in accordance with its terms and conditions. The officers and officials executing and delivering this Agreement on behalf of the Agency have been or are otherwise duly authorized to enter into this Agreement on behalf of the City of Owensboro.

(c) Validity of Agreement; Compliance with Law. This Agreement is the legal, valid and binding obligation of the Agency and the City of Owensboro and is enforceable in accordance with its terms and conditions. The execution and delivery of

this Agreement, and the performance or observance by the Agency of the terms and conditions thereof, do not and will not materially violate any provisions of the City of Owensboro's Code of Ordinances, its regulations or any laws applicable to the City of Owensboro or the Agency.

(d) Litigation. No litigation or proceeding involving the City of Owensboro is pending or, to the best of the Agency's knowledge, is threatened in any court or administrative proceeding, which, if determined adversely to the City of Owensboro, could have a materially adverse impact on the ability of the Agency to perform any of its obligations under this Agreement.

(e) Conflicting Transactions. The consummation of the transactions contemplated hereby and the performance of the obligations of the Agency under and by virtue of this Agreement shall not result in any material breach of, or constitute a default under, any contract, agreement, lease, indenture, bond, note, loan or credit agreement to which the City of Owensboro is a party or by which the City of Owensboro is bound.

(f) Disclosure. This Agreement does not contain any false or misleading statement of or omission of any material fact.

(g) Development Area. The Development Area described in the Agency's application for the Commonwealth's participation in the Project meets the requirements of KRS 65.7049, and Ordinance No. 16-2015 presented as part of the Application is consistent with the requirements of KRS 65.7053.

(h) Payment of Fees and Expenses. Pursuant to KRS 154.20-033(1), the Agency shall, within thirty (30) days from the billing date, pay the costs and expenses of all fiscal consultants, attorneys, appraisers, and other agents whom the Authority deems necessary or convenient for the preparation, execution, and delivery of this Agreement and any other documents which may be delivered in connection with this Agreement, including, without limitation, the fees and expenses of counsel employed on behalf of the Authority, and all costs and expenses, if any, in connection with the enforcement of this Agreement. The fees for services provided by persons employed on behalf of the Authority shall be paid by the Agency directly to the person providing such consultation, advisory, legal, or other services. The Agency shall also pay by the date of execution of this Agreement the administrative fees due to the Authority.

2.2 Representations and Warranties of the Authority on behalf of the Commonwealth. The Authority hereby represents and warrants to the Agency as follows:

(a) Authority to Act. The Authority has the requisite power, capacity and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby, and to observe and to perform this Agreement in accordance with its terms and conditions. Each of the officials executing and delivering this Agreement on behalf of the Authority has been and is duly authorized to enter into this Agreement on behalf of the Commonwealth.

(b) Validity of Agreement; Compliance with Law. This Agreement is the legal, valid and binding obligation of the Authority and the Commonwealth enforceable in accordance with its terms and conditions. The execution and delivery of this Agreement, and the performance or observance by the Commonwealth of the terms and conditions thereof, do not and will not violate any provisions of the Commonwealth's Constitution, or any laws applicable to the Commonwealth.

SECTION 3 AGENCY'S COVENANTS

3.1 New Revenues Requirement. The Agency shall use reasonable efforts to have each Area Business maintain separate tax numbers for each business situs in the Footprint (the "Account Numbers") where the Area Business generates State Taxes as defined and identified in Section 4.4 from locations or activities from both within and outside the Footprint. The Account Numbers shall be used exclusively to report State Taxes received by the Commonwealth with respect to the Footprint.

3.2 Minimum Capital Investment.

(a) The Parties agree that the Minimum Capital Investment for the Project is Twenty Million Dollars (\$20,000,000) (the "Minimum Capital Investment"). The Minimum Capital Investment shall include all Capital Investment attributable to the Project on or after July 30, 2015.

(b) The date by which the Minimum Capital Investment is expected to occur is January 1, 2020 (the "Capital Investment Date").

(c) The Agency shall certify it has met the Minimum Capital Investment requirement on or before the Capital Investment Date by submitting Exhibit D within 30 days of the Capital Investment Date or as soon as the Minimum Capital Investment has been made, whichever occurs first.

3.3 Verification of Approved Public Infrastructure Costs. Beginning with the Commencement Date, the Agency shall submit a semi-annual Affidavit of Capital Investment, substantially in the form of Exhibit D, certifying to the Authority the Capital Investment made in the Project, and shall include a summary of the actual expenditures made with respect to Approved Public Infrastructure Costs during the previous six months (with the exception of the report due July 31, 2017, which will contain documentation pertaining to Capital Investment and Approved Public Infrastructure Costs incurred from July 30, 2015 through June 30, 2017). The documentation shall clearly tie each expenditure made to a particular item of Approved Public Infrastructure Cost and shall include supporting detail, including the Zone and specific facility to which the expenditure was related. The Agency shall include documentation of other non-recoverable Capital Investment as well with similar detail. Once the Minimum Capital Investment requirement is achieved, the report required by this Section shall then be filed on an annual basis (due July 31st of each year) until the Project is completed and the total

expenditures for Capital Investment and Approved Public Infrastructure Costs have been made. The Affidavit of Capital Investment shall be verified by an independent certified public accountant when: (i) the Minimum Capital Investment threshold is achieved, (ii) the investment in Approved Public Infrastructure Costs equals or exceeds Total Approved Costs, and (iii) the development of the Project is completed and the total expenditures for Capital Investment and Approved Public Infrastructure have been made. The reports required by this Section shall be made using a form substantially similar to Exhibit D attached to this Agreement.

3.4 Duplication Prohibited. Notwithstanding any other provision in this Agreement, the Agency shall not count any one cost in more than one category or attempt to recover the same cost more than once.

3.5 Net Positive Economic Impact of the Project. The Commonwealth's participation in the Project, and the disbursement of Increments pursuant to this Agreement, are contingent upon the Project resulting in a net positive economic impact to the Commonwealth. In the event that the scope or design of the Project is revised from the description provided in this Agreement, including Exhibit A, or if the completed construction of the Project does not adhere to the description of the Project provided in Exhibit A, the Authority reserves the right to: i) reevaluate the economic impact of the Project and to redetermine the Total Approved Costs and Approved Public Infrastructure Costs available for Increments, or ii) to declare the failure to construct the Project represented in Exhibit A to this Agreement an Event of Default and to pursue any of the remedies enumerated in Section 7.2 of this Agreement.

3.6 Request for Disbursement of Increment. The Agency shall submit all information required by this Section 3 as well as a Request for Disbursement in a form substantially similar to Exhibit E in order to be eligible for Increment disbursement as provided in Section 4.

SECTION 4 ACTIVATION AND INCREMENT DISBURSEMENT

4.1 Total Approved Costs. The Authority has authorized a maximum of Twenty Million, Five Hundred Seventy-One Thousand and 00/100 Dollars (\$20,571,000) for the support of the Approved Public Infrastructure Costs associated with the development of the Project. The Total Approved Costs shall be equal to the lesser of (i) Total Approved Costs as set forth herein, or (ii) the actual amount of Approved Public Infrastructure Costs expended, as verified by the Authority pursuant to Section 3.3 of this Agreement. The payment of Increments for the support of Approved Public Infrastructure Costs is contingent upon compliance with all terms of this Agreement.

4.2 Activation. The Activation Date is the date on which the time period for the pledge of Incremental Revenues shall commence and must be set within two years from the Commencement Date (as defined in Section 1.2 of this Agreement). To establish the Activation Date, the Agency shall notify the Authority by submitting the

Notice of Activation attached as Exhibit F to this Agreement. The Authority may, at its sole discretion, approve the extension of the two-year period to establish the Activation Date to no more than four years from the Commencement Date in accordance with KRS 154.30-010(1) upon the submission by the Agency of the Activation Date Extension Request form attached as Exhibit G to this Agreement. The extension of the Activation Date period shall only be valid when the Activation Date Extension Request is approved and executed by any authorized signatory (as set forth in the Authority's Bylaws) for the Office of the Secretary of the Cabinet for Economic Development or any authorized signatory (as set forth in the Authority's Bylaws) for the Office of Financial Services, but formal action of the Authority shall not be required.

4.3 Increment Payment. Provided that the Minimum Capital Investment is confirmed by the Authority as set forth in Section 4.7, and the Project has activated in accordance with Section 4.2, and the Agency has incurred Approved Public Infrastructure Costs that have been verified by the Authority pursuant to Section 3.3, and the Agency has otherwise complied with the terms of this Agreement, the Commonwealth agrees to pay the Increment determined pursuant to Section 4 of this Agreement. The Agency shall be entitled to receive Increments for each calendar year during the Term of this Agreement (as defined in Section 6), beginning with the first calendar year after the calendar year in which the Activation Date occurs, until: (i) the date on which the aggregate Increment(s) paid to the Agency by the Commonwealth on a cumulative basis during the term of the Agreement equals the Total Approved Costs; (ii) the effective date of either Party's election to terminate this Agreement pursuant to Section 6; or (iii) there is an Event of Default pursuant to Section 7 of this Agreement. The Commonwealth shall have no obligation to make payments if there is no Increment available for distribution in any given year, or to pay more than the amount available for distribution. The recovery of Approved Costs and payment from the Commonwealth is contingent upon available Increment.

4.4 Increment. The amount of the Increment shall be eighty percent (80%) of Incremental Revenues (difference between New Revenues and Old Revenues) as defined in Section 1. Incremental Revenues shall include state revenues resulting from the following taxes:

- (a) Ad Valorem Property Taxes levied under KRS 132.020(1)(a) (the "Ad Valorem Property Taxes");
- (b) Individual Income Taxes that an Area Business is required to withhold from the wages of its employees pursuant to KRS Chapter 141, and attributable to work or services performed within the Footprint, or within and without the Footprint if the services performed without the Footprint is incidental to the Area Employee's service within the Footprint ("Income Taxes"); and
- (c) Sales Taxes levied under KRS 139.200 ("Sales Taxes")

(the taxes identified in this Section 4.4 shall be collectively referred to as the "State Taxes") which were identified and approved by the Authority for the Project. The

determination of Old Revenues and New Revenues shall be based upon the State Taxes identified in this Section 4.4 for the Project Footprint.

4.5 Old Revenue Determination. Because Incremental Revenues are measured by subtracting Old Revenues from New Revenues, a determination of Old Revenue is necessary prior to a distribution of the Increment. Notwithstanding anything in this Agreement to the contrary, before the Commonwealth shall be required to pay to the Agency any Increment to which the Agency shall be eligible for each year during the term of this Agreement, the Old Revenue Determination described in Section 5.4 of this Agreement must be calculated and set forth as Exhibit H to this Agreement. Exhibit H shall set forth the amounts which are deemed to be Old Revenue for the Base Year and shall set forth the CPI or other adjustments to be made annually.

4.6 New Revenue Determination. The projected New Revenues as set forth in the Consultant's Report are set forth in Exhibit C and are attached and incorporated herein. The requirements set forth in Section 4 shall be used by the Agency to calculate in each calendar year during the term of this Agreement, with reasonable accuracy, the amount of actual New Revenues for that calendar year (the "New Revenues Determination"). The Agency shall submit the New Revenues Determination in writing to the Authority for review, along with a report which includes (i) the name of each Area Business and (ii) all state tax account numbers used by each Area Business in connection with the Footprint.

4.7 Minimum Capital Investment. Notwithstanding anything in this Agreement to the contrary, the Agency shall not receive any disbursement of the Increment until the Minimum Capital Investment is confirmed. The Minimum Capital Investment shall be reported to the Authority on the form prescribed in Exhibit D of this Agreement. If the Minimum Capital Investment is not certified by the Capital Investment Date (pursuant to Section 3.2 of this Agreement), the Incremental Revenues shall be forfeited to the Commonwealth.

4.8 Request for Increment Disbursement. The submission by the Agency of complete and accurate information required under this Section along with a Request for Disbursement (substantially in the form of Exhibit E or other format acceptable to the Agency and the Authority) shall constitute a formal request for the Increment. The Authority, with assistance from the Department of Revenue, shall review and verify the information submitted and shall certify the verified amount pursuant to KRS 154.30-090.

4.9 Time of Payment. For each calendar year beginning with the calendar year after the calendar year in which the Activation Date occurs, ninety (90) days after the Authority notifies the Agency that the information submitted in connection with a Request for Disbursement of Increment is complete and in order, the Commonwealth agrees to pay to the Agency the Increment, provided that all conditions provided in Section 4 of this Agreement have been met.

4.10 Compliance Certification. Notwithstanding anything in this Agreement to the contrary, if the Authority has not notified the Finance and Administration Cabinet pursuant to KRS 154.30-090 that the Agency is in compliance with the terms of this Agreement, the Incremental Revenues shall not be disbursed until such time as the certification has been provided by the Authority.

4.11 Use of Increment. The Agency covenants and agrees that it will use the Increment received pursuant to this Agreement for the support of Approved Public Infrastructure Costs in connection with the Project. If the Increment is used to support notes, bonds or other debt obligations with respect to the Project, the Agency shall utilize the Increment received in a given year to (1) pay the current financing costs, and (2) maintain a fully funded reserve. Any excess beyond that used for the purposes in the preceding sentence shall be used to provide for the retirement or defeasance of all or a portion of the remaining financing costs secured by the Increment. If, as of the Termination Date, the Increment calculated and paid over the term of this Agreement is insufficient to pay off the notes, bonds or other debt obligations, the parties acknowledge and agree that neither the Authority nor the Commonwealth shall have any liability with regard to the remainder of the notes, bonds or other debt obligations. Within 120 days after the close of the preceding calendar year, the Agency shall provide an annual certification, substantially in the form of Exhibit I to this Agreement, verifying that the Increment(s) received pursuant to this Agreement during the preceding year were used for the support of the Approved Public Infrastructure Costs identified in Exhibit D. The Agency acknowledges and agrees that this disclosure shall be matter of public record that may be subject to disclosure to the General Assembly, provided in response to requests for public records pursuant to the Kentucky Open Records Act or published by the Authority at its sole discretion for the purpose of issuing public reports, publications or any other documentation that the Authority deems necessary.

SECTION 5 OLD REVENUE

5.1 Base Year. The Base Year for the Project shall be 2015, the last calendar year ending prior to the Commencement Date. Upon receipt of the information required in Section 5.3 and 5.4, the Authority shall determine, in consultation with the Department of Revenue, whether the Base Year is a true and accurate depiction of historic revenues for the Footprint. Pursuant to KRS 154.30-010(23), the Authority may consider the three years prior to the Commencement Date (the “Three Year Base”) as an alternative to a single Base Year.

5.2 Old Revenue Adjustment. The Old Revenues shall be adjusted each year by the percentage increase, if any, of the CPI or a comparable index, or an alternative percentage increase determined appropriate by the Authority as set forth in KRS 154.30-010.

5.3 Agency’s Requirements. The Agency shall calculate with reasonable accuracy the Old Revenues for the Base Year, and in doing so, the Agency may make

such assumptions as may reasonably be required, so long as those assumptions are properly documented and supported. The Agency shall submit its calculations of the Old Revenues for the Base Year to the Authority for review and approval, along with a report including; (i) the name of each Area Business, and (ii) all state tax account numbers used by each Area Business in connection with the Increment Footprint.

5.4 Determination of Old Revenue. The Authority shall review the information submitted by the Agency with regard to Old Revenues and shall determine, in consultation with the Department of Revenue, the amounts which are deemed to be Old Revenue for the Base Year and indicate any applicable annual adjustments. The determination of Base Year, Old Revenues and annual adjustments shall be set forth in Exhibit H and incorporated into this Agreement. Neither the amount set forth as Old Revenue for the Base Year nor the set adjustment shall be subject to change without a written Amendment to this Agreement executed by the parties hereto.

SECTION 6 TERM

The term of this Agreement shall begin on the Commencement Date (as defined in Section 1 of this Agreement). The Agreement shall then automatically renew for nineteen (19) consecutive years pursuant to KRS 154.30-070 beginning with the first Annual Termination Date, unless either party gives written notice of their desire to discontinue the Project at least sixty (60) days prior to the Annual Termination Date during any year. Notwithstanding the above, in no event shall the term of this Agreement extend beyond June 16, 2055.

SECTION 7 DEFAULT

7.1 Events of Default. Each of the following events or occurrences shall constitute an "Event of Default" under this Agreement:

(a) Bankruptcy. If there is filed by or against the Agency a petition in bankruptcy, or a petition for the appointment of a receiver or trustee, and any such petition is not dismissed within sixty (60) days after the date of filing, or if the Agency files a petition for reorganization under any of the provisions of the Bankruptcy Code or any similar Law, or if the Agency makes a general assignment for the benefit of creditors, or if the Agency makes any insolvency assignment or is adjudicated insolvent by any court of competent jurisdiction; or

(b) Covenants, Warranties and Representations. If any warranty or representation made by the Agency in this Agreement shall at any time be false or misleading in any material respect, or the Agency shall fail to keep, observe or perform any of the terms, covenants, representations or warranties set forth in this Agreement or is unable or unwilling to meet its obligations thereunder; or

(c) Obligations to the Authority. If the Agency shall fail to observe, perform or comply with the terms, obligations, covenants, agreements, conditions or other provisions of this Agreement or any other agreement, document or instrument related to the Project; or

(d) Failure To Construct the Project. If the Capital Improvements and Approved Public Infrastructure Costs associated with the Project (as represented by the Agency in this Agreement and the attached exhibits in order to obtain the Commonwealth's support for the Project) are not completed, or the design and scope of the Project is changed without the prior approval of the Authority in accordance with Section 8.5 of this Agreement.

7.2 Remedies of the Authority Upon Events of Default. Notwithstanding anything to the contrary set forth herein, upon the occurrence of an Event of Default, the Authority, in its sole discretion and without notice to the Agency, may at any time exercise any one or more of the following rights and remedies:

(a) the right to suspend all or a portion of the Increment payment with the exception of the portion of the Increment necessary for payment of Increment Bonds (as defined in KRS 154.30-010) or securing of Increment Bonds in which case suspension is prohibited by KRS 154.30-070(1)(h); and/or

(b) the right to seek an appropriate legal or equitable action to enforce the Agency's performance of the terms, covenants and conditions of this Agreement; and/or

(c) the right to re-determine the Approved Costs available for Increments; and/or

(d) the right to revoke the Commonwealth's participation in the Project; and/or

(e) in the event of a false or misleading representation or warranty, the right to recover Increments previously paid; and/or

(f) termination of the Agreement; and/or

(g) the right to exercise any other rights or remedies that may be available to Authority pursuant to this Agreement or under applicable laws, including the recovery of previously disbursed Increments.

7.3 Increment Bonds. Notwithstanding Section 7.1 and the default remedies of Section 7.2, KRS 154.30-070(1)(h) prohibits the withholding by any party to this Agreement of any incremental revenues if Increment Bonds (as defined in KRS 154.30-010) are outstanding that are secured by a pledge of those incremental revenues.

SECTION 8 MISCELLANEOUS

8.1 Notices. All notices or other communications hereunder from any party shall be sufficiently given, and shall be deemed given, when delivered or mailed by certified mail, postage prepaid, return receipt requested, to the other parties at their respective addresses as follows:

If to Commonwealth

Or the Authority: Kentucky Economic Development Finance Authority
Old Capitol Annex
300 West Broadway
Frankfort, KY 40602
Attn: Chair

If to the Agency:

Department of Finance and Support Services
City of Owensboro
P.O. Box 10003
Owensboro, Kentucky 42302-9003
Attn: Ron Payne, Mayor

8.2 Binding Effect. This Agreement shall be binding upon the Parties hereto and upon their respective successors and assigns.

8.3 Severability. If any clause, provision, or section of this Agreement be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision, or section shall not affect any of the remaining clauses, provisions or sections hereof.

8.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky and enforceable in courts of competent jurisdiction.

8.5 Entire Agreement; Modifications. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter of this Agreement and shall not be modified, amended, cancelled or terminated except by an agreement in writing signed by the Parties. If the Agency has reason to request an amendment during the Term of the Agreement, it may submit a written request setting forth the need for the amendment and requesting approval of same. Upon submission of a written request, such amendment will be subject to the express, prior written consent of the Authority.

8.6 Counterparts. This Agreement may be executed in any number of counterparts by some or all of the parties hereto, each of which shall be an original and all of which shall together constitute one and the same instrument.

8.7 Further Assurances. Each of the Parties hereto shall use reasonable efforts and cooperate fully with each other in order to promptly and fully carry out the terms and provisions of this Agreement. Each party hereto shall from time to time execute and

deliver such other agreements, documents or instruments and take such other actions as may be reasonably necessary or desirable to effectuate the terms of this Agreement.

8.8 Mutual Termination. In addition to any other provisions relating to termination of this Agreement contained herein, this Agreement shall terminate upon the written agreement of all the parties hereto.

8.9 Sections. References to “Sections” shall be to sections of this Agreement, unless otherwise expressly designated.

8.10 Section Headings. Section headings are for reference only and shall have no interpretative weight or value.

8.11 Plural. The plural and singular form of words shall import either or both a plural and/or singular meaning, as the case may be.

8.12 Jurisdiction and Venue. The Parties hereto agree that any suit, action or proceeding with respect to this Agreement may only be brought in or entered by, as the case may be, (a) the courts of the Commonwealth of Kentucky situated in Frankfort, Franklin County, Kentucky, or (b) the United States District Court for the Eastern District of Kentucky, Frankfort Division, and the parties hereby submit to the jurisdiction of such courts for the purpose of any such suit, action, proceeding or judgment and waive any other preferential jurisdiction by reason of domicile. The parties hereby irrevocably waive any objection that they may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or related to this Agreement brought in the courts of the Commonwealth of Kentucky situated in Frankfort, Franklin County, Kentucky, or the United States District Court for the Eastern District of Kentucky, Frankfort Division, and also hereby irrevocably waive any claim that any such suit, action or proceeding brought in any one of the above-described courts has been brought in an inconvenient forum.

8.13 Disclosure of Information and Reports. The Agency by execution of this Agreement hereby authorizes and agrees that any information reported to the Authority in any Exhibit to this Agreement may be disclosed in any public forum, report or documentation deemed beneficial to public interest, with the exception of information that is not a public record or is confidential under Kentucky law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers and officials thereunto duly authorized as of the date first written above.

“Agency”

**DEPARTMENT OF FINANCE AND SUPPORT
SERVICES, CITY OF OWENSBORO**

By: _____

Name: _____

Title: _____

“Authority”

**KENTUCKY ECONOMIC DEVELOPMENT
FINANCE AUTHORITY FOR THE
COMMONWEALTH OF KENTUCKY**

By: _____

Name: _____

Title: _____

INDEX OF EXHIBITS

Exhibit A	Project Description
Exhibit B	Development Area and State Footprint Map
Exhibit C	Projected New State Revenues
Exhibit D	Affidavit of Capital Investment and Approved Public Infrastructure Costs
Exhibit D-1	Certificate of Independent Public Accountants of Capital Investment
Exhibit E	Request For Disbursement
Exhibit F	Notice of Activation
Exhibit G	Activation Deadline Extension Request
Exhibit H	Old Revenues
Exhibit I	Certification of Increment Use

EXHIBIT A

GATEWAY COMMONS MIXED-USE TAX INCREMENT FINANCING PROJECT DESCRIPTION

The Gateway Commons Project Mixed-Use Redevelopment in a Blighted Urban Area Tax Increment Financing Project is a development expected to include retail, office, and residential uses as well as 2 hotels and may include a community center. The project consists of 10 zones located on approximately 200 acres at the intersection of Highway 54 and the US-60 Bypass in Owensboro, Kentucky.

The project and its related improvements when fully developed will involve a new capital investment of \$198,857,200. The project contains approximately:

- 239,800 square feet of mixed-use space for retail
- 45,500 square feet for restaurant uses
- 55,000 square foot movie theater with a bowling alley
- 120,000 square feet of leasable office space
- 2 hotels each with 150 rooms
- 300 residential units

Description by Zone:

Zone 1

- 35,970 square feet of mixed-use space for retail
- 6,825 square feet for restaurant uses
- 24,000 square feet of leasable office space
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 2

- 23,980 square feet of mixed-use space for retail
- 4,550 square feet for restaurant uses
- 1 hotel with 150 rooms
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 3

- 23,980 square feet of mixed-use space for retail
- 4,550 square feet for restaurant uses
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Public Spaces or Parks; Parking

Zone 4

- 47,960 square feet of mixed-use space for retail
- 9,100 square feet for restaurant uses
- 1 hotel with 150 rooms
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 5

- 35,970 square feet of mixed-use space for retail
- 6,825 square feet for restaurant uses
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Provision of Utilities; Public Spaces or Parks; Parking

Zone 6

- Eligible Approved Public Infrastructure Costs include – Land Preparation; Provision of Utilities; Public Spaces or Parks

Zone 7

- 71,940 square feet of mixed-use space for retail
- 13,650 square feet for restaurant uses
- 55,000 square foot movie theatre with a bowling alley
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 8

- 300 residential units
- Community Center, if applicable
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 9

- 96,000 square feet of leasable office space
- Eligible Approved Public Infrastructure Costs include – Land Preparation; Sewers/Storm Drainage; Provision of Utilities; Roads; Public Spaces or Parks; Parking

Zone 10

- Eligible Approved Public Infrastructure Costs include – Sewers/Storm Drainage; Provision of Utilities; Roads

After negotiations between KEDFA staff and the Department of Finance of the City of Owensboro representatives, the costs available for recovery through TIF may include only approved public infrastructure costs incurred after the date of preliminary approval and described by Zones above.

This project qualified as a mixed-use project which includes either or both significant public storm water and sanitary sewer facilities designed to comply with a community-wide court decree mandating corrective action by the local government or an agency thereof. Therefore, the eligible approved infrastructure costs for the sewers/storm drainage public infrastructure commitment must be made.

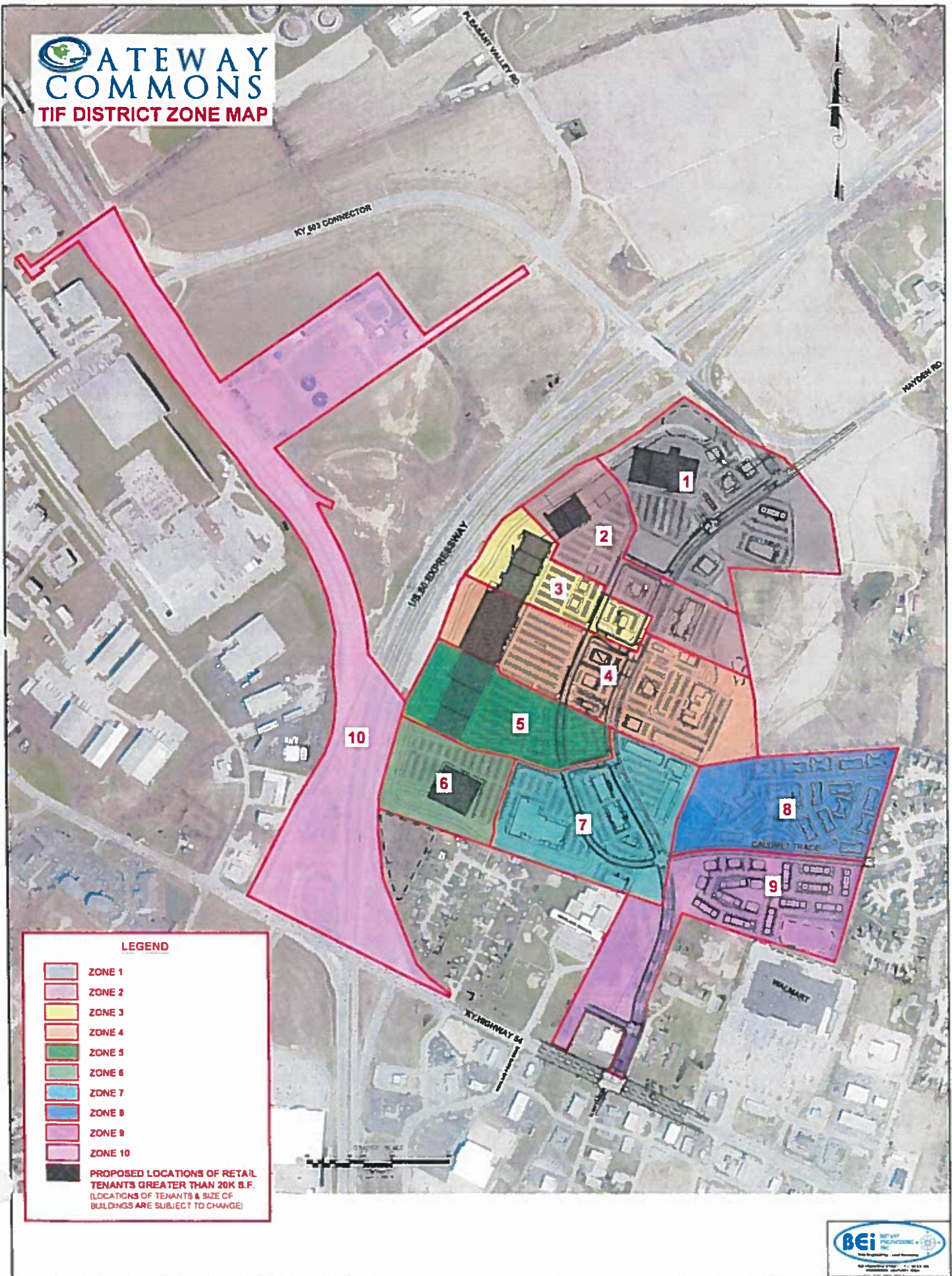
Maximum amount of Incremental Revenue to be released for TIF recovery shall not exceed \$20,571,000. The recovery of the eligible costs will occur through Withholding, Sales and Property Taxes.

EXHIBIT B

GATEWAY COMMONS MIXED-USE TAX INCREMENT FINANCING PROJECT DEVELOPMENT AREA AND STATE FOOTPRINT MAP

GATEWAY COMMONS

TIF DISTRICT ZONE MAP



right-of-way line of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

1) South 01 degrees 43 minutes 01 seconds West, a distance of 154.11 feet to a calculated point;

2) South 05 degrees 06 minutes 32 seconds East, a distance of 339.77 feet to a calculated point;

3) South 20 degrees 42 minutes 49 seconds East, a distance of 257.22 feet to a calculated point;

4) South 21 degrees 13 minutes 46 seconds East, a distance of 390.48 feet to a calculated point;

5) South 41 degrees 55 minutes 34 seconds East, a distance of 130.00 feet to a calculated point;

6) South 51 degrees 33 minutes 55 seconds East, a distance of 185.84 feet to a calculated point;

7) South 28 degrees 30 minutes 06 seconds West, a distance of 19.75 feet to a calculated point being in the east line of the corporate limits of Owensboro, Kentucky; thence with said east line for the following twenty-three (23) calls:

1) North 63 degrees 32 minutes 54 seconds West, a distance of 139.55 feet to a calculated point;

2) North 64 degrees 47 minutes 08 seconds West, a distance of 120.58 feet to a calculated point;

3) North 63 degrees 22 minutes 42 seconds West, a distance of 102.97 feet to a calculated point;

4) North 62 degrees 41 minutes 22 seconds West, a distance of 126.78 feet to a calculated point;

5) North 62 degrees 51 minutes 58 seconds West, a distance of 158.92 feet to a calculated point;

6) North 63 degrees 11 minutes 03 seconds West, a distance of 191.84 feet to a calculated point;

7) North 62 degrees 33 minutes 26 seconds West, a distance of 237.10 feet to a calculated point;

8) North 63 degrees 16 minutes 58 seconds West, a distance of 196.27 feet to a calculated point;

9) North 62 degrees 17 minutes 22 seconds West, a distance of 299.41 feet to a calculated point;

10) North 27 degrees 07 minutes 23 seconds East, a distance of 777.34 feet to a calculated point;

11) North 31 degrees 12 minutes 19 seconds East, a distance of 362.79 feet to a calculated point;

12) North 20 degrees 11 minutes 25 seconds East, a distance of 156.38 feet to a calculated point;

13) North 09 degrees 30 minutes 19 seconds East, a distance of 99.88 feet to a calculated point;

14) North 04 degrees 54 minutes 03 seconds East, a distance of 146.04 feet to a calculated point;

15) North 06 degrees 12 minutes 31 seconds West, a distance of 222.32 feet to a calculated point;

16) North 05 degrees 03 minutes 26 seconds East, a distance of 237.69 feet to a calculated point;

17) North 11 degrees 51 minutes 35 seconds West, a distance of 243.44 feet to a calculated point;

18) North 19 degrees 09 minutes 05 seconds West, a distance of 199.82 feet to a calculated point;

19) North 25 degrees 34 minutes 51 seconds West, a distance of 200.40 feet to a calculated point;

20) North 32 degrees 01 minutes 47 seconds West, a distance of 199.92 feet to a calculated point;

21) North 36 degrees 47 minutes 30 seconds West, a distance of 100.21 feet to a calculated point;

22) North 43 degrees 53 minutes 53 seconds West, a distance of 246.62 feet to a calculated point;

23) North 35 degrees 36 minutes 13 seconds West, a distance of 146.96 feet to a calculated point; thence severing said corporate limits for the following nineteen (19) calls:

1) North 34 degrees 56 minutes 50 seconds West, a distance of 104.01 feet to a calculated point;

2) North 39 degrees 12 minutes 03 seconds West, a distance of 200.54 feet to a calculated point;

3) North 38 degrees 26 minutes 55 seconds West, a distance of 95.00 feet to a calculated point;

4) North 38 degrees 03 minutes 23 seconds West, a distance of 204.79 feet to a calculated point;

5) North 35 degrees 50 minutes 48 seconds West, a distance of 200.05 feet to a calculated point;

6) North 34 degrees 14 minutes 44 seconds West, a distance of 200.03 feet to a calculated point;

7) North 33 degrees 14 minutes 00 seconds West, a distance of 200.06 feet to a calculated point;

8) North 31 degrees 45 minutes 25 seconds West, a distance of 157.57 feet to a calculated point;

9) North 31 degrees 30 minutes 43 seconds West, a distance of 160.50 feet to a calculated point;

10) North 39 degrees 08 minutes 39 seconds West, a distance of 301.37 feet to a calculated point;

11) North 31 degrees 32 minutes 38 seconds West, a distance of 150.17 feet to a calculated point;

12) North 31 degrees 42 minutes 48 seconds West, a distance of 7.10 feet to a calculated point;

13) South 54 degrees 30 minutes 41 seconds West, a distance of 320.27 feet to a calculated point;

14) South 40 degrees 03 minutes 39 seconds East, a distance of 25.08 feet to a calculated point;

15) South 54 degrees 30 minutes 41 seconds West, a distance of 100.00 feet to a calculated point;

16) North 40 degrees 03 minutes 39 seconds West, a distance of 187.48 feet to a calculated point;

17) North 55 degrees 39 minutes 36 seconds East, a distance of 50.25 feet to a calculated point;

18) South 40 degrees 03 minutes 39 seconds West, a distance of 111.23 feet to a calculated point;

19) North 54 degrees 30 minutes 41 seconds East, a distance of 715.19 feet to a calculated point being in the east line of said corporate limits; thence with said east line for the following Twelve (12) calls:

1) South 26 degrees 15 minutes 01 seconds East, a distance of 166.17 feet to a calculated point;

2) South 27 degrees 54 minutes 08 seconds East, a distance of 306.65 feet to a calculated point;

3) South 29 degrees 45 minutes 13 seconds East, a distance of 143.87 feet to a calculated point;

4) South 35 degrees 37 minutes 40 seconds East, a distance of 238.66 feet to a calculated point;

5) South 30 degrees 45 minutes 26 seconds East, a distance of 119.29 feet to a calculated point;

6) South 30 degrees 45 minutes 13 seconds East, a distance of 278.84 feet to a calculated point;

7) South 34 degrees 26 minutes 42 seconds East, a distance of 181.99 feet to a calculated point;

8) North 55 degrees 12 minutes 06 seconds East, a distance of 1,349.70 feet to a calculated point;

9) South 36 degrees 32 minutes 31 seconds West, a distance of 539.98 feet to a calculated point;

10) North 55 degrees 11 minutes 19 seconds West, a distance of 845.00 feet to a calculated point;

11) South 34 degrees 24 minutes 43 seconds East, a distance of 60.00 feet to a calculated point;

12) South 55 degrees 11 minutes 19 seconds West, a distance of 2,164.48 feet to a calculated point being in the east right-of-way line of an access road east of the U.S. 60 Bypass, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

1) South 39 degrees 55 minutes 56 seconds East, a distance of 288.11 feet to a calculated point;

2) in a curve to the left being subtended by a chord of South 54 degrees 33 minutes 26 seconds East, a chord distance of 274.18 feet and having a radius of 542.96 feet in all an arc distance of 277.18 feet to a calculated point;

3) South 20 degrees 49 minutes 04 seconds West, a distance of 50.00 feet to a calculated point;

4) North 64 degrees 40 minutes 56 seconds West, a distance of 93.05 feet to a calculated point;

5) South 56 degrees 23 minutes 02 seconds West, a distance of 15.69 feet to a calculated point;

6) South 25 degrees 48 minutes 23 seconds West, a distance of 160.63 feet to a calculated point;

7) in a curve to the right being subtended by a chord of South 17 degrees 05 minutes 01 seconds East, a chord distance of 951.26 feet and having a radius of 2,019.86 feet, in all an arc distance of 960.28 feet to a calculated point being in the west right-of-way line of the new U.S. 60 By-pass, said west right-of-way line varies in width from its centerline; thence crossing said by-pass South 37 degrees 22 minutes 41 seconds East, a distance of 428.51 feet to a calculated point being in the east right-of-way line of said by-pass, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following fourteen (14) calls:

1) North 27 degrees 13 minutes 37 seconds East, a distance of 489.14 feet to a calculated point;

2) North 21 degrees 12 minutes 48 seconds East, a distance of 443.36 feet to a calculated point;

3) North 38 degrees 00 minutes 35 seconds East, a distance of 206.86 feet to a calculated point;

4) North 29 degrees 29 minutes 03 seconds East, a distance of 187.35 feet to a calculated point;

5) North 37 degrees 29 minutes 21 seconds East, a distance of 147.24 feet to a calculated point;

6) North 54 degrees 34 minutes 45 seconds East, a distance of 330.20 feet to a calculated point;

7) South 36 degrees 18 minutes 15 seconds East, a distance of 136.14 feet to a calculated point;

8) North 56 degrees 56 minutes 07 seconds East, a distance of 922.70 feet to a calculated point;

9) North 86 degrees 46 minutes 28 seconds East, a distance of 153.88 feet to a calculated point;

10) South 58 degrees 56 minutes 17 seconds East, a distance of 201.70 feet to a calculated point;

11) South 40 degrees 05 minutes 49 seconds East, a distance of 133.41 feet to a calculated point;

12) South 68 degrees 23 minutes 08 seconds East, a distance of 175.83 feet to a calculated point;

13) North 56 degrees 33 minutes 22 seconds East, a distance of 208.58 feet to a calculated point;

14) South 85 degrees 20 minutes 13 seconds East, a distance of 99.72 feet to a calculated point being in the west right-of-way line of Pleasant Valley Road, said west right-of-way line being 30.00 feet from its centerline; thence with said west right-of-way line South 36 degrees 08 minutes 18 seconds East, a distance of 21.22 feet to a calculated point; thence continuing with said west right-of-way line in a curve to the left being subtended by a chord of South 51 degrees 32 minutes 11 seconds East, a chord distance of 77.00 feet and having a radius of 144.99 feet, in all an arc distance of 77.93 feet to a calculated point being the northwest corner of the Marvin Settles property, as recorded in Deed Book 154, at Page 146 in said clerk's office; thence with the west line of said Settles property for the following five (5) calls:

1) South 37 degrees 30 minutes 08 seconds East, a distance of 412.90 feet to a calculated point;

2) South 08 degrees 40 minutes 12 seconds East, a distance of 429.93 feet to a calculated point;

3) North 86 degrees 42 minutes 04 seconds West, a distance of 783.42 feet to a calculated point;

4) South 10 degrees 35 minutes 14 seconds East, a distance of 951.00 feet to a calculated point;

5) South 03 degrees 05 minutes 14 seconds East, a distance of 403.00 feet to a calculated point being the southwest corner of said Settles property; thence with the south line of said Settles property North 86 degrees 15 minutes 49 seconds East, a distance of 988.52 feet to a calculated point; thence continuing with said south line North 53 degrees 53 minutes 52 seconds East, a distance of 3.99 feet to a calculated point being in the west line of the Downs Subdivision, as recorded in Plat Book 29, at Page 330, Plat Book 30, at Page 22, and Plat Book 30, at Page 141 all in said clerk's office; thence with said west line South 16 degrees 53 minutes 40 seconds West, a distance of 1,578.30 feet to a calculated point being in the north line of the Wal-Mart Real Estate Business Trust property, as recorded in Deed Book 785, at Page 260 in said clerk's office; thence with said north line North 71 degrees 46 minutes 46 seconds West, a distance of 235.51 feet to a calculated point; thence continuing with said north line North 74 degrees 21 minutes 33 seconds West, a distance of 395.33 feet to a calculated point being the northeast corner of said human resources property; thence with the west line of said human resources property South 21 degrees 59 minutes 33 seconds West, a distance of 1,235.72 feet to the point of beginning and containing 262.56 acres. This description was prepared for a tax area only and is NOT to be used for the transfer of real property.

J. William Weikel, Jr. April 23, 2015
J. William Weikel, Jr., KY PLS No. 2813 Date

F:\Data\2007\07-3928 TIF Description-Revised 4-23-15

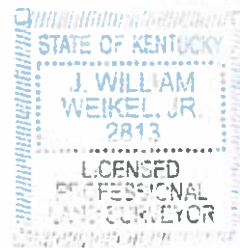


EXHIBIT C

GATEWAY COMMONS MIXED-USE TAX INCREMENT FINANCING PROJECT

PROJECTED NEW STATE REVENUES

Table 41 – State Incremental Tax Revenues, Gateway Commons TIF

Year of TIF	2016	2017	2018	2019	2020	2025	2035	20 Year Total
	1	2	3	4	5	10	20	
AD VALOREM TAX								
Residential Properties	\$0	\$0	\$14,000	\$14,000	\$42,000	\$48,000	\$61,000	\$845,000
Commercial Properties	\$7,000	\$31,000	\$37,000	\$80,000	\$93,000	\$110,000	\$168,000	\$185,000
<i>Sub-Total</i>	<i>\$7,000</i>	<i>\$31,000</i>	<i>\$50,000</i>	<i>\$94,000</i>	<i>\$135,000</i>	<i>\$158,000</i>	<i>\$230,000</i>	<i>\$1,030,000</i>
INDIVIDUAL INCOME TAX								
Hotel	\$0	\$0	\$0	\$27,000	\$30,000	\$81,000	\$150,000	\$1,539,000
Office	\$0	\$0	\$0	\$156,000	\$164,000	\$847,000	\$1,410,000	\$14,394,000
Retail	\$0	\$10,000	\$36,000	\$82,000	\$104,000	\$356,000	\$593,000	\$6,222,000
Restaurant	\$0	\$53,000	\$56,000	\$59,000	\$124,000	\$242,000	\$403,000	\$4,562,000
Movie Theater	\$0	\$13,000	\$13,000	\$14,000	\$15,000	\$19,000	\$31,000	\$393,000
<i>Sub-Total</i>	<i>\$0</i>	<i>\$76,000</i>	<i>\$105,000</i>	<i>\$337,000</i>	<i>\$436,000</i>	<i>\$1,545,000</i>	<i>\$2,588,000</i>	<i>\$27,110,000</i>
SALES TAX								
Hotel	\$0	\$0	\$0	\$229,000	\$252,000	\$595,000	\$855,000	\$10,315,000
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail	\$0	\$138,000	\$497,000	\$1,093,000	\$1,345,000	\$4,071,000	\$5,254,000	\$64,677,000
Restaurant	\$0	\$277,000	\$284,000	\$291,000	\$598,000	\$1,030,000	\$1,329,000	\$17,912,000
Movie Theater	\$0	\$323,000	\$331,000	\$340,000	\$348,000	\$396,000	\$511,000	\$7,790,000
<i>Sub-Total</i>	<i>\$0</i>	<i>\$738,000</i>	<i>\$1,112,000</i>	<i>\$1,953,000</i>	<i>\$2,543,000</i>	<i>\$6,092,000</i>	<i>\$7,949,000</i>	<i>\$100,694,000</i>
INCREMENTAL TAX REVENUES								
Grand Total New Revenues	\$7,000	\$844,000	\$1,268,000	\$2,384,000	\$3,114,000	\$7,794,000	\$10,766,000	\$128,834,000
Baseline Revenues	\$7,000	\$8,000	\$8,000	\$8,000	\$8,000	\$9,000	\$12,000	\$189,000
<i>Total Incremental Revenues</i>	<i>\$0</i>	<i>\$836,000</i>	<i>\$1,260,000</i>	<i>\$2,376,000</i>	<i>\$3,106,000</i>	<i>\$7,785,000</i>	<i>\$10,754,000</i>	<i>\$128,645,000</i>

Note: Totals may not add due to rounding. Community Center excluded from Ad Valorem Tax estimates.

EXHIBIT D

Affidavit of Capital Investment and Approved Public Infrastructure Costs

The Department of Finance and Support Services for the City of Owensboro (the “Agency,” as defined in the Agreement) shall submit this Affidavit of Capital Investment Exhibit for the Gateway Commons Mixed-Use Tax Increment Financing Project semi-annually by January 30th and July 31st each year throughout the Term of the Agreement until the Minimum Capital Investment is made, pursuant to the Tax Incentive Agreement (the “Agreement”) dated October 27, 2016. Once the Minimum Capital Investment is achieved, this report shall continue to be filed annually by January 30th of each year. The Affidavit of Capital Investment shall be accompanied by the attached Exhibit D-1 – Certificate of Independent Public Accountants of Capital Investment when: (i) the \$20,000,000 Minimum Capital Investment Threshold has been reached, (ii) the investment in Approved Public Infrastructure Costs equals or exceeds Total Approved Costs, or total expenditures for Approved Public Infrastructure Costs are completed, whichever occurs first, and (iii) the development of the Project is completed and the total expenditures for Capital Investment and Approved Public Infrastructure Costs have been made.

The undersigned, _____, after having first being duly sworn, deposes and states as follows:

As _____ (Title) of the Agency, I am authorized to submit this Affidavit to the Kentucky Economic Development Finance Authority (“Authority”) on behalf of the Agency with respect to the Tax Incentive Agreement by and between the Authority and the Agency (“Agreement”). All capitalized terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the Agreement.

As of _____, 20__, the _____ is reporting the following:

Summary of the Total Capital Investment Made To-Date Within the Development Area

Zone	Public Infrastructure Costs	Other Costs	TOTAL
1	\$	\$	\$
2			
3			
4			
5			
6			
7			
8			
9			
10			
TOTAL	\$	\$	\$

Applicant shall maintain detailed records of all investment costs as outlined in Section 3.3

Identify the Zones from above that are included in the Footprint: _____

Has the Minimum Capital Investment Threshold of \$20,000,000 been achieved? ____ YES ____ NO
If yes, it was achieved on: _____, 20__

This project qualified as a mixed-use project which includes either or both significant public storm water and sanitary sewer facilities designed to comply with a community-wide court decree mandating corrective action by the local government or an agency thereof. Has the proposed investment in sewers/storm drainage public infrastructure been made? ____ YES ____ NO
If yes, it was completed on: _____, 20__

Has there been any changes or modifications to the proposed project as described in Exhibit A to the Tax Incentive Agreement? ____ YES ____ NO If yes, please list the changes below by Zone:

Zone	New Description

Please Note: Failure to build out the project as described in the application and reflected in Exhibit A to the Agreement may result in a default or a reduction in the Commonwealth's participation in the Project and the amount of any Increment(s) payable.

The amounts reported in this affidavit are true and accurate to the best of my knowledge. Evidence of the amounts reported is kept by the Agency and is available for review by a representative of the Authority at any time pursuant to the Agreement.

DEPARTMENT OF FINANCE AND SUPPORT
SERVICES FOR THE CITY OF OWENSBORO

[Signature of Individual]

[Printed Name]

[Date]

STATE OF: _____)
COUNTY OF: _____)

The foregoing instrument was subscribed, sworn to and acknowledged before me this ____ day of _____, 20__, by _____ as _____ [Title] of the Department of Finance and Support Services for the City of Owensboro, on behalf of said entity.

My commission expires:

NOTARY PUBLIC

(SEAL)

Please submit this report to the following address:

Cabinet for Economic Development
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Exhibit D-1 – Certificate of Independent Public Accountants of Capital Investment

The Department of Finance and Support Services for the City of Owensboro's Affidavit of Capital Investment Exhibit for the Gateway Commons Mixed-Use Tax Increment Financing Project must be certified by an independent CPA at the following dates when: (i) the \$20,000,000 Minimum Capital Investment Threshold has been reached, (ii) the investment in Approved Public Infrastructure Costs equals or exceeds Total Approved Costs, and (iii) the development of the Project is completed and the total expenditures for Capital Investment and Approved Public Infrastructure Costs have been made.

The undersigned, being the independent certified public accounts for the Department of Finance and Support Services for the City of Owensboro hereby certify as of this ____ day of _____, 20__, to the Kentucky Economic Development Finance Authority (the "Authority") that after reasonable due diligence they have determined as follows:

- 1) The aggregate amount of capital investment costs paid in the Development Area since the preliminary approval of the Project through _____, 20__, is:

Public Infrastructure Costs	Other Costs	TOTAL
\$ _____	\$ _____	\$ _____

- 2) The Minimum Capital Investment Threshold of \$20,000,000 was achieved on _____, 20__. The final capital investment for the Project was incurred on _____, 20__.
- 3) The aggregate amount of capital investment costs incurred since the preliminary approval of the Project were for the Project as described in Exhibit A to the Tax Incentive Agreement.
- 4) The aggregate amount of capital investment costs paid in the Footprint, which includes Zones _____, since the preliminary approval of the Project through _____, 20__, is:

Public Infrastructure Costs	Other Costs	TOTAL
\$ _____	\$ _____	\$ _____

By: _____

Title: _____

EXHIBIT E
Request for Disbursement
Gateway Commons Mixed-Use
Tax Increment Financing Project

This Exhibit must be submitted by April 30th of each year to make a Request for Disbursement of the Increment for the preceding calendar year. Provided that the Minimum Capital Investment is confirmed by the Authority as set forth in Section 4.7 of the Agreement, and the Project has activated in accordance with Section 4.2 of the Agreement, and the Agency has incurred Approved Public Infrastructure Costs that have been verified by the Authority pursuant to Section 3.3 of the Agreement, and the Agency has otherwise complied with the terms of the Agreement, the Cabinet for Economic Development will forward this request for disbursement to the Department of Revenue for further processing. Please note any available increments will be held in escrow pending certification that the \$20,000,000 Minimal Capital Investment threshold has been reached. The failure to achieve the Minimal Capital Investment threshold by January 1, 2020 will result in the forfeiture of all accrued Increment(s) to the Commonwealth.

For Business Taxpayers: This exhibit must be accompanied by the Tax Increment Financing Business Questionnaire for any business that operates within the footprint during the calendar year. Failure to provide the questionnaire for any businesses operating within the footprint will cause the Increment to be calculated without regard to the tax receipts from the noncompliant business.

Tax Year Associated With Increment Request: _____

Increment Request: \$ _____

By signing this exhibit, the undersigned agrees that he or she has the proper authority to act on behalf of the Department of Finance and Support Services for the City of Owensboro with regard to the Tax Incentive Agreement for the Gateway Commons Mixed-Use Tax Increment Financing Project.

DEPARTMENT OF FINANCE AND
SUPPORT SERVICES FOR THE CITY OF
OWENSBORO

[Signature of Individual]

[Printed Name]

[Date]

EXHIBIT F

NOTICE OF ACTIVATION

The undersigned, _____, after having first being duly sworn, deposes and states as follows:

As _____ (Title) of the Department of Finance and Support Services for the City of Owensboro (the "Agency"), I am authorized to submit this Notice of Activation to the Kentucky Economic Development Finance Authority (the "Authority") on behalf of the Agency, as required by the Tax Incentive Agreement between the Authority and the Agency dated October 27, 2016 ("Agreement").

Pursuant to Section 4.2 of the Agreement, the Activation Date must be set on or before October 27, 2018, or, with the prior written approval of the Authority pursuant to an executed Activation Deadline Extension Request (Exhibit G), on or before October 27, 2020.

The Agency hereby designates _____, 20__ as the Activation Date pursuant to Section 4.2 of the Agreement, which is within two years of the Commencement Date, or is within four years of the Commencement Date and the Agency has submitted an Activation Deadline Extension Request (Exhibit G to the Agreement) that was previously authorized by the Authority.

DEPARTMENT OF FINANCE AND SUPPORT
SERVICES FOR THE CITY OF OWENSBORO

By: _____

Title: _____

STATE OF _____)

)

COUNTY OF _____)

Subscribed and sworn to before me by _____, the _____
of the Department of Finance and Support Services for the City of Owensboro, this ____ day of
_____, 20__.

My commission expires: _____.

NOTARY PUBLIC
(SEAL)

EXHIBIT G

ACTIVATION DEADLINE EXTENSION REQUEST

The undersigned, _____, as _____ (Title) of the Department of Finance and Support Services for the City of Owensboro (the "Agency"), I am authorized by the Agency to submit this request to the Kentucky Economic Development Finance Authority (the "Authority") on behalf of the Agency with respect to the Tax Incentive Agreement between the Authority and the Agency ("Agreement").

The Activation Date must be established within two years of October 27, 2016 pursuant to Section 4.2 of the Agreement. Section 4.2 allows the Agency to request a two-year extension of the deadline to establish the Activation Date by the submission of this Activation Deadline Extension Request, subject to the approval and execution of the request by the Authority. The Agency respectfully requests that the deadline for establishing the Activation Date of the Project (as defined in the Agreement) and for submitting the Notice of Activation (Exhibit F) be extended to October 27, 2020.

DEPARTMENT OF FINANCE AND SUPPORT
SERVICES FOR THE CITY OF OWENSBORO

[Signature of Individual]

[Printed Name]

[Date]

STATE OF: _____)

COUNTY OF _____)

The foregoing instrument was subscribed, sworn to and acknowledged before me this _____ day of _____, 20____, by _____ as _____ [Title] of the Department of Finance and Support Services for the City of Owensboro.

My commission expires: _____

NOTARY PUBLIC
(SEAL)

Please submit this report to the following address:

Cabinet for Economic Development
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

AUTHORITY ACKNOWLEDGEMENT

Pursuant to Section 4.2 of the Agreement, the Authority hereby consents to the extension of the deadline to establish the Activation Date to October 27, 2020.

Kentucky Economic Development Finance Authority

[Signature of Commissioner or Deputy Commissioner]

[Title]

[Date]

Exhibit H
Old Revenues (Base Year)

Gateway Commons Mixed-Use
Tax Increment Financing Project

This Exhibit must be submitted by March 29, 2017. The Cabinet for Economic Development will forward the exhibit to the Department of Revenue for further processing. Upon completion of the review, the Department of Revenue will issue a certification detailing the base year amount for the State Taxes (as defined in the Agreement).

For Business Taxpayers: This exhibit must be accompanied by the Tax Increment Financing Business Questionnaires for any business that operates within the footprint during the calendar year. In addition to the required Questionnaires, the Agency must submit the Old Revenues (Base Year) Spreadsheet. Failure to provide the questionnaire for any businesses operating within the footprint will result in the potential increment available to be calculated without regards to the tax receipts from the noncompliant business.

By signing this exhibit, the undersigned agrees that he or she has the proper authority to act on behalf of the Department of Finance and Support Services for the City of Owensboro with regard to the Tax Incentive Agreement for the Gateway Commons Mixed-Use Tax Increment Financing project. I certify that this exhibit has been calculated using sound accounting principles and is subject to review and audit by the Commonwealth or assigned agent.

DEPARTMENT OF FINANCE AND SUPPORT
SERVICES FOR THE CITY OF OWENSBORO

[Signature of Individual]

[Printed Name]

[Date]

STATE OF: _____)
)
COUNTY OF _____)

The foregoing instrument was subscribed, sworn to and acknowledged before me this _____ day of _____, 20____, by _____ as _____ [Title] of the Department of Finance and Support Services for the City of Owensboro.

My commission expires: _____

NOTARY PUBLIC
(SEAL)

Please submit this report to the following address:

Cabinet for Economic Development
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Exhibit H - Estimated Old Revenues (Base Year)

Real Estate Property Tax \$ _____

Assumptions: _____

Individual Income Tax \$ _____

Assumptions: _____

Sales Tax \$ _____

Assumptions: _____

Tax Increment Financing (TIF) Business Questionnaire

TIF Development Authority

Agency Name
Contact Person
Title
Address
City, State
Telephone Number

For Official Use Only
Zone Number _____
Local Agent Initials _____

Zip
Email Address

This form is distributed by the local TIF development authority for use in determining amounts eligible for TIF. The form must be completed by all businesses operating within the state footprint of an approved TIF project and returned to the local TIF development authority as noted above. If you have any questions, please contact the local TIF development authority.

Business Information

Business Name _____
DBA (if applicable) _____
Location Address _____
City, State _____ Zip _____
Contact Person _____
Telephone Number _____ Email Address _____
Date operations began at this location _____

Tax Identification Numbers (if applicable):

(if not applicable input "N/A")

Commonwealth Business Identifier Number (CBI) _____

FEIN or SSN _____

KY Corporation Tax _____

☐ Check Box if multiple locations file under this Tax ID

Are you registered with the Secretary of State?

☐ Yes

☐ No

If yes, please provide the registered name, if it is not the Business Name or DBA listed above.

For Corporation Income Tax Purposes

Is all income earned at the site of the business location?

☐ Yes

☐ No

What type of return is filed?

☐ Separate

☐ Consolidated

KY Withholding _____

☐ Check Box if multiple locations file under this Tax ID

KY Sales Tax _____

☐ Check Box if multiple locations file under this Tax ID

If a box was checked for multiple locations, please list the addresses of other business locations:

For multiple locations only - Are separate accounting records kept for activity within and outside the footprint?

☐ Yes

☐ No

Provide a brief description of business activity, property sold and services provided at the location address:

Was the business previously operated under a different owner or name?

☐ Yes

☐ No

Former Business Name: _____

Name of previous owner: _____

Date of acquisition: _____

I understand that the information provided will be confidential and will be shared only with the Commonwealth of Kentucky's Department of Revenue and the Cabinet for Economic Development.

Printed Name

Title

EXHIBIT I

Certification of Increment Use

Gateway Commons Mixed-Use Tax Increment Financing Project

This Exhibit must be submitted annually by April 30 to certify the use of State Tax Increments for the preceding calendar year. Failure to submit this annual exhibit by the due date will result in a delay in processing of outstanding Request for Disbursements.

Year in which Increment was received: _____

Amount of Increment Received: \$ _____

Increment was spent for the following:

Public Infrastructure Costs \$ _____

Amount of Increment Unspent \$ _____

By signing this exhibit, I agree that I have proper authority to act on behalf of the Department of Finance and Support Services for the City of Owensboro (the “Agency”) with regard to the Tax Incentive Agreement for the Gateway Commons Mixed-Use Tax Increment Financing Project and certify on behalf of the Agency that the amounts reported above have been expended within the Footprint of the Project as required by KRS 154.30-080.

**DEPARTMENT OF FINANCE AND SUPPORT
SERVICES FOR THE CITY OF OWENSBORO**

[Signature of Individual]

[Printed Name]

[Date]

STATE OF _____)
)
COUNTY OF _____)

The foregoing instrument was subscribed, sworn to and acknowledged before me this _____ day
of _____, 20____, by _____ as _____ [Title] of the
Department of Finance and Support Services for the City of Owensboro.

My commission expires: _____

NOTARY PUBLIC
(SEAL)

EXHIBIT G: PLANNED RWRA IMPROVEMENTS

- (1) Ultraviolet Disinfection at East Wastewater Treatment Plant (WWTP).
 - (a) This initiative shall involve plant upgrades and treatment enhancements to disinfection systems at the East WWTP. Construction shall include structural modification/additions including mechanical and electrical facilities necessary for the installation of UV disinfection, in order to replace the existing chlorination/de-chlorination systems.
- (2) Electrical upgrades at East WWTP.
 - (a) This initiative involves installation of electrical infrastructure to support the new UV Disinfection system in Subsection (1), and the new bar screen in Subsection (3), as well as modernization of deficiencies in the existing electrical infrastructure, including redistribution of treatment facility electrical loading. This initiative must be designed and constructed in conjunction with the initiative in Subsection (1).
- (3) Bar Screen/ Headworks Upgrades at East WWTP.
 - (a) This initiative shall include multiple measures that collectively upgrade the headworks of the East WWTP to provide additional capacity and redundancy for necessary treatment processes. Construction shall include modifications to the influent piping to include flow metering and re-routing flow through a modified grit chamber. The project shall also involve expanding the plant facilities from one bar screen to two bar screens. This will be accomplished by moving the bar screen location to an existing rapid mix structure that will be reconfigured to facilitate the two bar screens. This project will enable the ability to properly screen flows coming into the plant and provide redundancy to allow for maintenance/repair activities to be performed, which are not being adequately met at the plant currently. This initiative will necessitate several modifications to and eliminations of other existing facilities in the plant headworks.
- (4) Generator Replacement at East WWTP.
 - (a) This initiative involves the installation of a new higher capacity back-up generator to provide for previously mentioned initiatives in Subsections (1) and (3), as well as provide emergency power for higher flow volumes projected. The present generator is rated at 800 KW, and it is anticipated that the generator will need to be expanded to approximately 1000 KW. This will help assure that adequate electrical service is maintained during power outages.
- (5) Ragu Pump Station upgrades.
 - (a) This initiative shall involve upgrades to the Ragu Pump Station to provide wastewater service to the Project and surrounding area to direct flow away from the combined sewer system. This initiative shall include provisions for an additional

storage chamber next to the existing pump station, upgrades to pumps/equipment at the pump station, and upsizing of the force main from the pump station to the East WWTP.

EXHIBIT H
AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT

**AMENDED AND RESTATED
LOCAL PARTICIPATION AGREEMENT
FOR THE
GATEWAY COMMONS DEVELOPMENT AREA
BY AND BETWEEN
CITY OF OWENSBORO, KENTUCKY
AND
DEPARTMENT OF FINANCE OF
THE CITY OF OWENSBORO, KENTUCKY
June 16, 2015**

INDEX
TO
AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT
DATED
June 16, 2015
CITY OF OWENSBORO, KENTUCKY
AND
DEPARTMENT OF FINANCE OF THE CITY OF OWENSBORO, KENTUCKY

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
SECTION I. Recitals	5
SECTION II. Definitions	6
SECTION III. Parties	9
SECTION IV. Duties and Responsibilities of City	10
SECTION V. Duties and Responsibilities of the Agency	11
SECTION VI. Identification and Pledge of Incremental Revenues	12
SECTION VII. Anticipated Benefits to the City	13
SECTION VIII. Description of Development Area	13
SECTION IX. Description of Project; Costs	13
SECTION X. Financing Plan.....	14
SECTION XI. Commencement Date; Activation Date; Termination Date.....	14
SECTION XII. Default	14
SECTION XIII. Governing Law.....	15
SECTION XIV. Severability	15
SECTION XV. Force Majeure	15
SECTION XVI. Notices	16
SECTION XVII. Approvals.....	17
SECTION XVIII. Entirety of Agreement.....	17
SECTION XIX. Successors and Assigns.....	17
SECTION XX. Headings and Index	18
SECTION XXI. Exhibits	18
SECTION XXII. No Waiver; Construction.....	18
SECTION XXIII. MULTIPLE Counterparts	18
SECTION XXIV. Relationship of the Parties	18
SECTION XXV. No Third Party Beneficiary	19
SECTION XXVI. Diligent Performance	19

SECTION XXVII. Assignment of Rights and Delegation of Duties 19

SECTION XXVIII. Conflict with Other Agreements 19

**AMENDED AND RESTATED LOCAL
PARTICIPATION AGREEMENT
Gateway Commons Development Area**

THIS AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT (this “Agreement”) is made effective retroactive to the 16th day of June, 2015 (the “Effective Date”) by and between the CITY OF OWENSBORO, KENTUCKY, a Kentucky municipal corporation of the home rule class (the “City”), and the DEPARTMENT OF FINANCE OF THE CITY OF OWENSBORO, KENTUCKY (the “Agency”), collectively (the “Parties”);

RECITALS

WHEREAS, pursuant to the Act, as hereinafter defined, the City has on the 16th day of June, 2015, adopted Ordinance Number 16-2015, (the “Development Area Ordinance”), whereby it established the Gateway Commons Development Area (the “Development Area”) for the purpose of promoting a mixed-use development of previously undeveloped land; and

WHEREAS, the City’s Board of Commissioners (the “Board of Commissioners”) recognizes and determines individually that the real property that constitutes the Development Area has been and is currently characterized by underutilized land, that continuation of the underutilized status of this land within the Development Area will discourage and interfere with the City’s growth policies to encourage the sensible development of land within the City, and that the acquisition, financing, construction and development of those improvements and buildings, as identified in Exhibit B herein (collectively, the “Project”), will contribute to the public welfare of the citizens of the City, and the Commonwealth of Kentucky (the “State”) and will thereby materially enhance the area and be in furtherance of the general health and welfare of the citizens of the City and the State; and

WHEREAS, the Board of Commissioners recognizes and determines individually that the project is a mixed-use development which includes significant public infrastructure improvements; and

WHEREAS, the Parties recognize that the development of the Development Area will not likely occur without a public-private partnership and financial assistance provided to the Project by the City and the State; and

WHEREAS, the Parties desire to set forth the duties and responsibilities of the Parties with respect to the administration, financing and pledging of Incremental Revenues in support of the development of the Project within the Development Area, and to expand the boundaries of the Development Area; and

WHEREAS, pursuant to the Development Area Ordinance, and Ordinance Number ____-2020, the Board of Commissioners has authorized the City to execute and enter into this Agreement with the Agency, and the City desires to enter into this Agreement; and

WHEREAS, pursuant to the Development Area Ordinance, and Ordinance Number 12-2020, the Board of Commissioners has authorized the Director of Finance to execute and enter into this Agreement with the City, and the Agency desires to enter into this Agreement; and

WHEREAS, pursuant to the Act (as hereinafter defined), the City and the Agency desire to set forth their mutual agreements, understandings and obligations in this Amended and Restated Local Participation Agreement, in order to facilitate development of the Project within the Development Area.

STATEMENT OF AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties hereto, and in consideration of the premises and the mutual covenants and undertakings contained herein, it is agreed and covenanted by and among the Parties hereto as follows:

SECTION I. RECITALS

The Parties hereto agree that the above “recitals” or “recital clauses” are incorporated herein by reference as if fully restated herein and form a part of the agreement among the Parties hereto.

SECTION II. DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the meanings assigned in this Section II, unless the context clearly indicates that a contrary or different meaning is intended.

1. “Act” or “the Act”. Shall mean KRS 65.7041 to KRS 65.7083, KRS 154.30- 010-154.30-090 and KRS 139.515.

2. “Administrative Fee”. Shall be a fee retained by the City of two percent (2%) of the annual amount received by the Agency from State Incremental Revenues and City Incremental Revenues, to reimburse the City for its costs to oversee, administer and implement the Development Area Ordinance, including professional fees necessary to comply with any reporting and other requirements, and/or computing incremental tax revenues due, related to the Tax Incentive Agreement and this Agreement.

3. “Agency”. Shall mean the Department of Finance of the City of Owensboro, Kentucky, which shall be responsible for administering the Special Fund and the Development Area Ordinance pursuant to the TIF Documents and the Act.

4. “Agreement”. Shall mean this Amended and Restated Local Participation Agreement, including all Exhibits attached hereto.

5. “Approved Public Infrastructure Costs”. Shall be the cost approved for reimbursement from State Incremental Revenues as set forth in the Tax Incentive Agreement.

6. “City”. Shall mean the City of Owensboro, Kentucky.

7. “City Authorizations”. Shall mean those necessary governmental authorizations, resolutions, orders, hearings, notices, ordinances, and other acts, required by laws, rules, or regulations to provide the City and its officers with the proper authority to perform all obligations of the City

resulting from this Agreement, and perform all other obligations of the City made necessary by, or resulting from the establishment of the Development Area.

8. “City Incremental Revenues”. Shall mean the net tax revenues generated from the Development Area by deducting Old Revenues from New Revenues after the Activation Date.

9. “Developer” or “Master Developer”. Shall mean G W Development, Inc., a Kentucky corporation, its successors, affiliates, subsidiaries or related entities.

10. “Development Area”. Shall mean the “Gateway Commons Development Area” as defined in the Development Area Ordinance.

11. “Development Area Ordinance.” Shall mean Ordinance No. 16-2015, adopted by the City on June 16, 2015.

12. “Effective Date”. Shall have the meaning given in the introductory paragraph of this Agreement.

13. “Financing Plan”. Shall mean the plan for financing the Project as described in Section X of this Agreement and in Exhibit D attached hereto, as it may be amended with the approval of the of the City.

14. “State Incremental Revenues”. Shall mean the amount of State tax revenues received by the Agency to reimburse Approved Public Infrastructure Costs pursuant to the Tax Incentive Agreement.

15. “KEDFA”, Shall mean the Kentucky Economic Development Finance Authority.

16. “Master Development Area”. Shall mean the Master Development Area among the City, the RWRA, the Agency and the Developer, dated _____, 2020, related to the Project.

17. “Mixed-Use Project or Program”. Shall mean the Commonwealth Participation Program for Mixed-Use Redevelopment in Blighted Urban Areas as described in the Act.

18. “New Revenues”. Shall mean the City’s real property *ad valorem* taxes, based on the City’s real property *ad valorem* tax rate, and the City’s occupational license fees, from payroll and net profits license fees, but shall exclude that portion of the occupational license fees which is restricted for a specific purpose, which is currently in the amount of .33 of the City’s occupational tax from payroll and net profits tax amount), and any occupational license fees from net profits and payroll taxes related to the construction and operation of the Daviess County Middle School by the Daviess County Board of Education generated from the Development Area each year after the date of Activation.

19. “Old Revenues”. Shall mean the City’s real property *ad valorem* taxes, based on the City’s real property *ad valorem* tax rate, and the City’s occupational license fees, from payroll and net profits license fees, generated from the Development Area during calendar year 2015.

20. “Private Financing”. Shall mean the financing needed to provide for the development and construction of the Project elements or any financing received by the Developer, not including the pledge of Incremental Revenues from City or the State.

21. “Project”. Shall mean the mixed-use project being undertaken by the Developer and the related improvements within the Development Area.

22. “Project Costs”. Shall mean any Capital Investment, as defined in the Act, within the Development Area.

23. “Public Infrastructure Costs”. Shall mean the Project costs eligible for reimbursement by Incremental Revenues from City, including “Approved Public Infrastructure Costs”, and are currently estimated as shown in Exhibit C.

24. “Redevelopment Assistance”. Shall have the same meaning as set forth in the Act, and shall be the costs approved for reimbursement or payment from Incremental Revenues Incremental Revenues as determined by the City.

25. RWRA. Shall mean the Owensboro Regional Water Resource Agency.

26. “Special Fund”. Shall mean the Gateway Commons Development Area Special Fund established in the Development Area Ordinance and maintained by the Agency, for the purpose of receiving, distributing and maintaining City Incremental Revenues pledged by the City, and State Incremental Revenues received from the State, in the manner set forth in the TIF Documents in connection with the Development Area.

27. “State”. Shall mean the Commonwealth of Kentucky, including any of its agencies and departments.

28. “Tax Incentive Agreement”. Shall mean the agreement between KEDFA and the Agency dated October 27, 2016, related to the pledge of State Incremental Revenues to reimburse the costs of Approved Public Infrastructure Costs in connection with the construction of the Project.

29. “Termination Date”. Shall have the meaning as provided in the Development Area Ordinance.

30. “TIF Documents”. Shall mean the Development Area Ordinance, this Agreement, the Tax Incentive Agreement, the Master Development Agreement, the Development Plan, and related documents.

31. “Unavoidable Delays”. Shall mean delays due to labor disputes, lockouts, acts of God, enemy action, civil commotion, riot, governmental regulations not in effect at the date of execution of this Agreement, conditions that could not have been reasonably foreseen by the claiming party, inability to obtain construction materials or energy, fire, or unavoidable casualty, provided such matters are beyond the reasonable control of the party claiming such delay.

SECTION III. PARTIES

The parties to this Agreement shall be the City and the Agency.

SECTION IV.
DUTIES AND RESPONSIBILITIES OF CITY

The City shall have the following duties and responsibilities in connection with the development of the Development Area:

1. Provide for the establishment of the Special Fund for the collection of City Incremental Revenues from the Development Area pledged herein by the City, and State Incremental Revenues pledged from the footprint of the Project, in accordance with the terms of the Tax Incentive Agreement.

2. Pledge one hundred percent (100%) of the City Incremental Revenues, generated within the Development Area to pay for the cost of the Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance in connection with the Project and the Development Area, pursuant to the terms set forth in the TIF Documents, for up to a twenty (20) year period, which pledge is made in Section VI herein.

3. Designate the Agency as the entity responsible for the oversight, administration, and implementation of the Development Area Ordinance and the Special Fund pursuant to the TIF Documents and the Act.

4. Meet as may be required with the Developer and the Agency for the purpose of reviewing the progress of the development of the Development Area and prepare an analysis of such progress for distribution to the Agency and the State in accordance with the Act and any Tax Incentive Agreement.

5. Require its Department of Finance, as the “Agency” for purposes of the Act, to prepare by no later than June 1, or such other date to meet the reporting schedule of KEDFA, or the State, to receive State Incremental Revenues under the Tax Incentive Agreement, of each year during the term of this Agreement an annual report and provide same to the City and KEDFA including, but not limited to: (a) the total real property taxes, business occupational license taxes and business employee payroll taxes collected within the Development Area during the previous calendar year; (b) a determination of Incremental Revenues collected within the Development Area during the previous calendar year; and

(c) the amount, if any, of Incremental Revenues spent from the Special Fund on the Administrative Fee, Public Infrastructure Costs and/or Redevelopment Assistance in connection with the Project, and the Development Area,

6. Upon receipt of Developer's Request provide, or require the Agency to provide, written confirmation that the Developer is in good standing with its obligations under the terms of this Agreement.

SECTION V. DUTIES AND RESPONSIBILITIES OF THE AGENCY

The Agency shall have the following duties and responsibilities in connection with the development of the Development Area:

1. Act as the party responsible for the oversight, administration, and implementation of the Development Area Ordinance and the Special Fund.

2. Meet as may be required with the Developer and the City for the purpose of reviewing the progress of the development of the Development Area and prepare an analysis of such progress for distribution to the Agency and the State in accordance with the Act.

3. Prepare by no later than June 1, or such other date to meet the reporting schedule of KEDFA, or the State, to receive State Incremental Revenues under the Tax Incentive Agreement, of each year during the term of this Agreement an annual report and provide same to the City, the Developer and KEDFA including, but not limited to: (a) the total real property taxes, business occupational license taxes and business employee payroll taxes collected within the Development Area during the previous calendar year; (b) a determination of Incremental Revenues collected within the Development Area during the previous calendar year; and (c) the amount, if any, of Incremental Revenues spent from the Special Fund on the Administrative Fee, Public Infrastructure Costs and/or Redevelopment Assistance

4. Each year, once the Agency has received deposits of City Incremental Revenues and State Incremental into the Special Fund, pay such funds to the City, the RWRA, and/or Developer (as

applicable) within thirty (30) days to cover the payment of the Administrative Fee, Public Infrastructure Costs and/or Redevelopment Assistance pursuant to the terms set forth in the TIF Documents.

5. Comply with any requirements and carry out any duties and responsibilities as the Agency under the terms of a Tax Incentive Agreement (as defined in the Act) with KEDFA and this Agreement.

SECTION VI.
IDENTIFICATION AND PLEDGE OF INCREMENTAL REVENUES

1. To the extent City Incremental Revenues are generated, the City hereby pledges one hundred percent (100%) of the City Incremental Revenues, generated from the Development Area to pay for the Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance within the Development Area pursuant to the terms set forth in the TIF Documents, and in accordance with the Act, for up to a twenty (20) year period after the Activation Date.

2. City Incremental Revenues pledged by the City in this Section shall be deposited at least annually, no later than each June 1st after the first calendar year of Activation, to the Special Fund and shall be held by the Agency and used solely for payment of Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance in support of the Project and the Development Area, and for no other purpose. Such Special Fund shall be continued and maintained until the Termination Date (as defined in the Development Area Ordinance) of the Development Area. Amounts in the Special Fund, together with interest accruing thereon, are hereby irrevocably pledged for the payment of costs as provided in this Section VI of this Agreement, and for no other purpose.

3. State Incremental Revenues received by the Agency pursuant to the Tax Incentive Agreement shall be deposited in the Special Fund as soon as they are received each year after the first calendar year of activation of the Tax Incentive Agreement. The State Incremental Revenues are hereby irrevocably pledged and shall be maintained by the Agency and used solely for payment of, or as reimbursement of, the Administrative Fee, Public Infrastructure Costs and Redevelopment Assistance in support of the Project, and the Development Area, pursuant to the terms set forth in the TIF

Documents and for no other purpose. The Special Fund shall be continued and maintained until the Termination Date of the Development Area.

4. At the Termination Date (as defined in the Development Area Ordinance) all amounts remaining in the Special Fund shall be transferred to the General Fund of the City.

SECTION VII. ANTICIPATED BENEFITS TO THE CITY

The City anticipates receiving substantial benefits as a result of the pledge of their Incremental Revenues to support development of the Development Area as set forth herein. Estimates of projected New Revenues for the City on an annual basis during the term of this Agreement are attached as Exhibit E hereto. The maximum amount of City Incremental Revenues to be pledged to the Development Area by the City shall be one hundred percent (100%) of the Incremental Revenues generated from the Development Area, and the maximum number of years the payment of City Incremental Revenues to support the development of the Development Area will be made is twenty (20) years.

SECTION VIII. DESCRIPTION OF DEVELOPMENT AREA

A detailed description of the Development Area is set forth in Exhibit A hereto.

SECTION IX. DESCRIPTION OF PROJECT; COSTS

A detailed description of the individual projects that collectively constitute the Project is set forth in Exhibit B hereto. Also included in Exhibit B is an estimate of the costs of construction, acquisition and development of such proposed projects. The elements of the Project planned to be supported or paid for with City Incremental Revenues and State Incremental Revenues are listed on the attached Exhibit C, subject to further amendment with approval by the City.

SECTION X.
FINANCING PLAN

The financing for the Project shall generally be in accordance with the Financing Plan set forth in Exhibit D attached hereto. It is understood that the Financing Plan for the Project may be modified as development of the Project progresses and that more specific details of the nature of each aspect of financing the Project shall be more particularly contained in any Private Financing and other documents at the time that each aspect of the financing needed for the Project is obtained. However, the pledge of City Incremental Revenues and State Incremental Revenues herein to support payment of Public Infrastructure Costs for construction of the Project shall not be modified without the specific approval of the City and State.

SECTION XI.
COMMENCEMENT DATE; ACTIVATION DATE; TERMINATION DATE

This Agreement shall commence and be effective as of the date of execution hereof by the City. The activation date for the pledge of City Incremental Revenues as set forth in Section VI hereof shall be January 1, 2018 (the “Activation Date”). This Agreement shall terminate twenty (20) years after the Activation Date. This Agreement shall not terminate upon the execution of any deeds or other agreements required or contemplated by this Agreement, or referred to herein, and the provisions of this Agreement shall not be deemed to be merged into the deeds, or any other such deeds or other agreements, it being the intent of the parties hereto that this Agreement shall survive the execution and delivery of any such agreements.

SECTION XII.
DEFAULT

If the City or the Agency (a “Defaulting Party”) shall default in its obligation to make payments of Incremental Revenues set forth herein, the Agency (unless it is the Defaulting Party), the Developer and/or the indenture trustee or trustees for outstanding financing obligations secured by such

Incremental Revenues shall have the power to enforce the provisions of this Agreement against the Defaulting Party. If the City or the Agency materially breaches or defaults on any of its nonpayment related obligations under this Agreement, the Developer, and/or the indenture trustee or trustees for the outstanding financing obligations may give notice that remedial action must be taken within thirty (30) days. The Defaulting Party shall correct such breach or default within thirty (30) days after such notice, provided however that if (i) the default is one which cannot with due diligence be remedied by the Defaulting Party within thirty (30) days and (ii) the Defaulting Party proceeds as promptly as reasonably possible after such notice and with all due diligence to remedy such default, the period after such notice within which to remedy the default shall be extended for such period of time as may be necessary to remedy the same with all due diligence.

SECTION XIII. GOVERNING LAW

The laws of the State shall govern as to the interpretation, validity and effect of this Agreement.

SECTION XIV. SEVERABILITY

If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held in any proceeding to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid or unenforceable, shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties essential objectives as expressed herein.

SECTION XV. FORCE MAJEURE

The City shall not be deemed to be in default in the performance of any obligation on such parties' part to be performed under this Agreement, other than an obligation requiring the payment of a sum of money, if and so long as the nonperformance of such obligation shall be directly caused by

Unavoidable Delays; provided, that within fifteen (15) days after the commencement of such Unavoidable Delay, the non performing party shall notify the other party in writing of the existence and nature of any such Unavoidable Delay and the steps, if any, which the nonperforming party shall have taken or planned to take to eliminate such Unavoidable Delay. Thereafter, the non-performing party shall, from time to time, on written request of the other party, keep the other party fully informed, in writing, of further developments concerning such Unavoidable Delay and the effort being made by the non-performing party to perform such obligation as to which it is in default. All provisions of any construction schedule shall be adjusted in accordance with such Unavoidable Delay.

SECTION XVI.
NOTICES

Any notice to be given under this Agreement shall be in writing, shall be addressed to the party to be notified at the address set forth below or at such other address as each party may designate for itself from time to time by notice hereunder, and shall be deemed to have been given upon the earliest of (i) three (3) days following deposit in the U.S. Mail with proper postage prepaid, Certified or Registered, (ii) the next business day after delivery to a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement, satisfactory with such carrier, made for the payment of such fees, or (iii) receipt of notice given by telecopy or personal delivery:

If to the City:	Mayor 101 East 4 th Street Owensboro, Kentucky 42303
With a Copy to:	City Manager 101 East 4 th Street Owensboro, Kentucky 42303
If to the Agency:	Finance Director 101 East 4 th Street Owensboro, Kentucky 42303

SECTION XVII.
APPROVALS

Whenever a party to this Agreement is required to consent to, or approve, an action by the other party, or to approve any such action to be taken by another party, unless the context clearly specifies a contrary intention, or a specific time limitation, such approval or consent shall be given within thirty (30) business days and shall not be unreasonably withheld or delayed by the party from whom such approval or consent is required.

SECTION XVIII.
ENTIRETY OF AGREEMENT

As used herein, the term "Agreement" shall mean this Amended and Restated Local Participation Agreement and the Exhibits attached hereto. This Agreement embodies the entire agreement and understanding of the parties hereto with respect to the subject matter herein contained, and supersedes all prior agreements, correspondence, arrangements, and understandings relating to the subject matter hereof. No representation, promise, inducement, or statement of intention has been made by any party which has not been embodied in this Agreement, and no party shall be bound by or be liable for any alleged representation, promise, inducement, or statement of intention not so set forth. This Agreement may be amended, modified, superseded, or cancelled only by a written instrument signed by all of the parties hereto, and any of the terms, provisions, and conditions hereof may be waived only by a written instrument signed by the waiving party. Failure of any party at any time or times to require performance of any provision hereof shall not be considered to be a waiver of any succeeding breach of any such provision by any part.

SECTION XIX.
SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

SECTION XX.
HEADINGS AND INDEX

The headings in this Agreement and the Index are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any provision hereof.

SECTION XXI.
EXHIBITS

All exhibits to this Agreement shall be deemed to be incorporated herein by reference and made a part hereof, above the signatures of the parties hereto, as if set out in full herein.

SECTION XXII.
NO WAIVER; CONSTRUCTION

No waiver of any condition or covenant of this Agreement to be satisfied or performed by the City shall be deemed to imply or constitute a further waiver of the same, or any like condition or covenant, and nothing contained in this Agreement nor any act of either party, except a written waiver signed by such party, shall be construed to be a waiver of any condition or covenant to be performed by the other party. No provisions of this Agreement shall be construed against a party by reason of such party having drafted such provisions.

SECTION XXIII.
MULTIPLE COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall constitute an original document.

SECTION XXIV.
RELATIONSHIP OF THE PARTIES

Except as expressly stated and provided for herein, neither anything contained in this Agreement nor any acts of the parties hereto shall be deemed or construed by the Parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of association among any of the Parties of this Agreement.

SECTION XXV.
NO THIRD PARTY BENEFICIARY

Except as otherwise specified herein, the provisions of this Agreement are for the exclusive benefit of the City and the Agency, their successors and permitted assigns, and not for the benefit of any other person or entity, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any other person or entity.

SECTION XXVI.
DILIGENT PERFORMANCE

With respect to any duty or obligation imposed on a party to this Agreement, unless a time limit is specified for the performance of such duty or obligation, it shall be the duty or obligation of such party to commence and perform the same in a diligent and workmanlike manner and to complete the performance of such duty or obligation as soon as reasonably practicable after commencement of the performance thereof. Notwithstanding the above, time is of the essence with respect to any time limit specified herein.

SECTION XXVII.
ASSIGNMENT OF RIGHTS AND DELEGATION OF DUTIES

No Party to this Agreement may assign this Agreement, or any part hereof, except as provided herein, without the prior written consent of the other Parties. Nothing in this Section shall be construed to require prior written consent for any Developer to assign any of its rights or obligations to a subsidiary, affiliate or related entity.

SECTION XXVIII.
CONFLICT WITH OTHER AGREEMENTS

In the event of any conflict between this Agreement (or any portion thereof) and the Master Development Agreement, the terms and conditions of the Master Development Agreement shall be controlling.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands on the ____ day of _____, 2020, but to be effective retroactive to the Effective Date.

CITY OF OWENSBORO, KENTUCKY

Approved as to Form:

By: _____
Thomas H. Watson
Its: Mayor

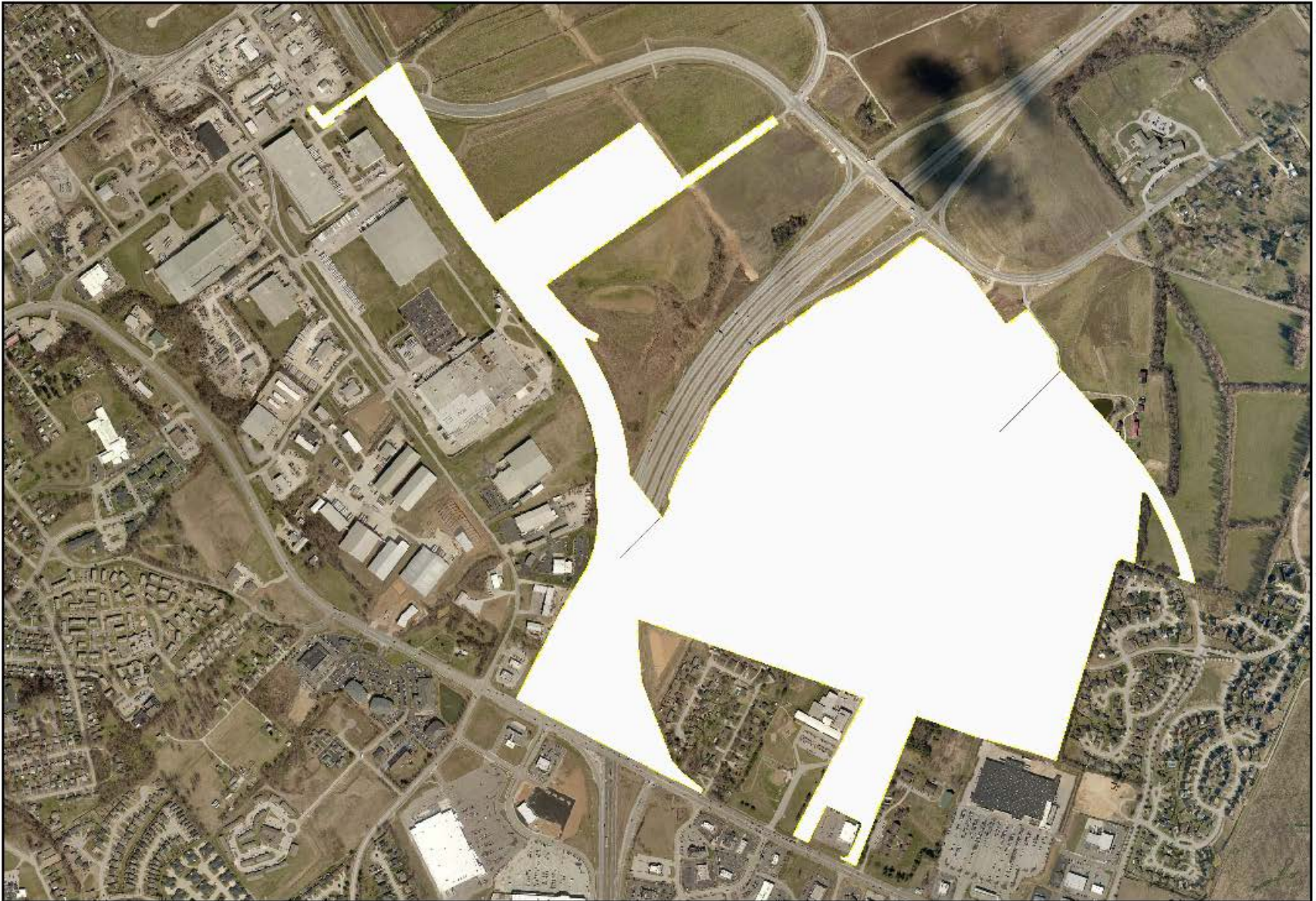
Stephen D. Lynn
City Attorney for the City of Owensboro, Kentucky

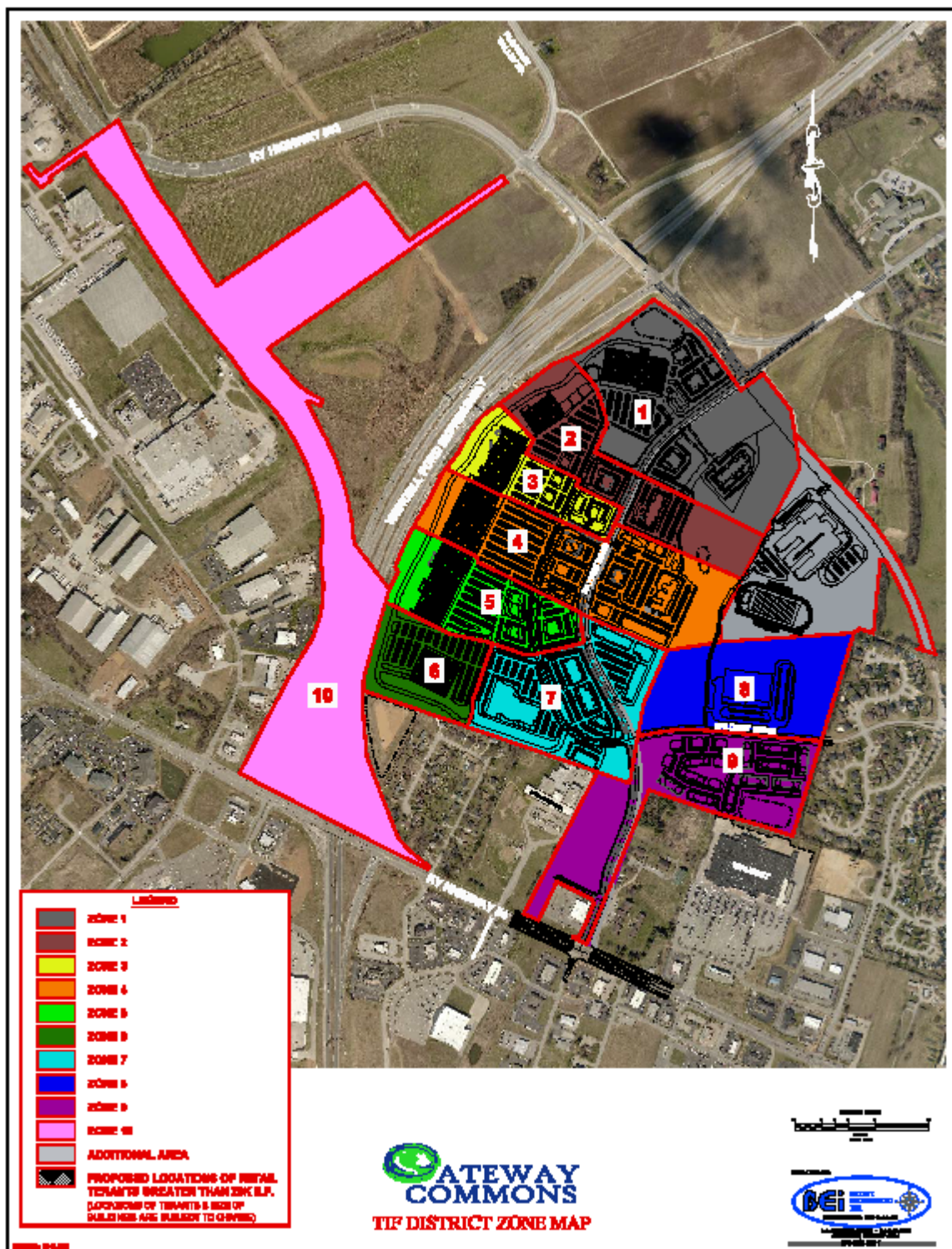
DEPARTMENT OF FINANCE OF THE
CITY OF OWENSBORO, KENTUCKY

By: _____
Angela Hamric Waninger
Its: Director of Finance for the City of
Owensboro

EXHIBIT A

Development Area Map and Description







BRYANT ENGINEERING, INC.

1535 FEDERICA STREET • P.O. BOX 21382 • OWENSBORO, KY 42304

PHONE: (270)685-2811 • FAX: (270)683-4991

DESCRIPTION FOR TIF

Beginning at a calculated point being in the north right-of-way of Kentucky Highway 54, said north right-of-way line varies in width from its centerline and being the southwest corner of the Commonwealth of Kentucky Department of Human Resources property, as recorded in Deed Book 448, at Page 514 in the office of the Daviess County Clerk; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 123.88 feet to a calculated point being the southeast corner of the property located at 2945 Highway 54; thence with said property for the following seven (7) calls:

1) in a curve to the left being subtended by a chord of North 71 degrees 54 minutes 59 seconds East, a chord distance of 88.55 feet and having a radius of 50.00 feet, in all an arc distance of 76.91 feet to a calculated point;

2) North 27 degrees 51 minutes 01 seconds East, a distance of 60.97 feet to a calculated point;

3) in a curve to the left being subtended by a chord of North 24 degrees 55 minutes 17 seconds East, a chord distance of 22.33 feet and having a radius of 218.50 feet, in all an arc distance of 22.34 feet to a calculated point;

4) North 21 degrees 59 minutes 33 seconds East, a distance of 152.34 feet to a calculated point;

5) in a curve to the left being subtended by a chord of North 21 degrees 00 minutes 45 seconds West, a chord distance of 50.47 feet and having a radius of 37.00 feet, in all an arc distance of 55.54 feet to a calculated point;

6) North 64 degrees 01 minutes 04 seconds West, a distance of 282.48 feet to a calculated point;

7) South 25 degrees 58 minutes 56 seconds West, a distance of 318.03 feet to a calculated point being in said north right-of-way line; thence with said north right-of-way line North 64 degrees 01 minutes 04 seconds West, a distance of 119.93 feet to a calculated point being the southeast corner of the Daviess County School District Finance Corp. property, as recorded in Deed Book 800, at Page 604 in said clerk's office; thence with the east line of said school property North 27 degrees 31 minutes 53 seconds East, passing through the southeast corner of the Ohio Valley Two Way Radio, Inc. property, as recorded in Deed Book 678, at Page 570 in said clerk's office, then continuing on the same course with the east line of said radio property, a total distance of 1,184.88 feet to a calculated point being the northeast corner of said radio property; thence with the north line of said radio property North 70 degrees 49 minutes 28 seconds West, passing through the northeast corner of said school property, Owen D. Wimsatt Subdivision, as recorded in Deed Book 419, at Page 95 in said clerk's office, Commonwealth of Kentucky, as shown on highway plans, and Gateway Land, LLC property, as recorded in Deed Book 945, at Page 733 properties then continuing on the same course with the north line of each property, a total distance of 1,842.51 feet to a calculated point being in the

east right-of-way line of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

1) South 01 degrees 43 minutes 01 seconds West, a distance of 154.11 feet to a calculated point;

2) South 05 degrees 06 minutes 32 seconds East, a distance of 339.77 feet to a calculated point;

3) South 20 degrees 42 minutes 49 seconds East, a distance of 257.22 feet to a calculated point;

4) South 21 degrees 13 minutes 46 seconds East, a distance of 390.48 feet to a calculated point;

5) South 41 degrees 55 minutes 34 seconds East, a distance of 130.00 feet to a calculated point;

6) South 51 degrees 33 minutes 55 seconds East, a distance of 185.84 feet to a calculated point;

7) South 28 degrees 30 minutes 06 seconds West, a distance of 19.75 feet to a calculated point being in the east line of the corporate limits of Owensboro, Kentucky; thence with said east line for the following twenty-three (23) calls:

1) North 63 degrees 32 minutes 54 seconds West, a distance of 139.55 feet to a calculated point;

2) North 64 degrees 47 minutes 08 seconds West, a distance of 120.58 feet to a calculated point;

3) North 63 degrees 22 minutes 42 seconds West, a distance of 102.97 feet to a calculated point;

4) North 62 degrees 41 minutes 22 seconds West, a distance of 126.78 feet to a calculated point;

5) North 62 degrees 51 minutes 58 seconds West, a distance of 158.92 feet to a calculated point;

6) North 63 degrees 11 minutes 03 seconds West, a distance of 191.84 feet to a calculated point;

7) North 62 degrees 33 minutes 26 seconds West, a distance of 237.10 feet to a calculated point;

8) North 63 degrees 16 minutes 58 seconds West, a distance of 196.27 feet to a calculated point;

9) North 62 degrees 17 minutes 22 seconds West, a distance of 299.41 feet to a calculated point;

10) North 27 degrees 07 minutes 23 seconds East, a distance of 777.34 feet to a calculated point;

11) North 31 degrees 12 minutes 19 seconds East, a distance of 362.79 feet to a calculated point;

12) North 20 degrees 11 minutes 25 seconds East, a distance of 156.38 feet to a calculated point;

13) North 09 degrees 30 minutes 19 seconds East, a distance of 99.88 feet to a calculated point;

14) North 04 degrees 54 minutes 03 seconds East, a distance of 146.04 feet to a calculated point;

15) North 05 degrees 12 minutes 31 seconds West, a distance of 222.32 feet to a calculated point;

16) North 05 degrees 03 minutes 26 seconds East, a distance of 237.69 feet to a calculated point;

17) North 11 degrees 51 minutes 35 seconds West, a distance of 243.44 feet to a calculated point;

18) North 19 degrees 09 minutes 05 seconds West, a distance of 199.82 feet to a calculated point;

19) North 25 degrees 34 minutes 51 seconds West, a distance of 200.40 feet to a calculated point;

20) North 32 degrees 01 minutes 47 seconds West, a distance of 199.92 feet to a calculated point;

21) North 36 degrees 47 minutes 30 seconds West, a distance of 100.21 feet to a calculated point;

22) North 43 degrees 53 minutes 53 seconds West, a distance of 246.62 feet to a calculated point;

23) North 35 degrees 36 minutes 13 seconds West, a distance of 146.96 feet to a calculated point; thence severing said corporate limits for the following eighteen (18) calls:

1) North 34 degrees 56 minutes 50 seconds West, a distance of 104.01 feet to a calculated point;

2) North 39 degrees 12 minutes 03 seconds West, a distance of 200.54 feet to a calculated point;

3) North 38 degrees 26 minutes 55 seconds West, a distance of 95.00 feet to a calculated point;

4) North 38 degrees 03 minutes 23 seconds West, a distance of 204.79 feet to a calculated point;

5) North 35 degrees 50 minutes 48 seconds West, a distance of 200.05 feet to a calculated point;

6) North 34 degrees 14 minutes 44 seconds West, a distance of 200.03 feet to a calculated point;

7) North 33 degrees 14 minutes 00 seconds West, a distance of 200.06 feet to a calculated point;

8) North 31 degrees 45 minutes 25 seconds West, a distance of 157.57 feet to a calculated point;

9) North 31 degrees 30 minutes 43 seconds West, a distance of 160.50 feet to a calculated point;

10) North 39 degrees 08 minutes 39 seconds West, a distance of 301.37 feet to a calculated point;

11) North 31 degrees 32 minutes 38 seconds West, a distance of 157.27 feet to a calculated point;

12) South 54 degrees 30 minutes 41 seconds West, a distance of 320.29 feet to a calculated point;

13) South 40 degrees 03 minutes 39 seconds East, a distance of 25.08 feet to a calculated point;

14) South 54 degrees 30 minutes 41 seconds West, a distance of 100.00 feet to a calculated point;

15) North 40 degrees 03 minutes 39 seconds West, a distance of 187.48 feet to a calculated point;

16) North 55 degrees 39 minutes 38 seconds East, a distance of 50.25 feet to a calculated point;

17) South 40 degrees 03 minutes 38 seconds East, a distance of 111.23 feet to a calculated point;

18) North 54 degrees 30 minutes 41 seconds East, a distance of 715.19 feet to a calculated point being in the east line of said corporate limits; thence with said east line for the following Twelve (12) calls:

- 1) South 26 degrees 15 minutes 01 seconds East, a distance of 166.17 feet to a calculated point;
- 2) South 27 degrees 54 minutes 08 seconds East, a distance of 306.65 feet to a calculated point;
- 3) South 29 degrees 45 minutes 13 seconds East, a distance of 143.87 feet to a calculated point;
- 4) South 35 degrees 37 minutes 40 seconds East, a distance of 238.66 feet to a calculated point;
- 5) South 30 degrees 45 minutes 26 seconds East, a distance of 119.29 feet to a calculated point;
- 6) South 30 degrees 45 minutes 13 seconds East, a distance of 279.84 feet to a calculated point;
- 7) South 34 degrees 26 minutes 42 seconds East, a distance of 181.88 feet to a calculated point;
- 8) North 55 degrees 12 minutes 06 seconds East, a distance of 1,349.70 feet to a calculated point;
- 9) South 36 degrees 32 minutes 31 seconds East, a distance of 539.98 feet to a calculated point;
- 10) North 55 degrees 11 minutes 19 seconds East, a distance of 845.00 feet to a calculated point;
- 11) South 34 degrees 24 minutes 43 seconds East, a distance of 60.00 feet to a calculated point;
- 12) South 55 degrees 11 minutes 19 seconds West, a distance of 2,164.39 feet to a calculated point being in the east right-of-way line of an access road east of the Wendell Ford Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seven (7) calls:

- 1) South 39 degrees 55 minutes 56 seconds East, a distance of 237.91 feet to a calculated point;
- 2) in a curve to the left being subtended by a chord of South 54 degrees 33 minutes 26 seconds East, a chord distance of 274.18 feet and having a radius of 542.96 feet, in all an arc distance of 277.18 feet to a calculated point;
- 3) South 20 degrees 49 minutes 04 seconds West, a distance of 50.00 feet to a calculated point;
- 4) North 64 degrees 40 minutes 56 seconds West, a distance of 93.05 feet to a calculated point;
- 5) South 56 degrees 23 minutes 02 seconds West, a distance of 15.69 feet to a calculated point;
- 6) South 25 degrees 48 minutes 23 seconds East, a distance of 160.63 feet to a calculated point;

7) in a curve to the right being subtended by a chord of South 17 degrees 05 minutes 01 seconds East, a chord distance of 951.26 feet and having a radius of 2,019.86 feet, in all an arc distance of 960.23 feet to a calculated point being in the west right-of-way line of the Wendell Ford Expressway, said west right-of-way line varies in width from its centerline; thence crossing said expressway South 37 degrees 22 minutes 41 seconds East, a distance of 428.64 feet to a calculated point being in the east right-of-way line of said Expressway, said east right-of-way line varies in width from its centerline; thence with said east right-of-way line for the following seventeen (17) calls:

- 1) North 27 degrees 13 minutes 37 seconds East, a distance of 148.80 feet to a calculated point;
- 2) North 36 degrees 48 minutes 38 seconds West, a distance of 41.07 feet to a calculated point;
- 3) North 21 degrees 57 minutes 38 seconds East, a distance of 51.24 feet to a calculated point;
- 4) North 21 degrees 57 minutes 38 seconds East, a distance of 122.78 feet to a calculated point;
- 5) North 27 degrees 09 minutes 56 seconds East, a distance of 196.83 feet to a calculated point;
- 6) North 31 degrees 16 minutes 05 seconds East, a distance of 196.52 feet to a calculated point;
- 7) North 25 degrees 08 minutes 19 second East, a distance of 197.26 feet to a calculated point;
- 8) North 38 degrees 00 minutes 35 seconds East, a distance of 206.86 feet to a calculated point;
- 9) North 29 degrees 29 minutes 03 seconds East, a distance of 187.35 feet to a calculated point;
- 10) North 37 degrees 29 minutes 21 seconds East, a distance of 147.74 feet to a calculated point;
- 11) North 54 degrees 34 minutes 45 seconds East, a distance of 330.20 feet to a calculated point;
- 12) South 36 degrees 18 minutes 15 seconds East, a distance of 0.19 feet to a calculated point;
- 13) North 53 degrees 41 minutes 45 seconds East, a distance of 12.21 feet to a calculated point;
- 14) North 52 degrees 34 minutes 47 seconds East, a distance of 294.84 feet to a calculated point;
- 15) North 66 degrees 45 minutes 30 seconds East, a distance of 254.01 feet to a calculated point;
- 16) North 56 degrees 33 minutes 16 seconds East, a distance of 249.99 feet to a calculated point;
- 17) North 52 degrees 15 minutes 55 seconds East, a distance of 401.11 feet to a calculated point being in the west right-of-way line of Kentucky Highway 603, said west right-of-way line varies in width from its centerline; thence with said west right-of-way line for the following three (3) calls:

- 1) South 56 degrees 24 minutes 44 seconds East, a distance of 241.35 feet to a calculated point;

2) South 51 degrees 17 minutes 47 seconds East, a distance of 206.27 feet to a calculated point;

3) South 35 degrees 19 minutes 13 seconds East, a distance of 501.17 feet to a calculated point being in the south right-of-way line of Hayden Road, said south right-of-way line varies in width from its centerline; thence with said south right-of-way line North 53 degrees 59 minutes 28 seconds East, a distance of 202.45 feet to a calculated point being in the northwest corner of the Senior Green, LLC property, as recorded in Deed Book 1011, at Page 316 in said clerk's office; thence with the west line of said Senior Green, LLC property South 37 degrees 30 minutes 08 seconds East, a distance of 342.40 feet to a calculated point; thence continuing with said west line South 08 degrees 40 minutes 12 seconds East, a distance of 167.29 feet to a calculated point; thence severing said Senior Green, LLC property South 41 degrees 29 minutes 23 seconds East, a distance of 713.42 feet to a calculated point; thence continuing to sever said Senior Green, LLC property in a curve to the right being subtended by a chord of South 35 degrees 37 minutes 38 seconds East, a chord distance of 518.89 feet and having a radius of 2,540.00 feet, in all an arc distance of 519.80 feet to a calculated point being in the west line of the James and Ernest Pantle property, as recorded in Deed Book 431, at Page 216 in said clerk's office; thence severing said Pantle property in a curve to the right being subtended by a chord of South 22 degrees 06 minutes 10 seconds East, a chord distance of 677.31 feet and having a radius of 2,540.00 feet, in all an arc distance of 679.33 feet to a calculated point; thence continuing to sever said Pantle property South 14 degrees 26 minutes 26 seconds East, a distance of 61.40 feet to a calculated point being in the north line of the Downs Subdivision, as recorded in Plat Book 28, at Page 77 and Plat Book 30, at Page 22 both in said clerk's office; thence with said north line North 71 degrees 57 minutes 07 seconds West, a distance of 126.88 feet to a calculated point being in the south line of said Pantle property; thence severing said Pantle property North 75 degrees 24 minutes 01 seconds East, a distance of 27.01 feet to a calculated point; thence continuing to sever said Pantle property in a curve to the left being subtended by a chord of North 22 degrees 49 minutes 00 seconds West, a chord distance of 703.17 and having a radius of 2,460.00 feet, in all an arc distance of 705.59 feet to a calculated point being in the east line of the Daviess County School District Finance Corp. property, as recorded in Deed Book 1012, at Page 26 in said clerk's office; thence with said east line North 85 degrees 42 minutes 45 seconds East, a distance of 41.53 feet to a calculated point; thence continuing with said east line South 05 degrees 12 minutes 16 seconds West, a distance of 546.15 feet to a calculated point being in said north line; thence with said north line North 71 degrees 13 minutes 39 seconds West, a distance of 107.91 feet to a calculated point; thence continuing said north line South 53 degrees 53 minutes 52 seconds West, a distance of 51.00 feet to a calculated point being in the west line of the Downs Subdivision, as recorded in Plat Book 29, at Page 330, Plat Book 30, at Page 22, and Plat Book 30, at Page 141 all in said clerk's office; thence with said west line South 16 degrees 53 minutes 40 seconds West, a distance of 1,578.30 feet to a calculated point being in the north line of the Wal-Mart Real Estate Business Trust property, as recorded in Deed Book 785, at Page 260 in said clerk's office; thence with said north line North 71 degrees 46 minutes 46 seconds West, a distance of 235.51 feet to a calculated point; thence continuing with said north line North 74 degrees 21 minutes 33 seconds West, a distance of 395.33 feet to a calculated point being the northeast corner of said human resources property; thence with the north line of said human resources property North 70 degrees 51 minutes 57 seconds West, a distance of 490.34 feet to a calculated point being the northwest corner of said human resources property; thence with the west line of said human resources property South 21 degrees 59 minutes 33 seconds West, a

distance of 1,235.72 feet to the point of beginning and containing 308.56 acres. This description was prepared for a tax area only and is NOT to be used for the transfer of real property.

J. William Weikel, Jr. *April 30 2020*
J. William Weikel, Jr., KY PLS No. 2813 Date

F:\Data\2007\07-3028\dwg\TIF DRAWINGS\TIF Description-Revised 04-29-20.doc



EXHIBIT B

The Project

Gateway Commons Mixed-Use Development Project

Estimated Project Scope

The Project is expected be built in phases and to include approximately:

- 835,600 square feet of retail space
 - 595,800 square feet of users over 20,000 square feet per store
 - 239,800 square feet of users under 20,000 square feet per store
- 45,500 square feet of restaurant space
- A 55,000 square foot theater with a bowling alley
- 220,000 square feet of leasable office and professional/medical space
- 650 residential units

The estimated construction costs include:

- Total construction cost of \$335.3 million
 - \$163.0 million in private costs excluding retail over 20,000 sq ft.
 - \$110.2 million in private costs for retail over 20,000 sq ft.
 - \$62.1 million in public costs

EXHIBIT C

Elements of Project to be Financed with City Incremental Revenues and State Incentive Revenues

Public Infrastructure

Site Preparation	\$5,760,800
Sanitary Waste Water Improvements	\$7,249,002
Storm Sewers and Detention	\$2,250,998
Utilities	\$3,000,000
Roadways	\$15,320,000
Public Spaces/Landscaping	\$1,500,000
Public Parking	<u>\$3,506,400</u>
Total Public Infrastructure	\$38,587,200

The above cost estimates are intended for description only and not as a limitation of the costs in each category that may be recovered pursuant to this Agreement

EXHIBIT D
Financing Plan

The Plan for Financing the Project

To provide funding support for the needed capital improvements set forth in the Development Plan and to provide support for the Project and provide development assistance, the City of Owensboro ("City") plans to create the Gateway Commons Development Area pursuant to the provision of KRS 65.7041 to KRS 65.7083 and to utilize a portion of the new incremental revenues generated to support the financing of public infrastructure improvements.

The plan provides that the City will pledge 80% of the new incremental revenues, generated from within the Development Area, from real property taxes and occupational taxes over a 20-year period to pay for certain project costs. It is understood that the local revenues from the Development Area that were being generated prior to the Project's development (the baseline) shall not be subject to any pledge of revenues to support the Project.

In addition, the plan provides for the City to submit an application to the Kentucky Economic Development Finance Authority (KEDFA) to seek a pledge of 80% of new incremental state revenues from the footprint of the Project, to provide funding for approved public infrastructure costs.

Financing Plan

The Project is made up of both public and private components. The total cost of the project is estimated to be approximately \$335.3 million. This includes approximately \$273.2 million in private expenditures and \$62.1 million in qualifying public infrastructure costs.

It is expected that certain public infrastructure costs and all private development costs of the project will be financed privately by the developer. While this private financing may include tax-exempt tax increment financing bonds, there will be no bonds or other debt issued that will be guaranteed by a public entity to finance this project. A portion of the incremental revenues pledged in this agreement will be granted to the developer or a trustee on a receipts basis, as outlined by KRS 154.30-090. The pledge of these incremental revenues is critical to the affordability of financing the project.

The developer has discussed the proposed development with several lenders and underwriters and has received positive feedback on the financing of the proposed project costs. Until the structure of the deal is finalized – and the balance of public and private cost sharing delineated – it is too early at this time to detail the financing costs of the project. The developer has strong relationships with many of the country's leading lending institutions and is confident in their ability to obtain the financing for the project costs once the aforementioned public revenues are formally pledged.

EXHIBIT E

Listing of Anticipated New Revenues for the City

Gateway Commons Mixed-Use Development Project
Incremental Tax Revenue Estimates - State Mixed-Use TIF Program

	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	20-Year Total
Estimated Tax Revenues from Project									
State Tax Revenues									
State Property Tax Revenues	\$2,127,910	\$25,578	\$33,281	\$83,740	\$92,316	\$106,041	\$113,724	\$131,981	\$2,127,910
State Sales and Use Tax Revenues	\$101,504,372	\$516,000	\$1,071,840	\$1,978,753	\$2,573,100	\$3,248,515	\$6,057,565	\$7,030,051	\$101,504,372
State Corporate/LLET Tax Revenues	\$973,190	\$3,225	\$6,699	\$15,664	\$19,428	\$23,700	\$59,888	\$69,502	\$973,190
State Individual Income Tax	\$30,568,636	\$59,745	\$142,571	\$433,286	\$524,191	\$616,082	\$1,911,478	\$2,218,349	\$30,568,636
Total State Tax Revenues	\$135,174,108	\$604,548	\$1,254,391	\$2,511,442	\$3,209,035	\$3,994,338	\$8,142,655	\$9,449,883	\$135,174,108
Local Tax Revenues									
Local Property Tax Revenues - Owensboro	\$4,522,681	\$54,363	\$70,737	\$177,981	\$196,209	\$225,380	\$241,710	\$280,514	\$4,522,681
Local Occupational License Fees - Owensboro	\$11,405,858	\$24,638	\$57,027	\$164,985	\$200,446	\$237,120	\$711,503	\$825,728	\$11,405,858
Local Property Tax Revenues - Daviess County	\$4,255,820	\$51,155	\$66,563	\$167,479	\$184,631	\$212,081	\$227,447	\$263,962	\$4,255,820
Local Occupational License Fees - Daviess County	\$3,001,542	\$6,484	\$15,007	\$43,417	\$52,749	\$62,400	\$187,238	\$217,297	\$3,001,542
Total Local Tax Revenues	\$23,185,901	\$136,641	\$209,333	\$553,862	\$634,035	\$736,981	\$1,367,897	\$1,587,501	\$23,185,901
Total Tax Revenues	\$158,360,008	\$741,188	\$1,463,724	\$3,065,304	\$3,843,071	\$4,731,319	\$9,510,552	\$11,037,384	\$158,360,008
"As-Is" Tax Revenues									
State Tax Revenues									
State Property Tax Revenues	\$36,403	\$1,574	\$1,598	\$1,622	\$1,646	\$1,671	\$1,800	\$2,089	\$36,403
Total State "As Is" Tax Revenues	\$36,403	\$1,574	\$1,598	\$1,622	\$1,646	\$1,671	\$1,800	\$2,089	\$36,403
Local Tax Revenues									
Local Property Tax Revenues - Owensboro	\$77,372	\$3,346	\$3,396	\$3,447	\$3,499	\$3,551	\$3,826	\$4,440	\$77,372
Local Property Tax Revenues - Daviess County	\$72,807	\$3,149	\$3,196	\$3,244	\$3,292	\$3,342	\$3,600	\$4,178	\$72,807
Total Local "As Is" Tax Revenues	\$150,179	\$6,495	\$6,592	\$6,691	\$6,791	\$6,893	\$7,426	\$8,618	\$150,179
Total "As-Is" Tax Revenues	\$186,582	\$8,069	\$8,190	\$8,313	\$8,437	\$8,564	\$9,226	\$10,707	\$186,582
Estimated Incremental Tax Revenues	\$158,173,426	\$733,119	\$1,455,534	\$3,056,992	\$3,834,633	\$4,722,755	\$9,501,326	\$11,026,677	\$158,173,426
(-) Retained by State at 20%	\$27,027,541	\$120,595	\$250,559	\$501,964	\$641,478	\$798,533	\$1,628,171	\$1,889,559	\$27,027,541
(-) Retained by Local at 20%	\$4,607,144	\$26,029	\$40,548	\$109,434	\$125,449	\$146,018	\$272,094	\$315,777	\$4,607,144
Net Incr. Tax Rev. Available from Project	\$126,538,741	\$586,495	\$1,164,428	\$2,445,593	\$3,067,707	\$3,778,204	\$7,601,061	\$8,821,341	\$126,538,741
Incr. Tax Rev. Available for State TIF Program at 80%	\$108,110,163	\$482,379	\$1,002,235	\$2,007,856	\$2,565,911	\$3,194,133	\$6,512,684	\$7,558,235	\$108,110,163
Incr. Tax Rev. Available for Local Participation at 80%	\$18,428,578	\$104,117	\$162,193	\$437,737	\$501,795	\$584,071	\$1,088,377	\$1,263,106	\$18,428,578

I-1

[illegible]

EXHIBIT J BUSINESS ACTIVITY REPORTS

Tax Increment Financing (TIF) Business Questionnaire

TIF Development Authority

Agency Name City of Owensboro
Contact Person Angela Hamric
Title Director of Finance & Support Services
Address 101 East 4th Street
City, State Owensboro, KY Zip 42303
Telephone Number 270-687-4444 Email Address

For Official Use Only

Zone Number _____

Local Agent Initials _____

This form is distributed by the local TIF development authority for use in determining amounts eligible for TIF. The form must be completed by all businesses operating within the state footprint of an approved TIF project and returned to the local TIF development authority as noted above. If you have any questions, please contact the local TIF development authority.

Business Information

Business Name _____
DBA (if applicable) _____
Location Address _____
City, State _____ Zip _____
Contact Person _____
Telephone Number _____ Email Address _____
Date operations began at this location _____

Tax Identification Numbers (if applicable):

(if not applicable input "N/A")

Commonwealth Business Identifier Number (CBI) _____
FEIN or SSN _____

Are you registered with the Secretary of State? ☐ YES ☐ NO

If yes, please provide the registered name, if it is not the the Business Name or DBA listed above

KY Withholding # _____ ☐ Check box if multiple locations file under this Tax ID
KY Sales Tax # _____ ☐ Check box if multiple locations file under this Tax ID

If a box was checked for multiple locations, please list the addresses of other business locations:

For multiple locations only- Are separate accounting records kept for activity within and outside the footprint?
☐ YES ☐ NO

Provide a brief description of business activity, property sold and services provided at the location address:

Was the business previously operated under a different owner or name? ☐ YES ☐ NO

Former Business Name: _____

Name of Previous Owner: _____ Date of Acquisition: _____

I understand that the information provided will be confidential and will be shared only with the Commonwealth of Kentucky's Department of Revenue and the Cabinet for Economic Development.

Printed Name

Title



CITY OF OWENSBORO, KENTUCKY

P.O. Box 10003
Owensboro, Kentucky 42302
www.owensboro.org

Date _____

Business Name _____

Address _____

You are receiving this notice because your business has a location in or is performing work in the "insert TIF district name" District. Under the TIF agreement, the state taxes generated by businesses specifically within the TIF district must be reported to the state. In order to capture this data, the city needs to verify the following information:

All gross wages, salaries and other compensation paid by your business was attributable to the location listed above:

YES _____ NO _____

All gross receipts/sales generated are attributable to the location listed above:

YES _____ NO _____

Signed _____ Title _____

Return form to brownwl@owensboro.org

Thank you!

Business name:

Account Number -

STATE - TIF

TAX INCREMENTAL FINANCING – STATE DATA FOR 2019

Tax Incremental Financing (TIF) - Downtown:

A.) Taxable gross receipts/sales attributable to this location.....	
B.) Total Kentucky Sales Tax remitted based upon sales at this location.....	
C.) Total wages, salaries and other compensation attributable to this location.....	
D.) Total State Taxes Withheld from wages attributable to the location	

Tax Incremental Financing (TIF) – Gateway Commons:

A.) Taxable gross receipts/sales attributable to this location.....	
B.) Total Kentucky Sales Tax remitted based upon sales at this location.....	
C.) Total wages, salaries and other compensation attributable to this location.....	
D.) Total State Taxes Withheld from wages attributable to the location	

INSTRUCTIONS FOR WORKSHEET –

- A.) Enter the gross receipts/sales subject to sales tax generated from the location within the TIF area.
- B.) Enter the total sales tax remitted to the State of Kentucky based upon the sales from the location within the TIF area.
- C.) Enter the total wages, salaries and other compensation earned by employees at this location within the TIF area.
- if this is your sole location in Owensboro, report all wages included as gross wages for Owensboro on your E-1 filing
 - if multiple locations exist, include all wages for employees working at or claiming this location as their “home” base
- D.) Enter the total State Taxes remitted to the State of KY for wages reported in box C.

Signature

printed name

email

phone #

Mail to: City of Owensboro, Attn: Finance-TIF, 101 East 4th St, Owensboro, KY 42303.
Or Email: brownwl@owensboro.org

Business name:

Account Number:

E-1 TIF

Period Beginning:

Due Date:

Period Ending:

CITY OF OWENSBORO/DAVIESS COUNTY-EMPLOYERS RETURN OF LICENSE FEE WITHHELD		
	COLUMN A CITY OF OWENSBORO	COLUMN B DAVIESS COUNTY
1. Total Gross Wages, Salaries and Other Subject Compensations Paid.....		
2. Less: Compensation Not Subject to License Fee.....		
3. Earnings Subject to License Fee (Line 1 Minus Line 2).....		
4. License Fee Rate	1.78%	.70%
5. License Fee Due.....		
6. Penalty (5% Per Month Not to Exceed 25%) \$25 Minimum.....		
7. Interest (1% Per calendar month or fraction thereof).....		
8. Total Amount Due (Add Lines 5, 6 and 7).....		
9. Payment Amount (Add Line 8 Column A to Line 8 Column B).....		
10.) Tax Incremental Financing Location – Downtown:		
A.) Amount from Line 3 Column A of Return attributable to Location #1 address.....		
B.) Amount from Line 5 Column A of Return attributable to Location #1 address.....		
11.) Tax Incremental Financing Location – Gateway Commons:		
A.) Amount from Line 3 Column A of Return attributable to Location #2 address.....		
B.) Amount from Line 5 Column A of Return attributable to Location #2 address.....		
I hereby certify that the information statements contained herein and any schedules or exhibits attached are true and correct to the best of my knowledge.		
Signature & Phone Number	Title	Date

Important Note: Calculate the occupational license fee due from compensation earned within the corporate city limits of the City of Owensboro in Column A. Calculate the occupational license fee due from compensation earned in Daviess County, outside the corporate city limits of Owensboro, in Column B.

When To File - The employer shall make a return and pay the license fee in accordance with the following due dates:

- a.) Returns required to be filed monthly shall be due on or before the 15th day of the month next following each monthly period, except the return for the last month of the calendar year, which shall be due on January 31.
- b.) Returns required to be filed quarterly shall be due on or before the last day of the month following each quarterly period.

LINE 1: Enter compensation paid to employees, regardless of when or where earned.

LINE 2: Enter the amount included in Line 1 which represents payment for services performed:
- Outside the corporate city limits of the City of Owensboro on Line 2 of Column A
- Outside Daviess County on Line 2 of Column B. (Should include compensation earned in the corporate limits of the City of Owensboro).

LINE 3: Enter total earnings subject to license fee. (Line 1 minus Line 2 in each column).

LINE 4: License fee rate. (Daviess County Rate in Column B is .5% for periods ending 07/31/05 thru 12/31/06)

LINE 5: Enter the license fee due. (Line 3 multiplied by Line 4 in each column).

LINE 6: Applicable percentage of penalty multiplied by Line 5. (\$25 minimum) (Any licensee who fails to file and/or pay the license fee by the due date shall pay penalty at the rate of 5% per calendar month, not to exceed 25% of the total license fee due, however penalty will always be a minimum of \$25)

LINE 7: Applicable percentage of interest multiplied by Line 5. (Any licensee who fails to pay the license fee by the due date shall pay interest at the rate of 1% per calendar month, or fraction thereof, of any license fee due.

LINE 8: Total license fee, interest and penalty due. (Add Lines 5, 6 and 7 in each column).

LINE 9: Total Payment due. (Add Line 8 Column A to Line 8 Column B and enter on Line 9)
(PAY THIS AMOUNT WITH THE RETURN)

Line 10 thru Line 12 : Enter Tax Incremental Financing data as required if applicable.

Make Checks Payable to: Occupational Tax Administrator
Mail to: Occupational License Fee Division
PO Box 10008-Owensboro, KY 42302-9008
Telephone Number: (270) 687-8321

Business name:

Account Number:

Period Beginning:

Due Date:

Period Ending:

PART V- TIF DATA FOR NET PROFIT FOR 2019

FOR OFFICE USE ONLY

1.) TIF Location -Downtown

A.) Gross receipts/sales attributable to this location.....

B.) Total wages, salaries & other compensation attributable to this location...

% OF RECEIPT NET PROFIT FEE

% OF WAGES

% OF FEE

2.) TIF Location -Gateway

A.) Gross receipts/sales attributable to this location.....

B.) Total wages, salaries & other compensation attributable to this location...

% OF RECEIPT NET PROFIT FEE

% OF WAGES

% OF FEE

INSTRUCTIONS FOR PART V – TIF Data for Net Profit

Line 1

A.) Enter the gross receipts/sales generated from TIF location.

B.) Enter the total wages, salaries and other compensation earned by employees at TIF location.

- if this is your sole location in Owensboro, report all wages included as gross wages for Owensboro on your E-1 filing
- if multiple locations exist, include all wages for employees working at or claiming this location as their "home" base