



CITY OF INDIANOLA COUNCIL MEETING

April 14, 2025

6:00 PM

City Council Chambers

110 N 1st Street, Indianola, IA

Agenda

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Public Comment**
- 5. Public Consideration**
 - A. Old Business
 1. Council At-large Vacancy
 - a. Interviews for the position of council member at-large.
 - b. Resolution appointing a council member to a vacant position.
 - c. Oath of Office - Council Member At-Large
 2. Kentucky Ridge
 - a. Discussion on Kentucky Ridge
 - b. Motion to direct staff to prepare a resolution setting a public hearing regarding an amendment to the development agreement.
 - c. Motion to direct staff to prepare a resolution setting a public hearing regarding an amendment to the urban renewal plan.
- 6. Other Business**
 - A. Budget Presentation
 - B. Enter into closed session in accordance with Iowa Code Section 21.5(1)(i) to evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session.
- 7. Adjourn**



MEMORANDUM

To: Mayor and City Council
From: Jackie Raffety, City Clerk/Finance Director
Date: April 14, 2025
Subject: Council At-large Vacancy

Introduction: At its meeting on March 3, 2025, the Indianola City Council approved a resolution to appoint a council member at-large.

Background: Applications for council member at-large were accepted through March 28, 2025 at 4 PM. Five applications were received; one applicant has respectfully pulled his name from consideration. The remaining applications were interviewed at the April 7 Council meeting and the field narrowed down to two. The appointed council member will serve until the end of the unexpired term, December 31, 2025.

Discussion: The Council is asked to interview the final two candidates separately, with each council member asking one question. After the interviews have concluded, the council members will write their votes on a piece of paper. The clerk will tally the votes. This process will continue until there is a majority consensus.

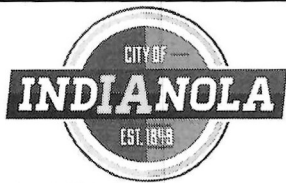
Four votes are required to approve the resolution appointing a council member. Mayor Richardson can administer the oath of office at the meeting, or within ten days of the appointment.

Budget Impact:

Recommendation:

Attachments:

1. Eric Martens, Application
2. Robert Lane Application



CITY CLERK'S OFFICE

110 N 1st Street, Indianola, IA 50125-0299 • www.indianolaiowa.gov
515-961-9410 phone • 515.961.9402 fax

COUNCIL MEMBER POSITION EXPRESSION OF INTEREST

PERSONAL INFORMATION

NAME:	Eric Martens	TODAY'S DATE:	3-4-2025
STREET ADDRESS:	706 N. 14th Street		
CITY:	Indianola	STATE:	IA
ZIP:	50125		
EMAIL:	EricMartens66@gmail.com		
HOME PHONE:	515-249-0666	CELL PHONE:	249-0666
WORK PHONE:	SAME		
OCCUPATION:	Freelance	YEARS RESIDED IN INDIANOLA:	25+
HAVE YOU PREVIOUSLY SERVED AS AN ELECTED OFFICIAL, HERE OR ELSEWHERE?			☐ YES ☒ NO
OFFICE:		YEARS SERVED:	

Please provide an essay of no more than 500 words indicating:

- Why you desire to be a Council Member of Indianola;
- Why you believe you are qualified for this position; and
- How you will contribute to keep Indianola moving forward in a positive way.

Please also attach a resume or bio that includes a listing of work experience and civic involvement.

Completed applications, with all required attachments, must be received by **4:00 PM on Friday, March 28, 2025**. All materials must be submitted to:

City Clerk's Office
110 N. 1st Street
Indianola, IA 50125

Or

cityclerk@indianolaiowa.gov

Applicants will be interviewed by the council at the April 7, 2025 city council meeting at 6:00 PM.

Applicant's Statement

I certify that I am legally eligible for appointment to the office for which I am applying, including residency requirements. I agree, if appointed, to fairly and impartially, to the best of my ability, discharge all the duties of the office as required by law.

SIGNATURE

3-4-2025

DATE

Thank you for taking the time to consider my interest in filling the At Large Council seat. I am a lifelong Warren County resident; I moved to Indianola in 1999 and have resided here since. My wife, Abby, and I raised 6 wonderful children here. 5 of the 6 graduated from the Indianola school district and we're proud to say one now works for ICSD. I have a 140 lb Great Dane, Reggie, who is my constant companion, he goes almost everywhere I go. I am interested the seat on the council because I am excited about the direction our town is moving, especially with the recent Main Street designation. We have multiple developments going in that will bring in both more residents and businesses. This growth will add a significant amount to our tax base. I feel I can add a fiscally responsible mentality, be transparent and I am not afraid to make hard decisions. There are going to be a lot of tough decisions ahead with the current deficit in our budget. I am ready to take off at full speed, doing everything I can to make our community the BEST in Iowa. I look forward to having a hand in making Indianola a phenomenal place to live, work, and visit.

I built my career through successful business management. I've managed Trusted Journey/LovingRest Pet Funeral Home for nearly 20 years. Managing a delicate business provided me with the unique opportunity to learn to help people and operate a small business within the confines of a limited budget. Using the financial knowledge and social lessons I have learned along the way; I now own 2 of my own businesses. Managing a business with delicate needs as well as owning two businesses requires effective leadership, immaculate financial management and a relentless positive attitude. My management abilities have served me well as I have taken on various positions within the hot air ballooning community and the boards that keep us operating. I previously served as the Vice President and safety chair of Fuelink Inc. I've served a term as both Vice President and President of the Iowa Balloonist Association, and I remain an active board member. I am the current President of the National Balloon Museum. My ability to work under pressure and through difficult circumstances has been a huge asset in navigating the hoops the museum has had to jump through post-fire.

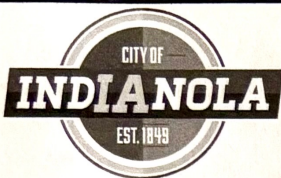
I'd bring to the City of Indianola the ability to provide the residents a representative who is open to their needs and will listen to their concerns, while providing realistic feedback. I believe the budget should be balanced in a frugal manner that is beneficial to all without frivolously spending funds that benefit only a few. We aren't spending someone else's money; we are spending our money. All citizens should feel they are part of their city's financial and decision-making process if they so desire.

I pride myself on my empathetic nature, I am genuinely interested in the needs of others and aspire to be a helping hand others feel comfortable turning to. I have a no-nonsense approach to the financial implications a strict budget provides, with an ingrained waste not want not mindset.

I'm providing this summary to let you know I am not a career politician; I am a blue-collar worker who chose to raise my family in Indianola and the county I grew up in. I am an everyday person looking to represent the everyday people in our community. I would enter this position with no political agenda, other than doing what is best for Indianola's residents.

Thank you for your time and consideration.

Respectfully, Eric Martens



CITY CLERK'S OFFICE

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515-961-9410 phone • 515.961.9402 fax

COUNCIL MEMBER POSITION EXPRESSION OF INTEREST

PERSONAL INFORMATION

NAME:	Robert(Bob) J. Lane	TODAY'S DATE:	3-24-2025		
STREET ADDRESS:	817 Trail Ridge Road				
CITY:	Indianola	STATE:	Iowa	ZIP:	50125
EMAIL:	boblane1981@gmail.com				
HOME PHONE:	same	CELL PHONE:	515-783-7155	WORK PHONE:	-----
OCCUPATION:	Retired	YEARS RESIDED IN INDIANOLA:	30		
HAVE YOU PREVIOUSLY SERVED AS AN ELECTED OFFICIAL, HERE OR ELSEWHERE?					☐ YES ☒ NO
OFFICE:	-----	YEARS SERVED:	-----		

Please provide an essay of no more than 500 words indicating:

- Why you desire to be a Council Member of Indianola;
- Why you believe you are qualified for this position; and
- How you will contribute to keep Indianola moving forward in a positive way.

Please also attach a resume or bio that includes a listing of work experience and civic involvement.

Completed applications, with all required attachments, must be received by **4:00 PM on Friday, March 28, 2025**. All materials must be submitted to:

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Indianola, IA 50125

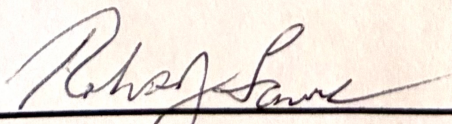
Or

cityclerk@indianolaiowa.gov

Applicants will be interviewed by the council at the April 7, 2025 city council meeting at 6:00 PM.

Applicant's Statement

I certify that I am legally eligible for appointment to the office for which I am applying, including residency requirements. I agree, if appointed, to fairly and impartially, to the best of my ability, discharge all the duties of the office as required by law.


SIGNATURE

3-24-2025
DATE

ROBERT J. LANE

I didn't grow up in Indianola but Indianola is *my home*. I first came to Indianola in the fall of 1977 as a freshman at Simpson College. What I didn't know then was the impact this community would have on my life. My second year at Simpson I met my wife here and since that time I have spent 30+ years of my adult life here. After moving away for two separate job opportunities, Indianola kept calling me back. We have spent the last 18 years enjoying all that Indianola has to offer.

I would like to become more involved in our community and serving on the Council is an opportunity to give back to a place that means a great deal to me and my family. I have witnessed some great things take place in Indianola in recent years and am excited about the future of our town. Now that I am retired, I am finally in a position to dedicate the time required to serve on the council and our citizens. Having spent the majority of my career in higher education, I believe my experience of serving on the President's Cabinet at multiple colleges has prepared me for the type of work the city council does. A president's cabinet is a group of 6-9 college officers tasked with leading the college in all aspects of the institution. I have had over 30 years of that experience dealing with everything from balancing budgets with financial constraints to communicating decisions that have been made to various constituents. While many would describe these tasks as challenging, I found them very rewarding and can now look back knowing I made a positive impact on each of those colleges I served. I also think that combining my many years in Indianola with those I have spent in other communities have given me a perspective that would be helpful when dealing with a variety of issues.

While we are in the middle of some challenging financial times, I don't believe this is unique to Indianola. Challenges are opportunities. If selected I would take time to get to know each member of the Council and why they serve which will provide some valuable insight on what is important to each member and how they communicate. The better the council knows one another, the better we will be able to work together and serve our community and neighbors.

I also recognize the importance of listening to the concerns of community members and being transparent with our decisions. Focusing on educating the community on how and why decisions are made should be helpful when we are confronted with difficult times. Everyone may not always agree with the council's decisions, but transparency in those decisions is extremely important.

I hope to have the opportunity to share my passion and experience for the betterment of this place I call home.

ROBERT J. LANE

817 Trail Ridge Road, Indianola, Ia. 50125

Cell: (515) 783-7155

EDUCATION:

Master of Science, December 1989

Bachelor of Arts, May 1981

Iowa State University, Ames, Iowa

Simpson College, Indianola, Iowa

PROFESSIONAL EXPERIENCE:

Vice President for College Advancement, January 2007- June 2023 (retired)

Simpson College, Indianola, Iowa

Responsible for the oversight and supervision of the entire Advancement division, which included College Advancement, Alumni Relations, Corporate/Foundation Relations and Stewardship/Research. Served as recording secretary to the Trustee/Nominations Committee and served as a member of the Strategic Planning Committee, the Budget Committee and the President's Cabinet. In cooperation with the President, the Cabinet and Board of Trustees, establish budgetary goals and administer programs to secure the financial support for the operating budget, special programs and capital needs. Also managed the office's annual operating budget and operated the departmental budget in the black seventeen consecutive years.

Chaired the Inauguration Committee for the College's thirteenth president coordinating events which transpired over a month-long celebration in conjunction with the College's 175th Anniversary. Those events included the inaugural ceremony, a black-tie dinner, a month-long art exhibit, an academic symposium and two garden dedications as well as other assorted activities.

Supervised and managed the College's last four fundraising campaigns, which accounted for over \$60 million in support of capital and endowment objectives and created the Blank Theatre addition (2010), the Kent Campus Center (2012) the Johnson Fitness Center (2014) and The Imagine the Impact Campaign completed in 2020 (The operational budget and technology enhancements were also a part of this effort. Additionally, we assisted raising the funds for the new turf and track in Buxton Stadium (2021), the artificial turf at McBride Field and Softball stadiums (2022) and the Cowles Fieldhouse renovations in 2022-2023.

Interim President, January 2020-May 2020

Simpson College, Indianola, Iowa

Oversaw the entire campus operation and learned crisis management navigating COVID and personnel issues. Served as the institutional contact for the Board of Trustees during the semester while also learning a great deal about working with the state and federal governments when applying for assistance to balance budgets, refunding student accounts and keeping all our faculty/staff paid throughout the semester.

Vice President for Advancement, August 1995-December 2006

Interim Dean of Admissions, August 2001-January 2002

Illinois College, Jacksonville, Illinois

Executive Director of Development, September 1993-July 1995

Cornell College, Mount Vernon, Iowa

Director of Development, March 1989-September 1993

Director of Major Gifts and Planned Giving Programs, February 1988-March 1989

Director of Planned Giving Programs, March 1985-February 1988

Simpson College, Indianola, Iowa

District Sales Manager, July 1984-March 1985

Pepsi-Cola Bottling Group, Phoenix, Arizona

Admissions Counselor, January 1982-July 1984

Assistant Football Coach, Fall 1983, Head Golf Coach, Spring 1984

Simpson College, Indianola, Iowa

Program Director, September 1981-January 1982

YMCA, Marion, Iowa

COMMUNITY ENGAGEMENT:

Indianola Development Association (2009-2012)

Indianola First United Methodist Church Fellowship Committee (2007-present)

Indianola First United Methodist Church Endowment Committee (2013-2016)

Helping Hand volunteer (2024-present)

Meals on Wheels volunteer (2024-Present)

Indianola Breakfast Club (2007-2019)



MEMORANDUM

To: Mayor and City Council
From:
Date: April 14, 2025
Subject: Resolution appointing a council member to a vacant position.

Recommendation: Roll call is in order.

Attachments: 1. Res 2025-00 approving appointment of council member

City of Indianola
RESOLUTION NO 2025-00

**RESOLUTION APPOINTING AS COUNCIL MEMBER AT-LARGE
TO FILL A VACANT UNEXPIRED TERM**

WHEREAS, the City Council passed Resolution 2025-030 appointing At-large Council Member Steve Richardson to Mayor; and

WHEREAS, the City Council has authority, as described in section 372.13(2)(a)(1) of the Code of Iowa, to fill a vacancy in the office of councilor.

WHEREAS, on March 3, 2025, the City Council approved a resolution of intent to fill said vacancy by appointment, and at the direction of the City Council, the Clerk caused a notice to be published on March 18, 2025, in the Indianola Record Herald, a newspaper of general circulation in the English language within the City of Indianola, Iowa.

WHEREAS, the City Council finds that _____ is the person who is qualified, ready, willing, and able to serve in the office of Council Member At-Large, and the City Council does hereby appoint _____ to said office for the City of Indianola, Iowa. Pursuant to section 372.13(2)(a)(1) of the Code of Iowa, said appointment shall be for the period until the next pending election unless there is timely filed in the office of the City Clerk a petition calling for a special election and bearing the requisite number of signatures of eligible electors.

BE IT RESOLVED by the City Council of Indianola, Iowa, that _____ is hereby appointed as Council Member At-Large for the City of Indianola, Iowa. The Mayor shall administer the Oath of Office. The city staff is hereby authorized and directed to do all other things necessary and convenient to carry out the purposes of this resolution.

PASSED, ADOPTED AND APPROVED this 14th day of April 2025.

Steve Richardson, Mayor

ATTEST:

Jackie Raffety, City Clerk



MEMORANDUM

To: Mayor and City Council
From: Jackie Raffety, City Clerk/Finance Director
Date: April 14, 2025
Subject: Discussion on Kentucky Ridge

Introduction: The scope of the work for the Kentucky Ridge project by the Inception Group may have some changes that will affect the development group between the City and the Inception Group. Staff is requesting direction from the Council on amending the urban renewal plan and the development agreement.

Background: The current urban renewal area does not include the intersection of Kentucky Ridge and Jefferson Way.

The current development agreement, approved December 2, 2024, states that the minimum improvements shall mean the construction of three commercial buildings to be used as retail/restaurant space, and related site improvements, with an estimated cost of completion of approximately \$4,000,000. The minimum improvements shall also include at least 50 residential housing units, and all related site improvements, with an estimated cost of completion of approximately \$14,000,000.00. The site improvements shall include converting an open storm water ditch to an underground storm sewer, to be dedicated to the City. An existing sanitary sewer will be replaced, consistent with all applicable City construction, dedication, and bonding requirements. The minimum improvements are expected to be completed by December 31, 2027.

Discussion: In conversations with the developer, the City has learned that one retailer is interested in the commercial site and needs the entire space. The retailer estimates the improvements to be \$6,000,000. Due to this change and the size of the commercial building, the developer is considering decreasing the number of housing units. The current development agreement may need to be amended to allow between one and three commercial buildings with an estimated cost of completion of at least \$4,000,000, and a change to the number of residential units and their value.

The Council approved a site plan with 51 residential units and a pickleball court, but the court was not part of the development agreement. The developer will likely remove the pickleball court and pay the city for the value of the green space, as allowed in our [Code](#). The council will approve a new site plan, if the developer chooses this new option.

The other site improvements to City infrastructure have been completed as defined in the development agreement. The City paid the developer for these improvements and will be reimbursed through TIF.

Staff is requesting direction on moving forward with amendments to the development agreement.

The large retailer interested in the commercial site has requested a stoplight to be put in at the

intersection of Kentucky Ridge and Jefferson Way. The City would need to bond for the engineering and installation of the light. The Council has the option of using TIF revenue to reimburse the City for the expenses of installing the light; an amendment to the urban renewal area needs to be made to include that intersection in the URA. Bond counsel has suggested bonding for the light and Willowcrest Avenue at the same time to decrease bonding fees. The stoplight needs to be installed within the next year; it is the staff's understanding that if the Council elects not to install a stoplight or delay the timing, the large retailer will not build on this site.

Our financial advisor has stated that overall, there is plenty of capacity to repay this debt in a 10-year period. However, the City will likely need to pay a couple of years of interest-only debt repayment before the valuation is available. The City would need to levy this debt for a couple of years before we begin to receive the TIF revenue. The conservative estimate for the impact to the debt levy is \$0.04546.

Staff is requesting direction on moving forward with amending the urban renewal plan to include the intersection in order to install a stoplight within the next year.

Budget Impact:

Recommendation: Staff is requesting direction on moving forward with amendments to the development agreement.

Staff is requesting direction on moving forward with amending the urban renewal plan to include the intersection in order to install a stoplight within the next year.

Attachments: 1. Res 2024-267 Inception Group DA in Kentucky Ridge URA

ITEMS TO INCLUDE ON AGENDA

CITY OF INDIANOLA, IOWA

December 2, 2024

7:00 P.M.

Kentucky Ridge/North 6th Avenue Urban Renewal Plan

- Public hearing on the proposal to enter into a Development Agreement with Inception Group, LLC.
- Resolution 2024-267 approving and authorizing execution of a Development Agreement by and between the City of Indianola and Inception Group, LLC.

IMPORTANT INFORMATION

1. The above agenda items should be included, along with any other agenda items, in the meeting agenda. The agenda should be posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the body holding the meeting. If no such office exists, the notice must be posted at the building in which the meeting is to be held.
2. If you do not now have a bulletin board designated as above mentioned, designate one and establish a uniform policy of posting your notices of meeting and tentative agenda.
3. Notice and tentative agenda must be posted at least 24 hours prior to the commencement of the meeting.

NOTICE MUST BE GIVEN PURSUANT TO CHAPTER 21,
CODE OF IOWA, AND THE LOCAL RULES OF THE CITY.

December 2, 2024

The City Council of the City of Indianola in the State of Iowa, met in regular session, in the Council Chambers, City Hall, 110 North First Street, Indianola, Iowa, at 6:00 P.M., on the above date. There were present Mayor Stephanie Erickson, in the chair, and the following named Council Members:

Steve Richardson, Christina Beach (via phone), Josh Rabe, Ron Dalby, Mellisa Sones, Steve Armstrong

Absent: None

Vacant: None

* * * * *

The Mayor announced that this was the time and place for the public hearing and meeting on the matter of the proposal to approve and authorize execution of a Development Agreement by and between the City of Indianola and Inception Group, LLC, and that notice of the proposed action by the Council to enter into said Agreement had been published pursuant to the provisions of Section 362.3, Code of Iowa.

The Mayor then asked the Clerk whether any written objections had been filed by any City resident or property owner to the proposed action. The Clerk advised the Mayor and the Council that NO written objections had been filed. The Mayor then called for oral objections and NONE were made. Whereupon, the Mayor declared the time for receiving oral and written objections to be closed.

(Attach here a summary of objections received or made, if any)

The Council then considered the proposed action and the extent of objections thereto.

Whereupon, Council Member Richardson introduced and delivered to the Clerk the Resolution hereinafter set out entitled "RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF INDIANOLA AND INCEPTION GROUP, LLC", and moved:

- ☒ that the Resolution be adopted.
- ☐ to defer action on the Resolution and the proposal to the meeting to be held at _____ .M. on the _____ day of _____, 2024, at this place.

Council Member Dalby seconded the motion. The roll was called, and the vote was:

AYES: Richardson, Rabe, Dalby, Sones, Armstrong

ABSTAIN: Beach

NAYS: None

Whereupon, the Mayor declared the measure duly adopted.

RESOLUTION NO. 2024-267

RESOLUTION APPROVING AND AUTHORIZING
EXECUTION OF A DEVELOPMENT AGREEMENT BY AND
BETWEEN THE CITY OF INDIANOLA AND INCEPTION
GROUP, LLC

WHEREAS, by Resolution No. 2024-266, adopted December 2, 2024, this Council found and determined that certain areas located within the City are eligible and should be designated as an urban renewal area under Iowa law, and approved and adopted the Kentucky Ridge/North 6th Avenue Urban Renewal Plan (the "Urban Renewal Plan" or "Plan") for the Kentucky Ridge/North 6th Avenue Urban Renewal Area (the "Urban Renewal Area" or "Area") described therein, which Plan is on file in the office of the Recorder of Warren County; and

WHEREAS, it is desirable that properties within the Area be redeveloped as part of the overall redevelopment area covered by said Plan; and

WHEREAS, the City has received a proposal from Inception Group, LLC (the "Developer"), in the form of a proposed Development Agreement (the "Agreement") by and between the City and the Developer, pursuant to which, among other things, the Developer would agree to construct certain Minimum Improvements (as defined in the Agreement) on certain real property located within the Urban Renewal Area as defined and legally described in the Agreement (the "Development Property") and consisting of the construction of three commercial buildings to be used as retail and/or restaurant space, at least 50 residential housing units, together with all related site improvements, as outlined in the proposed Agreement; and

WHEREAS, the Agreement obligates to Developer to construct certain Infrastructure Improvements (as defined in the Agreement), to convert an exposed stormwater ditch to an underground storm sewer and replace the exposed sewer main, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, the Agreement provides that the City will provide a one-time Benchmark Grant to the Developer in the amount of \$375,000, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, the Agreement further proposes that the City will make up to seven (7) consecutive annual payments of Blight Remediation Grants to Developer consisting of 55% of the Tax Increments pursuant to Section 403.19, Code of Iowa, and generated by the construction of the Minimum Improvements (provided the percentage of Tax Increments used to fund the Blight Remediation Grants would be increased to 100% after the City had collected sufficient Tax Increment to reimburse the City Advance used to provide the Benchmark Grant); the cumulative total for all such payments not to exceed the lesser of \$462,000, or the amount accrued under the formula outlined in the proposed Agreement, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, the Agreement also proposes that Developer and the City will enter into a Minimum Assessment Agreement with the County setting the minimum actual value of the Minimum Improvements for tax purposes at not less than \$10,000,000; and

WHEREAS, Chapters 15A and 403, Code of Iowa, authorize cities to make grants for economic development in furtherance of the objectives of an urban renewal project and to appropriate such funds and make such expenditures as may be necessary to carry out the purposes of said Chapters, and to levy taxes and assessments for such purposes; and

WHEREAS, the Council has determined that the Agreement is in the best interests of the City and the residents thereof and that the performance by the City of its obligations thereunder is a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Agreement and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 15A and 403, Code of Iowa, taking into account any or all of the factors set forth in Chapter 15A, Code of Iowa, to wit:

- a. Businesses that add diversity to or generate new opportunities for the Iowa economy should be favored over those that do not.
- b. Development policies in the dispensing of the funds should attract, retain, or expand businesses that produce exports or import substitutes, or which generate tourism-related activities.
- c. Development policies in the dispensing or use of the funds should be targeted toward businesses that generate public gains and benefits, which gains and benefits are warranted in comparison to the amount of the funds dispensed.
- d. Development policies in dispensing the funds should not be used to attract a business presently located within the state to relocate to another portion of the state unless the business is considering in good faith to relocate outside the state or unless the relocation is related to an expansion which will generate significant new job creation. Jobs created as a result of other jobs in similar Iowa businesses being displaced shall not be considered direct jobs for the purpose of dispensing funds; and

WHEREAS, pursuant to notice published as required by law, this Council has held a public meeting and hearing upon the proposal to approve and authorize execution of the Agreement and has considered the extent of objections received from residents or property owners as to said proposed Agreement; and, accordingly the following action is now considered to be in the best interests of the City and residents thereof.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF INDIANOLA IN THE STATE OF IOWA:

Section 1. That the performance by the City of its obligations under the Agreement, including but not limited to making of grants to the Developer in connection with the development of the Development Property under the terms set forth in the Agreement, be and is hereby declared to be a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Agreement and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 15A and 403, Code of Iowa, taking into account the factors set forth therein.

Section 2. That the form and content of the Agreement, the provisions of which are incorporated herein by reference, be and the same hereby are in all respects authorized, approved and confirmed, and the Mayor and the City Clerk be and they hereby are authorized, empowered and directed to execute, attest, seal and deliver the Agreement for and on behalf of the City in substantially the form and content now before this meeting, but with such changes, modifications, additions or deletions therein as shall be approved by such officers, and that from and after the execution and delivery of the Agreement, the Mayor and the City Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed.

PASSED AND APPROVED this 2nd day of December, 2024.


Mayor

ATTEST:


City Clerk

CERTIFICATE

STATE OF IOWA

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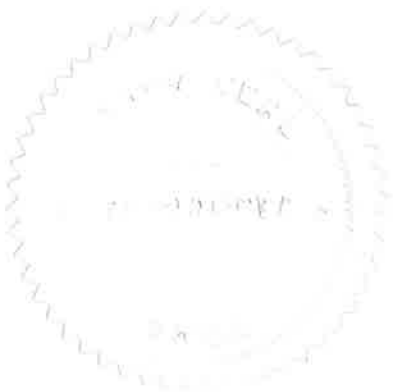
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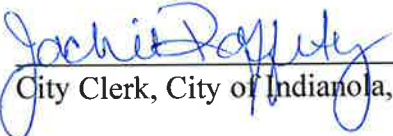
COUNTY OF WARREN

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I, the undersigned City Clerk of the City of Indianola, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this 3rd day of December 2024.





City Clerk, City of Indianola, State of Iowa

AGREEMENT FOR PRIVATE DEVELOPMENT

by and between

CITY OF INDIANOLA, IOWA

AND

INCEPTION GROUP, LLC

December 2, 2024

AGREEMENT
FOR PRIVATE DEVELOPMENT

THIS AGREEMENT FOR PRIVATE DEVELOPMENT (hereinafter called "Agreement"), is made on or as December 2, 2024, by and among the CITY OF INDIANOLA, IOWA, a municipality (the "City"), established pursuant to the Code of Iowa and acting under the authorization of Chapters 15A and 403 of the Code of Iowa, 2023, as amended (the "Urban Renewal Act"), and INCEPTION GROUP, LLC, an Iowa limited liability company having offices for the transaction of business at 209 East Salem Avenue, Indianola, Iowa 50125 (the "Developer"). The City and Developer are Parties to this Agreement.

WITNESSETH:

WHEREAS, in furtherance of the objectives of the Urban Renewal Act, the City has undertaken a program for the development of a blighted area and area suitable for the promotion of economic development, known as the Kentucky Ridge/North 6th Avenue Urban Renewal Area (the "Urban Renewal Area" or "Area") in the City of Indianola, Iowa, which Area is described in the Kentucky Ridge/North 6th Avenue Urban Renewal Plan (the "Urban Renewal Plan"); and

WHEREAS, the Developer owns certain real property located in the foregoing Urban Renewal Area as more particularly described in Exhibit A attached hereto and made a part hereof (which property as so described is hereinafter referred to as the "Development Property"); and

WHEREAS, the Development Property has been hindered from redevelopment due to, among other things, the location of a stormwater ditch and a sewer main that became exposed due to erosion; and

WHEREAS, the Developer has proposed to convert the exposed stormwater ditch to an underground storm sewer and replace the exposed sewer main, to grade the site for redevelopment, and to complete a mixed use development project on the Development Property; and

WHEREAS, City is willing to provide certain incentives in exchange for Developer's performance under this Agreement; and

WHEREAS, the City believes that the redevelopment of the Development Property pursuant to this Agreement and the fulfillment generally of this Agreement, are in the vital and best interests of the City and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the foregoing project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I. DEFINITIONS

Section 1.1. Definitions. In addition to other definitions set forth in this Agreement, all

capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Agreement means this Agreement and all exhibits and appendices hereto, as the same may be from time to time modified, amended, or supplemented.

Assessor means the assessor for Warren County, Iowa.

Benchmark Grant means the one-time grant to made to Developer under the terms of Section 8.1.

Blight Remediation Grants means the payments to be made by the City to Developer under Section 8.2 of this Agreement.

Certificate of Completion means a certification in the form of the certificate attached hereto as Exhibit C and hereby made a part of this Agreement.

City means the City of Indianola, Iowa, or any successor to its functions.

City Advance means up to \$375,000.00 to be advanced from the City's Storm Water Utility Fund and/or Sanitary Sewer Utility Fund for the sole purpose of funding the payment of the Benchmark Grant to Developer.

Code means the Code of Iowa, 2023, as amended.

Commencement Date means the date of this Agreement.

Construction Plans means the plans, specifications, drawings and related documents reflecting the construction work to be performed by the Developer for the Minimum Improvements on the Development Property referred to in Article III.

County means Warren County, Iowa, or any successor to its functions.

Developer means Inception Group, LLC and its permitted successors and assigns.

Development Property means that portion of the Kentucky Ridge/North 6th Avenue Urban Renewal Area described in Exhibit A.

Event of Default means any of the events described in Section 10.1 of this Agreement.

Indemnified Parties means the City and the governing body members, officers, agents, servants, and employees thereof.

Infrastructure Improvements means the improvements to be completed by Developer to convert the exposed stormwater ditch to an underground storm sewer and replace the exposed sewer main, as further described in Exhibit B to this Agreement.

Kentucky Ridge/North 6th Avenue Urban Renewal Area Tax Increment Revenue Fund means the special fund of the City created under the authority of Section 403.19(2) of the Code and the Ordinance, which fund was created in order to pay the principal of and interest on loans, monies advanced to or indebtedness, whether funded, refunded, assumed or otherwise, including bonds or other obligations issued under the authority of Chapters 15A, 403, or 384 of the Code, incurred by the City to finance or refinance in whole or in part projects undertaken pursuant to the Urban Renewal Plan for the Urban Renewal Area.

Minimum Actual Value means the minimum actual value of the Minimum Improvements on the Development Property (land and building(s)) as set forth in the Minimum Assessment Agreement (Exhibit F).

Minimum Assessment Agreement means an agreement establishing a minimum assessed value for the Minimum Improvements on the Development Property as authorized by Iowa Code Section 403.6(19) and as described in Section 4.2 of this Agreement.

Minimum Improvements shall mean the construction of three commercial buildings and at least 50 residential housing units, together with all related site improvements and the Infrastructure Improvements, on the Development Property, as further outlined in Exhibit B and depicted in Exhibit B-1, attached hereto.

Mortgage means any mortgage or security agreement in which Developer has granted a mortgage or other security interest in the Development Property, or any portion or parcel thereof, or any improvements constructed thereon.

Net Proceeds means any proceeds paid by an insurer to Developer under a policy or policies of insurance required to be provided and maintained by Developer pursuant to Article V of this Agreement and remaining after deducting all expenses (including fees and disbursements of counsel) incurred in the collection of such proceeds.

Ordinance means the ordinance(s) of the City, under which the taxes levied on the taxable property in the Urban Renewal Area shall be divided and a portion paid into the Kentucky Ridge/North 6th Avenue Urban Renewal Area Tax Increment Revenue Fund.

Project shall mean the construction of the Minimum Improvements and the other obligations of the Developer described in this Agreement.

State means the State of Iowa.

Tax Increments means the property tax revenues from the Development Property and Minimum Improvements that are divided and made available to the City for deposit in the Kentucky Ridge/North 6th Avenue Urban Renewal Area Tax Increment Revenue Fund under the provisions of Section 403.19 of the Code, as amended, and the Ordinance.

Termination Date means the date of termination of this Agreement, as established in

Section 11.8 of this Agreement.

Unavoidable Delays means delays resulting from acts or occurrences outside the reasonable control of the party claiming the delay including but not limited to storms, floods, fires, explosions or other casualty losses, unusual weather conditions, strikes, boycotts, lockouts or other labor disputes, delays in transportation or delivery of material or equipment, litigation commenced by third parties, the acts of any federal, State or local governmental unit, and the effects of a future pandemic declared after the Commencement Date.

Urban Renewal Area means the area known as the Kentucky Ridge/North 6th Avenue Urban Renewal Area (as may be amended from time to time).

Urban Renewal Plan means the Urban Renewal Plan, as may be amended from time to time, approved with respect to the Kentucky Ridge/North 6th Avenue Urban Renewal Area, described in the preambles hereof.

ARTICLE II. REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the City. The City makes the following representations and warranties:

a. The City is a municipal corporation and municipality organized under the provisions of the Constitution and the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

b. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a breach of, the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the City is now a party or by which it is bound, nor do they constitute a default under any of the foregoing.

c. All covenants, stipulations, promises, agreements, and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the City, and not of any governing body member, officer, agent, servant, or employee of the City in the individual capacity thereof.

Section 2.2. Representations and Warranties of Developer. Developer makes the following representations and warranties:

a. Inception Group, LLC is an Iowa limited liability company, duly organized and validly existing under the laws of the State of Iowa and authorized to operate in the State of Iowa. Developer has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under the Agreement.

b. This Agreement has been duly and validly authorized, executed, and delivered by Developer and, assuming due authorization, execution, and delivery by the City, is in full force and effect and is a valid and legally binding instrument of Developer, enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, or other laws relating to or affecting creditors' rights generally.

c. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of, the terms, conditions or provisions of the governing documents of Developer, or of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which Developer is now a party or by which it or its property is bound, nor do they constitute a default under any of the foregoing.

d. There are no actions, suits, or proceedings pending or threatened against or affecting Developer in any court or before any arbitrator or before or by any governmental body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position, or results of operations of Developer, or which in any manner raises any questions affecting the validity of the Agreement or Developer's ability to perform its obligations under this Agreement.

e. Developer has not received any notice from any local, State, or federal official that the activities of Developer with respect to the Development Property may or will be in violation of any environmental law or regulation (other than those notices, if any, of which the City has previously been notified in writing). Developer is not currently aware of any State or federal claim filed or planned to be filed by any party relating to any violation of any local, State, or federal environmental law, regulation, or review procedure applicable to the Development Property, and Developer is not currently aware of any violation of any local, State, or federal environmental law, regulation, or review procedure which would give any person a valid claim under any State or federal environmental statute with respect thereto.

f. Developer will cooperate with the City in resolution of any traffic, parking, trash removal, or public safety problems which may arise in connection with the construction and operation of the Minimum Improvements.

g. Developer will cause the Minimum Improvements to be constructed in accordance with the terms of this Agreement, the Urban Renewal Plan, and all local, State, and federal laws and regulations.

h. Developer will obtain or cause to be obtained, in a timely manner, all required permits, licenses, and approvals, and will meet, in a timely manner, all requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed.

i. The construction of the Minimum Improvements will require a total investment of approximately \$18,000,000.00.

j. Developer has commitments for construction or acquisition and permanent financing for the Project in an amount sufficient, together with equity commitments, to successfully complete the Minimum Improvements in accordance with the Construction Plans contemplated in this Agreement. Upon request by the City (which request need not be in writing), Developer shall provide proof of this financing.

k. Developer expects that, barring Unavoidable Delays, construction of the Minimum Improvements will be completed by December 31, 2027.

l. Developer would not undertake its obligations under this Agreement without the payment by the City of the Blight Remediation Grants being made to Developer pursuant to this Agreement.

ARTICLE III. CONSTRUCTION OF MINIMUM IMPROVEMENTS

Section 3.1. Construction of Minimum Improvements. Developer agrees that it will cause the Minimum Improvements to be constructed on the Development Property in conformance with the Construction Plans submitted to the City in accordance with Section 3.2 below. Developer agrees that the scope and scale of the Minimum Improvements to be constructed shall be in conformance with Exhibit B to this Agreement and shall not be significantly less than the scope and scale of the Minimum Improvements as detailed and outlined in the Construction Plans, and shall require a total investment of approximately \$18,000,000.00.

All work with respect to the Minimum Improvements shall be in conformity with the Construction Plans approved by the building official or any amendments thereto as may be approved by the building official. Developer agrees that it shall permit designated representatives of the City and the State, upon reasonable notice (which does not have to be written), to enter upon the Development Property during the construction of the Minimum Improvements to inspect such construction and the progress thereof, subject to Developer's rules and regulations for the construction site.

Section 3.2. Construction Plans. Developer shall cause Construction Plans to be provided for the Minimum Improvements, which shall be subject to approval by the City as provided in this Section 3.2. The Construction Plans shall be in conformity with the Urban Renewal Plan, this Agreement, and all applicable State and local laws and regulations. The City shall approve the Construction Plans in writing if: (i) the Construction Plans conform to the terms and conditions of this Agreement; (ii) the Construction Plans conform to the terms and conditions of the Urban Renewal Plan; (iii) the Construction Plans conform to all applicable federal, State, and local laws, ordinances, rules, and regulations, and City permit requirements; (iv) the Construction Plans are adequate for purposes of this Agreement to provide for the construction of the Minimum Improvements; and (v) no Event of Default under the terms of this Agreement has occurred; provided, however, that any such approval of the Construction Plans pursuant to this Section 3.2 shall constitute approval for the purposes of this Agreement only and shall not be deemed to constitute approval or waiver by the City with respect to any building, fire, zoning, or other ordinances or regulations of the City, and shall not be deemed to be sufficient plans to serve

as the basis for the issuance of a building permit if the Construction Plans are not as detailed or complete as the plans otherwise required for the issuance of a building permit. The site plans submitted to the building official of the City for the Development Property shall be adequate to serve as the Construction Plans, if such site plans are approved by the building official.

Approval of the Construction Plans by the City shall not relieve any obligation to comply with the terms and provisions of this Agreement, or the provision of applicable federal, State and local laws, ordinances and regulations, nor shall approval of the Construction Plans by the City be deemed to constitute a waiver of any Event of Default.

Approval of Construction Plans hereunder is solely for purposes of this Agreement, and shall not constitute approval for any other City purpose nor subject the City to any liability for the Minimum Improvements as constructed.

Section 3.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, Developer shall cause construction of the Minimum Improvements to be undertaken and completed: (i) by no later than the date set forth in Section 2.2(k); or (ii) by such other date as the parties shall mutually agree upon in writing. Time lost as a result of Unavoidable Delays shall be added to extend this date by a number of days equal to the number of days lost as a result of Unavoidable Delays.

Section 3.4. Certificate of Completion. Upon written request of Developer after issuance of an occupancy permit for the Minimum Improvements, the City will furnish Developer with a Certificate of Completion in recordable form, in substantially the form set forth in Exhibit C attached hereto. Such Certificate of Completion shall be a conclusive determination of satisfactory termination of the covenants and conditions of this Agreement with respect to the obligations of Developer to cause construction of the Minimum Improvements.

The Certificate of Completion may be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Development Property at Developer's sole expense. If the City shall refuse or fail to provide a Certificate of Completion in accordance with the provisions of this Section 3.4, the City shall, within twenty (20) days after written request by Developer provide a written statement indicating in adequate detail in what respects Developer has failed to complete the Minimum Improvements in accordance with the provisions of this Agreement, or is otherwise in default under the terms of this Agreement, and what measures or acts it will be necessary, in the opinion of the City, for Developer to take or perform in order to obtain such Certificate of Completion.

Section 3.5. Completion of Infrastructure Improvements; Bonding Requirements.

a. Upon completion of the Infrastructure Improvements, Developer shall dedicate the Infrastructure Improvements and any associated public right-of-way or easements to the City, subject to the City's acceptance of such dedication under the terms hereof. Upon notice from the Developer of completion of the Infrastructure Improvements, the City shall inspect the Infrastructure Improvements, as applicable, and determine whether they have been completed in accordance with this Agreement. If (i) the City finds that the Infrastructure Improvements have

been duly completed in compliance with this Agreement and all federal, State, and local laws, regulations, ordinances, policies, and procedures; and (ii) the City is in receipt of copies of the maintenance bonds required by Section 3.5(b), then the City shall accept dedication of the Infrastructure Improvements without unreasonable delay.

b. Developer shall obtain, or require each of its general contractors to obtain, one or more bonds that guarantee the faithful performance of this Agreement for, in the aggregate, the anticipated full value of the completed Infrastructure Improvements and that further guarantee the prompt payment of all materials and labor. The performance bond(s) shall remain in effect until construction of such Infrastructure Improvements is completed. Developer shall further obtain, or require each of its general contractors to obtain, four-year maintenance bond(s) covering all of the Infrastructure Improvements. The bonds shall clearly specify the Developer and City as joint obligees. The Developer shall also comply with all City requirements for the construction of the Infrastructure Improvements.

c. Developer recognizes and agrees that upon the City's acceptance of the Infrastructure Improvements, the Infrastructure Improvements shall be owned by the City and that nothing in this Agreement grants Developer any special legal entitlements or other rights not held by members of the general public with respect to ownership, sufficiency for any particular purpose, or use of the Infrastructure Improvements.

ARTICLE IV. REAL PROPERTY TAXES

Section 4.1. Real Property Taxes. Developer, or its successors shall pay or cause to be paid, when due, all real property taxes and assessments payable with respect to all and any parts of the Development Property and Minimum Improvements. Until Developer's obligations have been assumed by any other person or legal title to the property is vested in another person, all pursuant to the provisions of this Agreement, Developer and shall be solely responsible for all assessments and taxes.

Developer and its permitted successors and assigns agree that prior to the Termination Date:

a. They will not seek administrative review or judicial review of the applicability or constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Development Property or Minimum Improvements, or raise the inapplicability or constitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings; and

b. They will not seek any tax exemption, deferral, or abatement either presently or prospectively authorized under any State, federal or local law with respect to taxation of real property contained on the Development Property between the date of execution of this Agreement and the Termination Date.

Section 4.2. Minimum Assessment Agreement. As further consideration for this Agreement, Developer and the City shall execute an agreement substantially in the form of Exhibit

F, pursuant to the provisions of Iowa Code Section 403.6(19), whereby Developer shall agree to a minimum actual value for the Minimum Improvements on the Development Property for the purpose of calculating real property taxes (the "Assessment Agreement" or "Minimum Assessment Agreement") through the Assessment Termination Date (as set in the Minimum Assessment Agreement). Specifically, Developer, the City, the County Assessor, the holder of any mortgage, and all prior lienholders shall agree to a Minimum Actual Value for the Development Property, with the Minimum Improvements thereon, of not less than \$10,000,000.00, before rollback, upon completion of the Minimum Improvements, but in no event later than January 1, 2028, until the Assessment Agreement Termination Date (as defined below). Such minimum actual value at the time applicable is herein referred to as the "Assessor's Minimum Actual Value". Nothing in the Assessment Agreement shall:

- i. limit the discretion of the Assessor for the County to assign an actual value to the buildings on the Development Property in excess of the Assessor's Minimum Actual Value; or
- ii. prohibit Developer from seeking, through the exercise of legal or administrative remedies, a reduction in such actual value for property tax purposes, provided, however, that Developer shall not seek a reduction of such actual value below the Assessor's Minimum Actual Value.

The Assessment Agreement must be certified by the County Assessor, as provided for in Iowa Code Section 403.6(19), and be filed for record in the office of the County Recorder. Such filing shall constitute notice to any subsequent encumbrancer or purchaser of the Development Property or any part thereof, whether voluntary or involuntary. The Assessment Agreement will be binding and enforceable in its entirety against any such subsequent encumbrancer or purchaser, as well as all prior lienholders and the holder of a mortgage, each of which shall sign a consent to the Minimum Assessment Agreement.

ARTICLE V. INSURANCE

Section 5.1. Insurance Requirements.

a. Developer will provide and maintain or cause to be maintained at all times during the process of constructing the Minimum Improvements (and, from time to time at the reasonable request of the City, furnish the City with proof of payment of premiums on):

- i. Builder's risk insurance, written on the so-called "Builder's Risk-Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Minimum Improvements at the date of completion, and with coverage available in non-reporting form on the so-called "all risk" form of policy.
- ii. Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability insurance) with limits against bodily injury and property damage of at least \$1,000,000.00 for each occurrence. The City shall be named as an additional insured for

the City's liability or loss arising out of or in any way associated with the Project and arising out of any act, error, or omission of Developer, or its directors, officers, shareholders, contractors, and subcontractors or anyone else for whose acts the City may be held responsible (with coverage to the City at least as broad as that which is provided to Developer and not lessened or avoided by endorsement). The policy shall contain a "severability of interests" clause and provide primary insurance over any other insurance maintained by the City.

iii. Workers' compensation insurance with at least statutory coverage.

b. Upon completion of construction of the Minimum Improvements and at all times prior to the Termination Date, Developer shall maintain or cause to be maintained, at its cost and expense (and from time to time at the reasonable request of the City shall furnish proof of the payment of premiums on), insurance as follows:

i. Insurance against loss and/or damage to the Minimum Improvements and Minimum Improvements under a policy or policies covering such risks as are ordinarily insured against by similar businesses, including fire, extended coverage, vandalism and malicious mischief, explosion, water damage, demolition cost, debris removal, and collapse in an amount not less than the full insurable replacement value of the Minimum Improvements and Minimum Improvements, but any such policy may have a deductible amount of not more than \$25,000.00. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the City. The term "full insurable replacement value" shall mean the actual replacement cost of the Minimum Improvements and Minimum Improvements (excluding foundation and excavation costs and costs of underground flues, pipes, drains, and other uninsurable items) and equipment.

ii. Comprehensive general public liability insurance, including personal injury liability for injuries to persons and/or property, including any injuries resulting from the operation of automobiles or other motorized vehicles on or about the Development Property, in the minimum amount for each occurrence and for each year of \$1,000,000.00.

iii. Such other insurance, including workers' compensation insurance respecting all employees of Developer, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that Developer may be self-insured with respect to all or any part of its liability for workers' compensation.

c. All insurance required by this Article V to be provided prior to the Termination Date shall be taken out and maintained in responsible insurance companies selected by Developer, which are authorized under the laws of the State to assume the risks covered thereby. Upon the reasonable request of the City, which shall not be made more frequently than one time per year, Developer will provide the City with copies of policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force

and effect. Unless otherwise provided in this Article V, each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to Developer and the City at least thirty (30) days before the cancellation or modification becomes effective. In lieu of separate policies, Developer may maintain a single policy, or blanket or umbrella policies, or a combination thereof, which provide the total coverage required herein, in which event Developer shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements and Minimum Improvements.

d. Prior to the Termination Date, Developer agrees to notify the City within thirty (30) days in the case of damage exceeding \$25,000.00 in amount to, or destruction of, the Minimum Improvements or any portion thereof resulting from fire or other casualty. Net Proceeds of any such insurance shall be paid directly to Developer, and Developer will forthwith repair, reconstruct, and restore the Minimum Improvements to substantially the same or an improved condition or value as they existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction and restoration, Developer will apply the Net Proceeds of any insurance relating to such damage received by Developer to the payment or reimbursement of the costs thereof.

e. Developer shall complete the repair, reconstruction, and restoration of the Minimum Improvements, whether or not the Net Proceeds of insurance received by Developer for such purposes are sufficient.

f. Notwithstanding anything to the contrary in subsections (b)-(e) of this Section 5.1, the Developer shall not be required to maintain insurance for the Infrastructure Improvements after they have been dedicated to, and accepted by, the City, consistent with the terms of Section 3.5.

ARTICLE VI. FURTHER COVENANTS OF DEVELOPER

Section 6.1. Maintenance of Properties. Developer will maintain, preserve, and keep its properties within the City (whether owned in fee or a leasehold interest), including but not limited to the Development Property and Minimum Improvements (but excluding the Infrastructure Improvements after they have been dedicated to, and accepted by, the City, consistent with the terms of Section 3.5), in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals, and additions.

Section 6.2. Maintenance of Records. Developer will keep at all times proper books of record and account in which full, true, and correct entries will be made of all dealings and transactions of or in relation to the business and affairs of Developer relating to this Project in accordance with generally accepted accounting principles, or other recognized accounting standards, consistently applied throughout the period involved, and Developer will provide reasonable protection against loss or damage to such books of record and account.

Section 6.3. Compliance with Laws. Developer will comply with all state, federal and local laws, rules and regulations relating to the Development Property, Minimum Improvements, Minimum Improvements, and Project.

Section 6.4. Non-Discrimination. In the construction and operation of the Minimum Improvements and Minimum Improvements, Developer shall not discriminate against any applicant or employee because of age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status. Developer shall ensure that tenants, applicants and employees are considered and are treated without regard to their age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status.

Section 6.5 Available Information. Upon request, Developer shall promptly provide the City with copies of information requested by City that is related to this Agreement so that City can determine compliance with the Agreement.

Section 6.6. Annual Certification. To assist the City in monitoring the Agreement and performance of Developer hereunder, a duly authorized officer of Developer shall annually provide to the City an Annual Certification, in the form of Exhibit E attached hereto, containing: (i) proof that all ad valorem taxes on the Development Property and Minimum Improvements have been paid for the prior fiscal year and for the current fiscal year as of the date of certification (if due and payable); (ii) the date of the first full assessment of the Minimum Improvements and the value assessed thereon, in addition to the assessed value of the Development Property and Minimum Improvements as of the date of the certification; and (iii) certification that such officer has re-examined the terms and provisions of this Agreement and that at the date of such certification, and during the preceding twelve (12) months, Developer is not, and was not, in default in the fulfillment of any of the terms and conditions of this Agreement and that no Event of Default (or event which, with the lapse of time or the giving of notice, or both, would become an Event of Default) is occurring or has occurred as of the date of such certification or during such period, or if either of the signers is aware of any such default, event or Event of Default, said officer shall disclose in such statement the nature thereof, its period of existence and what action, if any, has been taken or is proposed to be taken with respect thereto. Such statement, proof and certificate shall be provided not later than October 15 of each year, commencing October 15, 2025 and ending on October 15, 2036 (both dates inclusive), unless this Agreement is terminated earlier under the provisions of this Agreement. Developer shall provide supporting information for its Annual Certifications upon request of the City.

Section 6.7. Developer Completion Guarantee. By signing this Agreement, Developer hereby guarantees to the City performance by Developer of all the terms and provisions of this Agreement pertaining to Developer's obligations with respect to the construction of the Minimum Improvements. Without limiting the generality of the foregoing, Developer guarantees that: (a) construction of the Minimum Improvements shall commence and be completed within the time limits set forth herein; (b) the Minimum Improvements shall be constructed and completed in accordance with the Construction Plans; (c) the Minimum Improvements shall be constructed and completed free and clear of any mechanic's liens, materialman's liens and equitable liens; and (d) all costs of constructing the Minimum Improvements shall be paid when due.

ARTICLE VII. PROHIBITION AGAINST ASSIGNMENT AND TRANSFER

Section 7.1. Status of Developer; Transfer of Substantially All Assets; Assignment. As security for the obligations of Developer under this Agreement, Developer represents and agrees

that, prior to the Termination Date, Developer will maintain existence as a company and will not wind up or otherwise dispose of all or substantially all of its assets or transfer, convey, or assign its interest in the Development Property, Minimum Improvements (but excluding the Infrastructure Improvements, which may be dedicated to the City, consistent with the terms of Section 3.5), or any interest in this Agreement to any other party unless: (i) the transferee partnership, corporation, limited liability company or individual assumes in writing all of the obligations of the Developer; and (ii) the City consents thereto in writing in advance thereof, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Developer may, without the consent of the City, assign this Agreement to an entity affiliated with or under the common control of the Developer if such entity purchases the Development Property, or a part thereof, pursuant to a written purchase agreement made subject to the terms, covenants and conditions imposed upon the Developer by this Agreement; provided, however, that the Developer shall provide written notice to the City of the proposed sale and assignment of this Agreement prior to the completion of the sale and assignment.

Section 7.2 Prohibition Against Use as Non-Taxable or Centrally Assessed Property. During the term of this Agreement, the Developer, or its successors, or assigns agree that the Development Property and Minimum Improvements (but excluding the Infrastructure Improvements, which may be dedicated to the City, consistent with the terms of Section 3.5) cannot be transferred or sold to a non-profit entity or used for a purpose that would exempt the Development Property from property tax liability. Nor can the Development Property be used as centrally assessed property (including but not limited to, Iowa Code § 428.24 to 428.29 (Public Utility Plants and Related Personal Property); Chapter 433 (Telegraph and Telephone Company Property); Chapter 434 (Railway Property); Chapter 437 (Electric Transmission Lines); Chapter 437A (Property Used in the Production, Generation, Transmission or Delivery of Electricity or Natural Gas); and Chapter 438 (Pipeline Property)).

ARTICLE VIII. BENCHMARK GRANT AND BLIGHT REMEDIATION GRANTS

Section 8.1. Benchmark Grant. For and in consideration of the obligations being assumed by Developer hereunder, and in furtherance of the goals and objectives of the Urban Renewal Plan for the Urban Renewal Area and the Urban Renewal Act, the City agrees, subject to Developer being and remaining in compliance with the terms of this Agreement and subject to the limitations set forth in Section 8.5, to provide a one-time non-refundable Benchmark Grant in the amount of \$375,000.00 to Developer, which Benchmark Grant shall be paid within thirty (30) days after: (i) the Developer has completed the Infrastructure Improvements and the City has accepted dedication of the Infrastructure Improvements and any related easements and public right-of-way, which acceptance shall not be unreasonably delayed by the City, and (ii) the Developer has completed all steps necessary to prepare the Development Property for vertical construction, including, but not limited to, grading of the Development Property.

The Benchmark Grant shall be payable solely and only from the proceeds of the City Advance. The City Advance constitutes debt from an urban renewal project which the City is authorized to certify under Iowa Code Section 403.19 for purposes of obtaining reimbursement for the City Advance from the division of revenue within the Urban Renewal Area as authorized by Iowa Code Section 403.19 and the Urban Renewal Plan.

Section 8.2. Blight Remediation Grants.

a. For and in consideration of the obligations being assumed by Developer hereunder, and in furtherance of the goals and objectives of the Urban Renewal Plan for the Urban Renewal Area and the Urban Renewal Act, the City agrees, subject to Developer being and remaining in compliance with the terms of this Agreement, to make up to seven (7) consecutive annual payments of Blight Remediation Grants to Developer up to a total amount not to exceed Four Hundred Sixty-Two Thousand Dollars (\$462,000.00). The amount of each Grant shall be calculated as a percentage of the Tax Increments in the applicable fiscal year, under the following schedule, terms, and conditions:

b. If the Minimum Improvements have been fully constructed by November 15, 2027, or the Minimum Improvements are not completed by November 15, 2027 but the City reasonably believes the Minimum Improvements will be completed by December 31, 2027, then the City shall submit a TIF debt certification to the County Auditor by December 1, 2027, requesting an amount estimated to equal 55% of the available Tax Increments resulting from any partial assessment value imposed on the Minimum Improvements as of January 1, 2027, to be collected by the County Auditor as taxes are paid during the following fiscal year (Fiscal Year 2028-2029). Upon such conditions being met, the City shall pay a Blight Remediation Grant to the Developer on June 1, 2029 for 55% of the Tax Increments collected in Fiscal Year 2028-2029. The Developer acknowledges that this first Blight Remediation Grant is expected to be calculated based on an increased assessment value that is less than the full assessed value of the Minimum Improvements, as the completed Minimum Improvements are not expected to be fully assessed until January 1, 2028 (for taxes paid in Fiscal Year 2029-2030).

c. If the Minimum Improvements are fully constructed by December 31, 2027 and are assessed for \$10,000,000.00 as of January 1, 2028 (consistent with the Minimum Assessment Agreement), and provided the Developer has timely filed the Developer's Annual Certification and provided the information required under Section 6.6, then the City submit a TIF debt certification to the County Auditor by December 1, 2028, requesting available Tax Increments resulting from the January 1, 2028 assessment value, to be collected by the County Auditor as taxes are paid during the following fiscal year, which shall be used to pay a Blight Remediation Grant to the Developer on June 1, 2030 and on each subsequent June 1, until June 1, 2035 (unless the maximum amount has been paid earlier), pursuant to the following schedule and for the following amounts:

<u>Date</u>	<u>Amount of Blight Remediation Grants</u>
June 1, 2030	55% of Tax Increments collected in Fiscal Year 29-30
June 1, 2031	55% of Tax Increments collected in Fiscal Year 30-31
June 1, 2032	55% of Tax Increments collected in Fiscal Year 31-32
June 1, 2033	55% of Tax Increments collected in Fiscal Year 32-33
June 1, 2034	55% of Tax Increments collected in Fiscal Year 33-34
June 1, 2035	55% of Tax Increments collected in Fiscal Year 34-35

Until the City has collected sufficient Tax Increments to fully reimburse the City Advance used to fund the Benchmark Grant, each annual payment shall be equal in amount to 55% of the Tax Increments collected by the City with respect to the Development Property and Minimum Improvements and deposited into the Inception Group TIF Account (without regard to any averaging that may otherwise be utilized under Iowa Code Section 403.19 and excluding any interest that may accrue thereon prior to payment to Developer) during the preceding twelve-month period, but subject to limitation and adjustment as provided in this Article. If the City has collected sufficient Tax Increments to fully reimburse the City Advance before all of the available Blight Remediation Grants have been paid to Developer (and before the cumulative amount of the Blight Remediation Grants reaches \$462,000.00), then the remaining annual payments of Blight Remediation Grants shall be equal in amount to 100% of the Tax Increments collected by the City with respect to the Development Property and Minimum Improvements and deposited into the Inception Group TIF Account (without regard to any averaging that may otherwise be utilized under Iowa Code Section 403.19 and excluding any interest that may accrue thereon prior to payment to Developer) during the preceding twelve-month period, but subject to limitation and adjustment as provided in this Article.

d. The Blight Remediation Grants shall be payable from and secured solely and only by Tax Increments deposited and held in the Inception Group TIF Account of the Kentucky Ridge/North 6th Avenue Urban Renewal Tax Increment Revenue Fund of the City. The City hereby covenants and agrees to maintain the Ordinance in force during the term hereof and to apply the appropriate amount of Tax Increments collected and allocated to the Inception Group TIF Account to pay the Blight Remediation Grants, as and to the extent set forth in this Article. The Blight Remediation Grants shall not be payable by Tax Increments previously allocated to another project nor by other tax increment revenues or by general taxation or from any other City funds.

Section 8.3. Maximum Amount of Blight Remediation Grants. The aggregate amount of the Blight Remediation Grants that may be paid to Developer under this Agreement shall be equal to the sum of the total amount of the applicable percentage of Tax Increments collected in respect of the assessments imposed on the Minimum Improvements and Development Property over the specified time period, subject to the limitations set forth herein, but in no event shall exceed Four Hundred Sixty-Two Thousand Dollars (\$462,000.00) over seven (7) years. The City makes no guarantee that the Developer will receive the maximum amount of grants. The Blight Remediation Grants are only for the Project described in this Agreement and not any future expansions which, to be eligible for incentives, would be the subject of an amendment or new agreement, at the sole discretion of the City Council.

Section 8.4. Conditions Precedent to Blight Remediation Grants. Notwithstanding the provisions of Section 8.2 above, the obligation of the City to make a Blight Remediation Grant in any year shall be subject to and conditioned upon the following:

a. Developer's compliance with the terms of this Agreement, including, but not limited to, the payment of real property taxes; and

b. Developer's timely filing of the Annual Certifications required under Section 6.6

hereof and the Council's approval thereof; and

- c. No Event of Default shall have occurred and be continuing.

In the event that an Event of Default occurs or any certification filed by Developer under Section 6.6 (or other information) discloses the existence or prior occurrence of an Event of Default that was not cured or cannot reasonably be cured, the City shall have no obligation thereafter to make any payments to Developer in respect of the Blight Remediation Grants and the provisions of this Article shall terminate and be of no further force or effect.

Each Annual Certification filed by Developer under Section 6.6 hereof shall be considered separately in determining whether the City shall make any of the Blight Remediation Grant payments available to Developer under this Article. Under no circumstances shall the failure by Developer to qualify for a Blight Remediation Grant due to the sole fault of the Developer in any year serve to extend the term of this Agreement beyond the Termination Date or the years during which Blight Remediation Grants may be awarded to Developer or the total amount thereof, it being the intent of parties hereto to provide Developer with an opportunity to receive Blight Remediation Grants only if Developer fully complies with the provisions hereof and Developer becomes entitled thereto, up to the maximum aggregate amount set forth in Sections 8.2 and 8.3.

Section 8.5. Limitations on Grants.

a. The Benchmark Grant and each Blight Remediation Grant is subject to annual appropriation by the City Council each fiscal year. The City has no obligation to make any payments to Developer as contemplated under this Agreement until the City Council annually appropriates the funds necessary to make such payments. The right of non-appropriation reserved to the City in this Section is intended by the parties, and shall be construed at all times, so as to ensure that the City's obligation to make future payments of the Benchmark Grant or Blight Remediation Grants shall not constitute a legal indebtedness of the City within the meaning of any applicable constitutional or statutory debt limitation prior to the adoption of a budget which appropriates funds for the payment of that installment or amount. In the event that any of the provisions of this Agreement are determined by a court of competent jurisdiction or by the City's bond counsel to create, or result in the creation of, such a legal indebtedness of the City, the enforcement of the said provision shall be suspended, and the Agreement shall at all times be construed and applied in such a manner as will preserve the foregoing intent of the parties, and no Event of Default by the City shall be deemed to have occurred as a result thereof. If any provision of this Agreement or the application thereof to any circumstance is so suspended, the suspension shall not affect other provisions of this Agreement which can be given effect without the suspended provision. To this end the provisions of this Agreement are severable.

b. Notwithstanding the provisions of Sections 8.1 and 8.2 hereof, the City shall have no obligation to make a Benchmark Grant or Blight Remediation Grant to Developer if at any time during the term hereof the City fails to appropriate funds for payment, the City's ability to collect Tax Increments is terminated, or the City receives an opinion from its legal counsel to the effect that the use of (i) the City Advance to fund the Benchmark Grant, as contemplated under Section 8.1, or (ii) Tax Increments to fund a Blight Remediation Grant to Developer, as contemplated

under Section 8.2, is not authorized or otherwise an appropriate urban renewal activity permitted to be undertaken by the City under the Urban Renewal Act or other applicable provisions of the Code as then constituted or under controlling decision of any Iowa Court having jurisdiction over the subject matter hereof. Upon any such legal constraint or non-appropriation, the City shall promptly forward notice of the same to Developer. If the non-appropriation or circumstances or legal constraints giving rise to the decision continue for a period during which two (2) annual Blight Remediation Grants would otherwise have been paid to Developer under the terms of Section 8.2, the City may terminate this Agreement, without penalty or other liability to the City, by written notice to Developer.

Section 8.6. Use of Other Tax Increments. The City shall be free to use any and all Tax Increments above and beyond the amounts to be given to Developer in this Agreement, or any available Tax Increments resulting from the suspension or termination of the Blight Remediation Grants, for any purpose for which the Tax Increments may lawfully be used pursuant to the provisions of the Urban Renewal Act (including an allocation of all or any portion thereof to the reduction of any eligible City costs), and the City shall have no obligations to Developer with respect to the use thereof.

Section 8.7. Reduction of First Blight Remediation Grant. Developer shall pay to the City an amount equal to the actual costs incurred by the City, but not to exceed \$5,000, in connection with the negotiation, drafting, adoption of this Agreement, including, but not limited to, publication fees for legal notices, actual costs associated with City Council meetings, and reasonable legal fees of the City. Developer shall pay such amount to the City within thirty (30) days of written demand of payment being made by the City to Developer or, if the Developer has not previously paid the amount, then such costs shall be deducted from the first Blight Remediation Grant. If the Developer does not qualify for any Blight Remediation Grants under the terms of this Agreement, or if this Agreement is terminated by the City prior to payment of the first Blight Remediation Grant due to an Event of Default, then the Developer shall pay any outstanding balance due under this provision within thirty (30) days of written demand of payment being made by the City to Developer.

ARTICLE IX. INDEMNIFICATION

Section 9.1. Release and Indemnification Covenants.

a. Developer releases the Indemnified Parties from, covenants and agrees that the Indemnified Parties shall not be liable for, and agrees to indemnify, defend, and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person occurring at or about, or resulting from any defect in, the Development Property or the Minimum Improvements. Notwithstanding the foregoing, this shall not be construed to require or cause Developer to indemnify, defend, and hold harmless the Indemnified Parties against any loss, damage, injury, or death arising from or associated with property, including Infrastructure Improvements and related easements and public rights-of-way, dedicated to and accepted by the City, after the City's acceptance thereof.

b. Except for any intentional harm, intentional tort, fraud, ultra vires act or omission, willful misrepresentation, any willful or wanton misconduct or any unlawful act of the Indemnified

Parties, the Developer agrees to protect and defend the Indemnified Parties, now or forever, and further agrees to hold the Indemnified Parties harmless, from any claim, demand, suit, action, or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from (i) any violation of any agreement or condition of this Agreement (except with respect to any suit, action, demand or other proceeding brought by the Developer against the City to enforce its rights under this Agreement), (ii) the acquisition and condition of the Development Property and the construction, installation, ownership, and operation of the Minimum Improvements, or (iii) any hazardous substance or environmental contamination located in or on the Development Property.

c. The Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Developer, or its officers, agents, servants, or employees or any other person who may be about the Minimum Improvements due to any act of negligence of any person, other than any act of negligence on the part of any such Indemnified Party or its officers, agents, servants, or employees.

d. All covenants, stipulations, promises, agreements, and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the City, and not of any governing body member, officer, agent, servant, or employee of the City in the individual capacity thereof.

e. The provisions of this Article IX shall survive the termination of this Agreement.

ARTICLE X. REMEDIES

Section 10.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement, any one or more of the following events:

a. Default by Developer:

- i. Failure by the Developer to cause the construction of the Minimum Improvements to be completed pursuant to the terms, conditions, and limitations of this Agreement, including completion by the date set forth in Section 2.2(k);
- ii. Failure by the Developer to observe or perform any covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement;
- iii. Transfer of Developer's interest in the Development Property or this Agreement in violation of the provisions of this Agreement;
- iv. Failure by Developer to timely pay ad valorem taxes on the Development Property;
- v. The holder of any Mortgage on the Development Property, or any improvements thereon, or any portion thereof, commences foreclosure proceedings as a result of any default under the applicable Mortgage documents;

vi. Developer shall:

A. file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended, or under any similar federal or state law; or

B. make an assignment for the benefit of its creditors; or

C. admit in writing its inability to pay its debts generally as they become due; or

D. be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of Developer, as bankrupt or Developer's reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of Developer, or the Minimum Improvements, or part thereof, shall be appointed in any proceedings brought against Developer, and shall not be discharged within ninety (90) days after such appointment, or if Developer shall consent to or acquiesce in such appointment; or

vii. Any representation or warranty made by the Developer in this Agreement, or made by the Developer in any written statement or certification furnished by the Developer pursuant to this Agreement, shall prove to have been incorrect, incomplete, or misleading in any material respect on or as of the date of the issuance or making thereof.

b. Default by City:

i. Breach or non-performance by the City of any term, condition, or covenant imposing an obligation upon the City pursuant to and or in violation of the terms, covenants, and conditions of this Agreement;

ii. Failure by the City to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

Section 10.2. Remedies on Default.

a. Remedies Available to the City: Whenever any Event of Default by Developer referred to in Section 10.1(a) of this Agreement occurs and is continuing, the City may take any one or more of the following actions after giving thirty (30) days' written notice to Developer of the Event of Default, but only if the Event of Default has not been cured to the satisfaction of the City within said thirty (30) days, or if the Event of Default cannot reasonably be cured within thirty (30) days and Developer does not provide assurances reasonably satisfactory to the City that the

Event of Default will be cured as soon as reasonably possible:

- i. The City may suspend its performance under this Agreement until it receives assurances from Developer, deemed adequate by the City, that Developer will cure the default and continue its performance under this Agreement;
- ii. The City may terminate this Agreement;
- iii. The City may withhold the Certificate of Completion;
- iv. The City may take any action, including legal, equitable or administrative action, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of Developer, as the case may be, under this Agreement;
- v. The City shall have no obligation to pay the Blight Remediation Grants to Developer subsequent to an Event of Default and shall be entitled to recover from the Developer, and the Developer shall repay to the City, an amount equal to the full amount of the Blight Remediation Grants previously made to Developer under Article VIII hereof, with interest thereon at 12% per annum. The City may take any action, including any legal action it deems necessary, to recover such amount from Developer. The City may demand such payment at any time following its determination that Developer is in default under this Agreement; or
- vi. The City may suspend its performance under this Agreement until the Developer cures its default under the terms of this Agreement.

b. Remedies Available to the Developer: Whenever any Event of Default by the City referred to in Section 10.1(b) of this Agreement occurs and is continuing, the Developer may take one or more of the following actions after giving thirty (30) days written notice to the City of the Event of Default, but only if the Event of Default has not been cured to the satisfaction of the Developer within thirty (30) days, or in the Event of Default cannot reasonably be cured within thirty (30) days and the City does not provide assurances reasonably satisfactory to the Developer that the Event of Default will be cured as soon as reasonably possible;

- i. The Developer may take any action, including legal, equitable, or administrative action, which may appear necessary and desirable to enforce performance and observation of any obligation, agreement, or covenant of the City, as the case may be under this Agreement;
- ii. The Developer may recover monetary damages against the City for actual damages of not more than \$10,000;
- iii. The Developer may seek and obtain a declaratory judgment or injunction;
- iv. The Developer may suspend its performance under this Agreement until the City

cures its default under the terms of this Agreement. The duration of the suspension shall be added to the guidelines, deadlines, timeframe, and requirements for performance of the obligations of and/or by the Developer.

Section 10.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 10.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE XI. MISCELLANEOUS

Section 11.1. Conflict of Interest. Developer represents and warrants that, to its best knowledge and belief after due inquiry, no officer or employee of the City, or its designees or agents, nor any member of the governing body of the City, and no other public official of the City who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision-making process or gain insider information with regard to the Project, has had or shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work or services to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.

Section 11.2. Notices and Demands. A notice, demand or other communication under this Agreement by any party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- a. In the case of Developer, is addressed or delivered personally to Inception Group, LLC, at 209 E Salem Ave, Indianola, IA 50125;
- b. In the case of the City, is addressed to or delivered personally to the City at: City of Indianola, Iowa, 110 North First Street, Indianola, Iowa 50125, Attn: City Manager;

or to such other designated individual or officer or to such other address as any party shall have furnished to the other in writing in accordance herewith.

Section 11.3. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 11.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 11.5. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Iowa.

Section 11.6. Further Assurances. Each Party shall take all actions and do all things, and execute with acknowledgement or affidavit, if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

Section 11.7. Severability. If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of either Party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition, or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

Section 11.8. Entire Agreement. This Agreement and the exhibits hereto reflect the entire agreement among the parties regarding the subject matter hereof, and supersedes and replaces all prior agreements, negotiations, or discussions, whether oral or written. This Agreement may not be amended except by a subsequent writing signed by all parties hereto.

Section 11.9. Successors and Assigns. This Agreement is intended to and shall inure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns.

Section 11.10. Termination Date. This Agreement shall terminate and be of no further force or effect on and after December 31, 2035, unless terminated earlier under the provisions of this Agreement.

Section 11.11. Memorandum of Agreement. The parties agree to execute and record a Memorandum of Agreement for Private Development, in substantially the form attached as Exhibit D, to serve as notice to the public of the existence and provisions of this Agreement, and the rights and interests held by the City by virtue hereof. The City shall pay for all costs of recording.

Section 11.12. No Third-Party Beneficiaries. No rights or privileges of either party hereto shall inure to the benefit of any landowner, contractor, subcontractor, material supplier, or any other person or entity, and no such contractor, landowner, subcontractor, material supplier, or any other person or entity shall be deemed to be a third-party beneficiary of any of the provisions contained in this Agreement.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and Developer has caused this Agreement to be duly executed in its name and behalf by its authorized representatives, all on or as of the day first above written.

(SEAL)

CITY OF INDIANOLA, IOWA

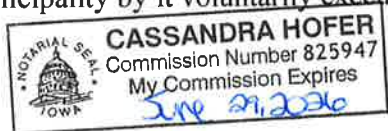
By: Stephanie Erickson
Stephanie Erickson, Mayor

ATTEST:

By: Jackie Raffety
Jackie Raffety, City Clerk

STATE OF IOWA)
) SS
COUNTY OF WARREN)

On this 2 day of December, 2024, before me a Notary Public in and for said State, personally appeared Stephanie Erickson and Jackie Raffety, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Indianola, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.



Cassandra Hofer
Notary Public in and for the State of Iowa

[Signature page to Agreement for Private Development – City of Indianola]

INCEPTION GROUP, LLC

By: [Signature] manager

Print Name: Gerald E Mercer manager

Its: Manager

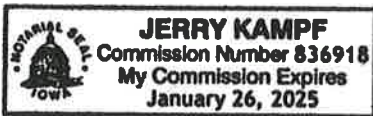
By: [Signature]

Print Name: Cody Sinclair - Manager

Its: Manager

STATE OF Town)
) SS
COUNTY OF Warren)

This record acknowledged before me on November 18, 2024 by
Gerald E. Mercer and Cody Sinclair as managers of
Inception Group, LLC.



[Signature]
Notary Public in and for said state

My commission expires: January 26, 2025

[Signature page to Agreement for Private Development – Inception Group, LLC]

EXHIBIT A
DEVELOPMENT PROPERTY

The Development Property is described as follows:

The North $\frac{1}{2}$ of the following described real estate: Beginning at a point 33 feet East and 238 $\frac{1}{2}$ feet North of the SW corner of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa in Indianola, Iowa, thence North 306 feet, thence East 208 $\frac{1}{2}$ feet, thence South 306 feet, thence West 208 $\frac{1}{2}$ feet to the place of beginning, and Lot 9 of Woodward's Subdivision in Indianola, Warren County, Iowa, AND Parcel 'AA' as described in the Irregular Plat of Survey filed in the Office of the Recorder in and for Warren County, Iowa on March 1, 2000 in Book 13, Page 3 of 76-23 being a part of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa.

EXHIBIT B
MINIMUM IMPROVEMENTS

Minimum Improvements shall mean the construction of three commercial buildings to be used as retail and/or restaurant space, and related site improvements, with an estimated cost of completion of approximately \$4,000,000.00. The Minimum Improvements shall also include at least 50 residential housing units, and all related site improvements, with an estimated cost of completion of approximately \$14,000,000.00. The site improvements shall include converting an open storm water ditch to an underground storm sewer, to be dedicated to the City. An existing sanitary sewer will be replaced, consistent with all applicable City construction, dedication, and bonding requirements. The Minimum Improvements are expected to be completed by December 31, 2027. See Exhibit B-1 for site plans or depictions of the Minimum Improvements.

B-1

Execution Version

PUBLIC INFORMATION

LEGEND:

1. PHASE 1: 100,000 S.F. LOT AREA

2. PHASE 2: 100,000 S.F. LOT AREA

3. PHASE 3: 100,000 S.F. LOT AREA

4. PHASE 4: 100,000 S.F. LOT AREA

5. PHASE 5: 100,000 S.F. LOT AREA

6. PHASE 6: 100,000 S.F. LOT AREA

7. PHASE 7: 100,000 S.F. LOT AREA

8. PHASE 8: 100,000 S.F. LOT AREA

9. PHASE 9: 100,000 S.F. LOT AREA

10. PHASE 10: 100,000 S.F. LOT AREA

11. PHASE 11: 100,000 S.F. LOT AREA

12. PHASE 12: 100,000 S.F. LOT AREA

13. PHASE 13: 100,000 S.F. LOT AREA

14. PHASE 14: 100,000 S.F. LOT AREA

15. PHASE 15: 100,000 S.F. LOT AREA

16. PHASE 16: 100,000 S.F. LOT AREA

17. PHASE 17: 100,000 S.F. LOT AREA

18. PHASE 18: 100,000 S.F. LOT AREA

19. PHASE 19: 100,000 S.F. LOT AREA

20. PHASE 20: 100,000 S.F. LOT AREA

21. PHASE 21: 100,000 S.F. LOT AREA

22. PHASE 22: 100,000 S.F. LOT AREA

23. PHASE 23: 100,000 S.F. LOT AREA

24. PHASE 24: 100,000 S.F. LOT AREA

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27. PHASE 27: 100,000 S.F. LOT AREA

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29. PHASE 29: 100,000 S.F. LOT AREA

30. PHASE 30: 100,000 S.F. LOT AREA

31. PHASE 31: 100,000 S.F. LOT AREA

32. PHASE 32: 100,000 S.F. LOT AREA

33. PHASE 33: 100,000 S.F. LOT AREA

34. PHASE 34: 100,000 S.F. LOT AREA

35. PHASE 35: 100,000 S.F. LOT AREA

36. PHASE 36: 100,000 S.F. LOT AREA

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39. PHASE 39: 100,000 S.F. LOT AREA

40. PHASE 40: 100,000 S.F. LOT AREA

41. PHASE 41: 100,000 S.F. LOT AREA

42. PHASE 42: 100,000 S.F. LOT AREA

43. PHASE 43: 100,000 S.F. LOT AREA

44. PHASE 44: 100,000 S.F. LOT AREA

45. PHASE 45: 100,000 S.F. LOT AREA

46. PHASE 46: 100,000 S.F. LOT AREA

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71. PHASE 71: 100,000 S.F. LOT AREA

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98. PHASE 98: 100,000 S.F. LOT AREA

99. PHASE 99: 100,000 S.F. LOT AREA

100. PHASE 100: 100,000 S.F. LOT AREA

SNYDER ASSOCIATES

2121 N. 10TH AVENUE
SUITE 100
DENVER, CO 80202

TEL: 303.733.1111
FAX: 303.733.1112
WWW.SNYDER-ASSOCIATES.COM

KENTUCKY RIDGE

PUD MASTER PLAN

INDIANAPOLIS, IN

SNYDER & ASSOCIATES, INC.

2121 N. 10TH AVENUE
SUITE 100
DENVER, CO 80202

TEL: 303.733.1111
FAX: 303.733.1112
WWW.SNYDER-ASSOCIATES.COM

NO.	REVISION	DATE	BY	CHKD
1	ISSUED FOR PERMIT	01/14/09	JS	JS
2	REVISED PER CITY COMMENTS	01/23/09	JS	JS
3	REVISED PER CITY COMMENTS	01/23/09	JS	JS
4	REVISED PER CITY COMMENTS	01/23/09	JS	JS
5	REVISED PER CITY COMMENTS	01/23/09	JS	JS
6	REVISED PER CITY COMMENTS	01/23/09	JS	JS
7	REVISED PER CITY COMMENTS	01/23/09	JS	JS
8	REVISED PER CITY COMMENTS	01/23/09	JS	JS
9	REVISED PER CITY COMMENTS	01/23/09	JS	JS
10	REVISED PER CITY COMMENTS	01/23/09	JS	JS
11	REVISED PER CITY COMMENTS	01/23/09	JS	JS
12	REVISED PER CITY COMMENTS	01/23/09	JS	JS
13	REVISED PER CITY COMMENTS	01/23/09	JS	

Execution Version

EXHIBIT C
CERTIFICATE OF COMPLETION

WHEREAS, the City of Indianola, Iowa (the "City") and Inception Group, LLC (the "Developer") did on or about December 2, 2024, make, execute, and deliver, each to the other, an Agreement for Private Development (the "Agreement"), wherein and whereby Developer agreed, in accordance with the terms of the Agreement, to develop and maintain certain real property located within the City and as more particularly described as follows:

The North ½ of the following described real estate: Beginning at a point 33 feet East and 238 ½ feet North of the SW corner of the NW¼ SW 1/4 of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa in Indianola, Iowa, thence North 306 feet, thence East 208 ½ feet, thence South 306 feet, thence West 208 ½ feet to the place of beginning, and Lot 9 of Woodward's Subdivision in Indianola, Warren County, Iowa, AND Parcel 'AA' as described in the Irregular Plat of Survey filed in the Office of the Recorder in and for Warren County, Iowa on March 1, 2000 in Book 13, Page 3 of 76-23 being a part of the NW¼ SW¼ of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa.

(the "Development Property"); and

WHEREAS, the Agreement incorporated and contained certain covenants and restrictions with respect to the development of the Development Property, and obligated Developer to construct certain Minimum Improvements (as defined therein) in accordance with the Agreement; and

WHEREAS, Developer has to the present date performed said covenants and conditions insofar as they relate to the construction of said Minimum Improvements in a manner deemed by the City to be in conformance with the Agreement to permit the execution and recording of this certification.

NOW, THEREFORE, this is to certify that all covenants and conditions of the Agreement with respect to the obligations of Developer and its successors and assigns, to construct the Minimum Improvements on the Development Property have been completed and performed by Developer and are hereby released absolutely and forever terminated insofar as they apply to the land described herein. The County Recorder of Warren County is hereby authorized to accept for recording and to record the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of said Agreement with respect to the construction of the Minimum Improvements on the Development Property.

All other provisions of the Agreement shall otherwise remain in full force and effect until termination as provided therein.

[Signature page follows]

C-1

Execution Version

(SEAL)

CITY OF INDIANOLA, IOWA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

STATE OF IOWA)
) SS
COUNTY OF WARREN)

On this _____ day of _____, 20____, before me a Notary Public in and for said State, personally appeared _____ and _____, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Indianola, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Certification of Completion]

Prepared by: Jenna H.B. Sabroske, Ahlers & Cooney, 100 Court Ave. #600, Des Moines, IA 50309; 515-243-7611
Return to: City Clerk, City of Indianola, 110 North First Street, Indianola, Iowa 50125

EXHIBIT D
MEMORANDUM OF AGREEMENT FOR PRIVATE DEVELOPMENT

WHEREAS, the City of Indianola, Iowa (the "City") and Inception Group, LLC, an Iowa limited liability company ("Developer") did on or about December 2, 2024, make, execute and deliver, each to the other, an Agreement for Private Development (the "Agreement"), wherein and whereby Developer agreed to develop and operate, certain real property located within the City and within the Kentucky Ridge/North 6th Avenue Urban Renewal Area, in accordance with the terms of the Agreement and the Kentucky Ridge/North 6th Avenue Urban Renewal Plan (the "Plan"), which property is legally described as:

The North ½ of the following described real estate: Beginning at a point 33 feet East and 238 ½ feet North of the SW corner of the NW¼ SW 1/4 of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa in Indianola, Iowa, thence North 306 feet, thence East 208 ½ feet, thence South 306 feet, thence West 208 ½ feet to the place of beginning, and Lot 9 of Woodward's Subdivision in Indianola, Warren County, Iowa, AND Parcel 'AA' as described in the Irregular Plat of Survey filed in the Office of the Recorder in and for Warren County, Iowa on March 1, 2000 in Book 13, Page 3 of 76-23 being a part of the NW¼ SW¼ of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa.

(the "Development Property"); and

WHEREAS, the term of the Agreement commenced on the date first stated above and terminates on December 31, 2035, unless otherwise terminated as set forth in the Agreement; and

WHEREAS, the City and Developer desire to record a Memorandum of the Agreement referring to the Development Property and their respective interests therein.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

D-1

Execution Version

1. That the recording of this Memorandum of Agreement for Private Development shall serve as notice to the public that the Agreement contains provisions restricting development and use of the Development Property and the improvements located and operated on such Development Property.

2. That all of the provisions of the Agreement and any subsequent amendments thereto, if any, even though not set forth herein, are by the filing of this Memorandum of Agreement for Private Development made a part hereof by reference, and that anyone making any claim against any of said Development Property in any manner whatsoever shall be fully advised as to all of the terms and conditions of the Agreement, and any amendments thereto, as if the same were fully set forth herein.

3. That a copy of the Agreement and any subsequent amendments thereto, if any, shall be maintained on file for public inspection during ordinary business hours in the office of the City Clerk, Indianola, Iowa.

IN WITNESS WHEREOF, the City and Developer have executed this Memorandum of Agreement for Private Development as of December 2, 2024.

[Signatures start on the next page]

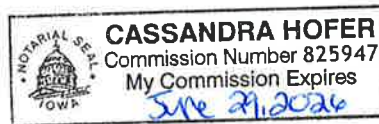
CITY OF INDIANOLA, IOWA

By: 
Stephanie Erickson, Mayor

By: Jackie Raffety
Jackie Raffety, City Clerk

STATE OF IOWA)
) SS
COUNTY OF WARREN)

On this 2 day of December, 2024, before me a Notary Public in and for said State, personally appeared Stephanie Erickson and Jackie Raffety, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Indianola, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.



Cassandra Hobbs
Notary Public in and for the State of Iowa

[Signature page to Memorandum of Agreement – City of Indianola]

DEVELOPER:
INCEPTION GROUP, LLC

By: [Signature] manager

Print Name: Gerald C Mercer manager

Its: Manager

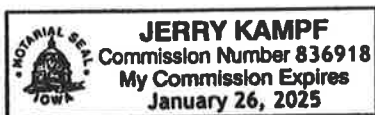
By: [Signature]

Print Name: Cody Sinclair - Manager

Its: Manager

STATE OF Iowa)
) SS
COUNTY OF Warren)

This record acknowledged before me on November 18, 2024 by
Gerald E. Mercer and Cody Sinclair as managers of
Inception Group, LLC.



[Signature]
Notary Public in and for said state

My commission expires: January 26, 2025

[Signature page to Memorandum of Agreement – Inception Group, LLC]

EXHIBIT F
MINIMUM ASSESSMENT AGREEMENT

THIS MINIMUM ASSESSMENT AGREEMENT ("Minimum Assessment Agreement" or "Assessment Agreement") is dated as of December 2 2024, by and between the CITY OF INDIANOLA, IOWA (the "City"), an Iowa municipal corporation, acting under the authorization of Chapter 403 of the Code of Iowa, 2023, as amended, and INCEPTION GROUP, LLC, an Iowa limited liability company, having an office for the transaction of business at 209 East Salem Avenue, Indianola, Iowa 50125 ("Developer").

RECITALS

WHEREAS, the City and Developer have entered into a Development Agreement dated as of the date first set forth above ("Agreement" or "Development Agreement") regarding certain real property to be located in the City, which is legally described as follows:

The North ½ of the following described real estate: Beginning at a point 33 feet East and 238 ½ feet North of the SW corner of the NW¼ SW 1/4 of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa in Indianola, Iowa, thence North 306 feet, thence East 208 ½ feet, thence South 306 feet, thence West 208 ½ feet to the place of beginning, and Lot 9 of Woodward's Subdivision in Indianola, Warren County, Iowa, AND Parcel 'AA' as described in the Irregular Plat of Survey filed in the Office of the Recorder in and for Warren County, Iowa on March 1, 2000 in Book 13, Page 3 of 76-23 being a part of the NW¼ SW¼ of Section 19, Township 76 North, Range 23 West of the 5th P.M., Warren County, Iowa.

(the "Development Property"); and

WHEREAS, the defined terms in the Development Agreement will also apply to this Minimum Assessment Agreement; and

WHEREAS, it is contemplated that Developer undertake the construction of Minimum

Improvements (as described in the Development Agreement), on the Development Property, as provided in the Development Agreement; and

WHEREAS, pursuant to Section 403.6(19) of the Code of Iowa, as amended, the City and Developer desire to establish a Minimum Actual Value for the buildings on the Development Property following completion of the Minimum Improvements by Developer pursuant to the Development Agreement; and

WHEREAS, the City and the Warren County Assessor have reviewed the preliminary plans and specifications for the Minimum Improvements that are contemplated to be constructed; and

NOW, THEREFORE, the parties to this Minimum Assessment Agreement, in consideration of the promises, covenants and agreements made by each other, do hereby agree as follows:

1. Upon substantial completion of construction of the Minimum Improvements, but in any event not later than January 1, 2028, the Minimum Actual Value fixed for assessment purposes for the Development Property and Minimum Improvements in the aggregate shall be not less than Ten Million Dollars (\$10,000,000.00). The Minimum Actual Value is the value before rollback. The Minimum Actual Value shall terminate and be of no further force or effect as of December 31, 2033 ("Assessment Agreement Termination Date"). Upon the Assessment Agreement Termination Date, this Minimum Assessment Agreement shall no longer control the assessment of the Development Property.

2. Developer shall pay or cause to be paid when due all real property taxes and assessments payable with respect to all and any parts of the Development Property and the Minimum Improvements pursuant to the provisions of this Minimum Assessment Agreement and the Development Agreement. Such tax payments shall be made without regard to any loss, complete or partial, to the Development Property or the Minimum Improvements, any interruption in, or discontinuance of, the use, occupancy, ownership or operation of the Minimum Improvements by Developer, or any other matter or thing which for any reason interferes with, prevents or renders burdensome the use or occupancy of the Development Property or the Minimum Improvements.

3. Developer agrees that its obligations to make the tax payments required hereby, to pay the other sums provided for herein, and to perform and observe its other agreements contained in this Minimum Assessment Agreement shall be absolute and unconditional obligations of Developer (not limited to the statutory remedies for unpaid taxes) and that Developer shall not be entitled to any diminution thereof, or set off therefrom, nor to any early termination of this Minimum Assessment Agreement for any reason.

4. Developer agrees that, prior to the termination of this Assessment Agreement, it will not:

(a) seek administrative review or judicial review of the applicability or constitutionality of any Iowa tax statute relating to the taxation of the Development Property determined by any tax official to be applicable to the Development Property, or raise the inapplicability or constitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings; or

(b) seek any tax deferral or abatement, either presently or prospectively authorized under Iowa Code Chapter 403 or 404, or any other local, City, or State law or regulation, of the taxation of the Development Property; or

(c) request the Assessor to reduce the Minimum Actual Value for the building on the Development Property; or

(d) appeal to the board of review of the County, State, District Court, or to the Director of Revenue of the State to reduce the Minimum Actual Value for the buildings on the Development Property; or

(e) cause a reduction in the actual value or the Minimum Actual Value for the buildings on the Development Property through any other proceedings.

5. This Minimum Assessment Agreement shall be promptly recorded by the City with the Recorder of Warren County, Iowa. Such filing shall constitute notice to any subsequent encumbrancer of the Development Property (or part thereof), whether voluntary or involuntary, and this Minimum Assessment Agreement shall be binding and enforceable in its entirety against any such subsequent encumbrancer, including the holder of any mortgage. The City shall pay all costs of recording.

6. Neither the preambles nor provisions of this Minimum Assessment Agreement are intended to, or shall be construed as, modifying the terms of the Development Agreement.

7. This Minimum Assessment Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

8. Nothing herein shall be deemed to waive the rights of Developer under Iowa Code Section 403.6(19) to contest that portion of any actual value assignment made by the Assessor in excess of the Minimum Actual Value established herein. In no event, however, shall Developer seek to reduce the actual value to an amount below the Minimum Actual Values established herein during the term of this Agreement. This Minimum Assessment Agreement may be amended or modified and any of its terms, covenants, representations, warranties or conditions waived, only by a written instrument executed by the parties hereto, or in the case of a waiver, by the party waiving compliance.

9. If any term, condition or provision of this Minimum Assessment Agreement is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity or inoperability

shall not affect the remainder hereof, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained herein.

10. The Minimum Actual Value herein established shall be of no further force and effect and this Minimum Assessment Agreement shall terminate pursuant to the Assessment Agreement Termination Date set forth in Section 1 above.

11. Developer has provided a title opinion or lien or title search/certificate to City listing all lienholders of record as of the date of this Assessment Agreement and all such lienholders have signed a consent to this Assessment Agreement substantially in the form of the Lienholder Consent set forth in this Exhibit F, which consents are attached hereto and made a part hereof.

[Remainder of this page is blank. Signatures start on the next page.]

CITY OF INDIANOLA, IOWA

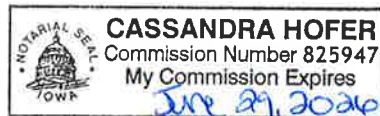
By: 
Stephanie Erickson, Mayor

ATTEST:

By: Jackie Raffety
Jackie Raffety, City Clerk

STATE OF IOWA)
) SS
COUNTY OF WARREN)

On this 2 day of December, 2024, before me a Notary Public in and for said State, personally appeared Stephanie Erickson and Jackie Raffety, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Indianola, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.



Cassandra Hye
Notary Public in and for the State of Iowa

[Signature page to Minimum Assessment Agreement – City of Indianola, Iowa]

DEVELOPER:
INCEPTION GROUP, LLC

By: MLC manager

Print Name: Gerald E Mercer manager

Its: Manager

By: Cody Sinclair Manager

Print Name: Cody Sinclair - Manager

Its: manager

STATE OF Iowa)
) SS
COUNTY OF Warren)

This record acknowledged before me on November, 18 2024 by
Gerald E Mercer and Cody Sinclair as Managers of
Inception Group, LLC.



THP
Notary Public in and for said state

My commission expires: 3/1/2025

[Signature page to Minimum Assessment Agreement– Inception Group, LLC]

**EXHIBIT F (Cont.)
LIENHOLDER CONSENT**

In consideration of one dollar and other valuable consideration, the receipt of which is hereby acknowledged, and notwithstanding anything in any loan or security agreement to the contrary, the undersigned ratifies, approves, consents to and confirms the Minimum Assessment Agreement entered into between the parties, and agrees to be bound by its terms and subordinates any previously acquired mortgage, lien or other interest in the Development Property to the City of Indianola, Iowa. This provision shall be binding on the parties and their respective successors and assigns.

TruBank

Name of Lienholder

By: Clint Welling

Signature

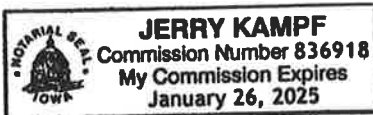
By: _____

Signature

Date: 11/18/24

STATE OF Iowa)
) SS
COUNTY OF Warren)

On this 18th day of November, 2024, before me the undersigned, a Notary Public in and for said County, in said State, personally appeared Clint Welling and _____, to me personally known, who, being by me duly sworn, did say that they are the President and _____ of TruBank and that said instrument was signed on behalf of said company, and that the said acknowledged the execution of said instrument to be the voluntary act and deed of said company, by them voluntarily executed.



[Signature]
Notary Public in and for the said state

[add additional pages for each lienholder]

Note: If there are no lienholders, this page shall have no signatures.

**EXHIBIT F (Cont.)
CERTIFICATION OF ASSESSOR**

The undersigned, having reviewed the plans and specifications for the Minimum Improvements to be constructed, and being of the opinion that the minimum market value contained in the foregoing Minimum Assessment Agreement appears reasonable, hereby certifies as follows: The undersigned Assessor, being legally responsible for the assessment of the Minimum Improvements on the Development Property described in the foregoing Minimum Assessment Agreement, certifies that the actual value assigned to the Development Property, including the Minimum Improvements on the Development Property (building and land value) in the aggregate upon substantial completion of the Minimum Improvements, but no later than January 1, 2027, shall be at least Ten Million Dollars (\$10,000,000.00) until the Assessment Termination Date contained in Section 1 of the Assessment Agreement.

The Minimum Actual Value is the value before rollback.

Assessor for Warren County, Iowa

Date

STATE OF IOWA)
) SS
COUNTY OF WARREN)

Subscribed and sworn to before me by _____, Assessor for Warren
County, Iowa on this _____ day of _____, 20__.

Notary Public for the State of Iowa

EXHIBIT F (cont.)

Consistent with Iowa Code §403.6(19)(b), filed with this assessor certification is a copy of subsection 19 as follows:

19. a. A municipality, upon entering into a development or redevelopment agreement pursuant to section 403.8, subsection 1, or as otherwise permitted in this chapter, may enter into a written assessment agreement with the developer of taxable property in the urban renewal area which establishes a minimum actual value of the land and completed improvements to be made on the land until a specified termination date which shall not be later than the date after which the tax increment will no longer be remitted to the municipality pursuant to section 403.19, subsection 2. The assessment agreement shall be presented to the appropriate assessor. The assessor shall review the plans and specifications for the improvements to be made and if the minimum actual value contained in the assessment agreement appears to be reasonable, the assessor shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property upon completion of the improvements to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall not be less than \$

b. This assessment agreement with the certification of the assessor and a copy of this subsection shall be filed in the office of the county recorder of the county where the property is located. Upon completion of the improvements, the assessor shall value the property as required by law, except that the actual value shall not be less than the minimum actual value contained in the assessment agreement. This subsection does not prohibit the assessor from assigning a higher actual value to the property or prohibit the owner from seeking administrative or legal remedies to reduce the actual value assigned except that the actual value shall not be reduced below the minimum actual value contained in the assessment agreement. An assessor, county auditor, board of review, director of revenue, or court of this state shall not reduce or order the reduction of the actual value below the minimum actual value in the agreement during the term of the agreement regardless of the actual value which may result from the incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording of an assessment agreement complying with this subsection constitutes notice of the assessment agreement to a subsequent purchaser or encumbrancer of the land or any part of it, whether voluntary or involuntary, and is binding upon a subsequent purchaser or encumbrancer.

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MEMORANDUM

To: Mayor and City Council

From:

Date: April 14, 2025

Subject: Enter into closed session in accordance with Iowa Code Section 21.5(1)(i) to evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session.

Recommendation: Roll call to enter and exit the closed hearing is in order.

Attachments: None