

AGREEMENT FOR PRIVATE DEVELOPMENT

BY AND BETWEEN

CITY OF OSKALOOSA, IOWA

AND

OSKALOOSA POST DEVELOPMENT LLC

_____, 2021

AGREEMENT
FOR
PRIVATE DEVELOPMENT

THIS AGREEMENT FOR PRIVATE DEVELOPMENT (“Agreement”), is made on or as of the ____ day of _____, 2021 (“Commencement Date”), by and among the CITY OF OSKALOOSA, IOWA, a municipality (the “City”), established pursuant to the Code of Iowa and acting under the authorization of Chapters 15A and 403 (“Urban Renewal Act”) of the Code of Iowa, 2021, as amended, and OSKALOOSA POST DEVELOPMENT LLC, an Iowa limited liability company having offices for the transaction of business at 230 2nd Street SE, Suite 214, Cedar Rapids, Iowa 52401 (“Developer”). The City and Developer are the 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 and redevelopment of an economic development and blighted area in the City and, in this connection, is engaged in carrying out urban renewal project activities in an area known as the Oskaloosa Urban Renewal Area (the “Urban Renewal Area”), which is described in Amendment No. 1 to the Oskaloosa Amended and Restated Urban Renewal Plan approved for such Urban Renewal Area by Resolution No. 14-08-71 on August 18, 2014, as further amended by Amendment No. 2 as approved by Resolution No. 19-07-86 on July 1, 2019 (the “Urban Renewal Plan”); and

WHEREAS, a copy of the foregoing Urban Renewal Plan has been recorded among the land records in the offices of the Recorder of Mahaska County, Iowa; and

WHEREAS, Developer is or will be the owner of certain real property located in the foregoing Urban Renewal Area and 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, Developer shall undertake certain Minimum Improvements on the Development Property, and thereafter cause the Development Property to be operated in accordance with this Agreement until at least the Termination Date of this Agreement; and

WHEREAS, Developer shall cause a business to operate at the Development Property which will hire and retain employees in the community; and

WHEREAS, Developer has applied for and anticipates receiving financial incentives in the form of Brownfield Tax Credits and State/Federal Historic Tax Credits; and

WHEREAS, the City believes that the development of the Development Property pursuant to this Agreement and the fulfillment 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 promises 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.

Annual Certification means the certifications that the Developer must complete and submit to the City each year as described in Section 6.7 of this Agreement and attached as Exhibit E.

Area or Urban Renewal Area shall mean the area known as the Oskaloosa Urban Renewal Area.

Construction Plans means the plans, specifications, drawings and related documents for the Minimum Improvements on the Development Property; the Construction Plans shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the building inspector of the City as required by applicable City codes.

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 Oskaloosa, Iowa, or any successor to its functions.

Code means the Code of Iowa, 2021, as amended.

Commencement Date means the date of this Agreement.

Developer means Oskaloosa Post Development LLC, an Iowa limited liability company, and each assignee that assumes in writing all of the obligations of the Developer under this Agreement with the written consent of the City as provided in Section 7.1 of this Agreement.

Development Property means that portion of the Oskaloosa Urban Renewal Area described in Exhibit A.

Event of Default means any of the events described in Section 11.1 of this Agreement that have continued beyond applicable notice and cure periods.

First Mortgage means any Mortgage granted to secure any loan made pursuant to either a mortgage commitment obtained by Developer from a commercial lender or other financial institution to fund any portion of the construction costs and initial operating capital requirements of the Minimum Improvements or all such Mortgages as appropriate.

Forgivable Loan means the forgivable loan to be made to the Developer under Article IX of this Agreement, which shall act as the local community match for incentives received by Developer under any State Agreement.

Minimum Actual Value means the actual value assigned to the Minimum Improvements and the Development Property, pursuant to the Minimum Assessment Agreement entered into between the parties and the County Assessor.

Minimum Assessment Agreement means the minimum assessment agreement in the form of Exhibit G attached hereto.

Minimum Improvements means the renovation of the former Oskaloosa Post Office building, located on the Development Property, as more particularly described in Exhibit B to this Agreement.

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 Ordinances of the City under which the taxes levied on the taxable property in the Area shall be divided and a portion paid into the Oskaloosa Urban Renewal Area Tax Increment Revenue Fund under the provisions of Section 403.19 of the Code.

Oskaloosa 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.

Project shall mean the construction and operation of the Minimum Improvements on the Development Property and the creation and maintenance of jobs, as described in this Agreement.

State means the State of Iowa.

Tax Increments means the property tax revenues from property in the Area made available to the City for deposit in the Oskaloosa 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 12.8 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, or the acts of any federal, State or local governmental unit (other than the City, with respect to a City-claimed delay).

Urban Renewal Plan means the Oskaloosa Amended and Restated Urban Renewal Plan, as amended, approved with respect to the Oskaloosa 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. Oskaloosa Post Development LLC is an Iowa limited liability company, duly organized and validly existing under the laws of the State of Iowa, and it 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 shall cooperate with the City in resolution of any traffic, parking, trash removal, or public safety problems which may arise in connection with the construction of the Minimum Improvements and operation of the Development Property.

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

h. Developer shall obtain or cause to be obtained, in a timely manner, all required permits, licenses, and approvals, and shall 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 and completed.

i. The construction of the Minimum Improvements will require a total investment of not less than \$6,000,000.

j. Developer has firm 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.

k. Developer expects that, barring Unavoidable Delays, the Minimum Improvements will be completed by February 28, 2022.

l. Developer will cause a business enterprise to maintain its business operations and add and retain employees at the Development Property as set forth in this Agreement until at least the Termination Date.

m. Developer would not undertake its obligations under this Agreement without the payment by the City of the incentives 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. Developer agrees that the scope and scale of the Minimum Improvements to be constructed 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 \$6,000,000.

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 federal, 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.

Approval of the Construction Plans hereunder 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; shall not relieve Developer of 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; shall not subject the City to any liability for the Minimum Improvements as constructed; and shall not deem the Construction Plans as sufficient 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 for the Minimum Improvements, if such site plans are approved by the building official.

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 February 28, 2022; 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.

Developer agrees that it shall permit designated representatives of the City, 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.

Section 3.4. Certificate of Completion. Within fifteen (15) business days after written request by Developer and after receipt of a certificate of occupancy 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 Mahaska County Recorder's Office 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 such fifteen (15) business day period, instead provide a written statement indicating 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.

ARTICLE IV. STATE/FEDERAL TAX CREDITS

Section 4.1. Local Match/City Contribution. The Developer has applied for, or been approved for, Brownfield Tax Credits and State/Federal Historic Tax Credits related to the construction of the Minimum Improvements described in this Agreement. To the extent a local match or contribution is required in support of these tax credits, the City's Forgivable Loan under this Agreement shall constitute that local match or contribution.

Section 4.2. Repayment. The Developer shall indemnify and hold the City harmless from any loss, including repayment of any incentive monies to the State or federal government, arising out of or related to the Developer's receipt of the tax credits referenced in Section 4.1.

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 request of the City, furnish the City with proof of coverage or payment of premiums on):

i. 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 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 entity's 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 request of the City shall furnish proof of coverage or the payment of premiums on), insurance as follows:

i. Insurance against loss and/or damage to the Development Property under a policy or policies covering such risks as are ordinarily insured against by similar businesses, including (without limitation the generality of the foregoing) 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 Development Property, but any such policy may have a deductible amount of not more than \$200,000. 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 Development Property (excluding foundation and excavation costs and costs of underground flues, pipes, drains, and other uninsurable items) and equipment, and shall be determined from time to time at the request of the City, but not more frequently than once every three years, by an insurance consultant or insurer selected and paid for by Developer and approved by the City.

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.

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. Developer will deposit annually with the City 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, Developer shall provide written notice to the City at least thirty (30) days before the cancellation of any policy described herein becomes effective. Within ten (10) days of being notified of any modification to the policy by the insurer that would cause a party’s coverage to be less than the minimum requirements as set forth in this Agreement, the Developer will provide written notice to the City of the modification. Within fifteen (15) days after the expiration of any policy, Developer shall furnish the City evidence satisfactory to the City that the policy has been renewed or replaced by another policy conforming to the provisions of this Article V, or that there is no necessity therefor under the terms hereof. 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 Development Property.

d. Developer agrees to notify the City immediately in the case of damage exceeding \$25,000 in amount to, or destruction of, the Development Property or any portion thereof resulting from fire or other casualty. Net Proceeds of any such insurance shall be paid directly to Developer (as applicable to the specific policy), and Developer will forthwith repair, reconstruct,

and restore the Development Property to substantially the same or an improved condition or value as it 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 Development Property, whether or not the Net Proceeds of insurance received by Developer for such purposes are sufficient.

ARTICLE VI. FURTHER COVENANTS OF DEVELOPER

Section 6.1. Maintenance of Development Property. Developer will maintain, preserve, and keep the Development Property (whether owned in fee or a leasehold interest), including but not limited to the Minimum Improvements, 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, 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 Minimum Improvements, the Development Property, and the Project.

Section 6.4. Non-Discrimination. In the construction of the Minimum Improvements and operation of the Development Property, Developer shall not discriminate against any applicant, employee or tenant because of age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status. Developer shall ensure that applicants, employees, and tenants 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 reasonably requested by City that are related to this Agreement and the Project so that City can determine compliance with the Agreement.

Section 6.6. Operation until Termination Date. Developer agrees the business operating in the Minimum Improvements on the Development Property shall be a full-service, dine-in restaurant, tap room, and community gathering space from April 1, 2022 until the Termination Date of this Agreement, unless the Parties agree in writing to a change in the character of said

operations. Said business operations shall be open for dinner from at least 4:00-10:00PM for at least five days a week.

Section 6.7. Annual Certification. To assist the City in monitoring the Agreement and performance of Developer hereunder, duly authorized officer of Developer shall provide Annual Certifications to the City. Developer shall annually provide to the City (i) proof that all ad valorem taxes on the Development Property have been paid for the prior fiscal year and any taxes due and payable for the current fiscal year as of the date of certification; (ii) the date the Minimum Improvements were first fully assessed, the value at such assessment and the current assessed value; (iii) a certification that business operations have remained compliant with Section 6.6 of this Agreement; and (iv) a certification that such officer is familiar with the terms and provisions of this Agreement and that at the date of such certification, there is no Event of Default by Developer hereunder, or if the signer is aware of any such 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 certificates required above shall be provided not later than October 1 of each year, commencing October 1, 2022 and ending on October 1, 2028, both dates inclusive. Developer shall provide supporting information germane of its Annual Certifications upon request of the City. See Exhibit E for the form required for Developer's Annual Certification.

Section 6.8. 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 be completed generally within the time limits set forth herein; (b) the Minimum Improvements shall be constructed and completed in substantial 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 its 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, or this Agreement to any other party unless: (i) the transferee partnership, corporation, limited liability company or individual assumes in writing all of the then-outstanding obligations of Developer under this Agreement; and (ii) the City consents thereto in writing in advance thereof.

Section 7.2. Prohibition Against Use as Non-Taxable or Centrally Assessed Property. During the term of this Agreement, Developer, or its successors or assigns, agrees that the Development Property cannot be transferred or sold to a non-profit entity or used for a purpose that would exempt the Development Property or Minimum Improvements from property tax liability. Nor can the Development Property or Minimum Improvements 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. TAX PAYMENTS

Section 8.1. Real Property Taxes. 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. Until Developer's obligations have been assumed by any other person, all pursuant to the provisions of this Agreement, Developer shall be solely responsible for all assessments and taxes.

Developer agrees that Developer and its permitted successors shall not, prior to the Termination Date: (i) 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; nor (ii) seek any tax exemption deferral or abatement either presently or prospectively authorized under any federal, State, or local law with respect to taxation of the Minimum Improvements and the Development Property.

Section 8.2. Minimum Assessment Agreement. As further consideration for this Agreement, Developer shall execute, contemporaneous with the execution of this Agreement, an Assessment Agreement pursuant to the provisions of Iowa Code Section 403.6(19) specifying the Assessor's Minimum Actual Value of the Development Property, with the Minimum Improvements thereon, for calculation of real property taxes in the form attached as Exhibit G ("Assessment Agreement" or "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 of the Development Property, with the Minimum Improvements thereon, and the Development Property of not less than \$750,000, before rollback, upon completion of the Minimum Improvements, but no later than January 1, 2023, 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 limit the discretion of the Assessor to assign an actual value to the Development Property in excess of such Assessor's Minimum Actual

Value nor 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 in any year so long as the Assessment Agreement shall remain in effect. The Assessment Agreement shall remain in effect until December 31, 2028 (the "Assessment Agreement Termination Date"). The Assessment Agreement shall be certified by the Assessor for the County as provided in Iowa Code Section 403.6(19) (2021) and shall be filed for record in the office of the County Recorder, and such filing shall constitute notice to any subsequent encumbrancer or purchaser of the Development Property or part thereof, whether voluntary or involuntary. Such Assessment Agreement shall be binding and enforceable in its entirety against any such subsequent purchaser or encumbrancer, as well as all prior lienholders and the holder of first mortgage, each of which shall sign a consent to the Minimum Assessment Agreement.

ARTICLE IX. FORGIVABLE LOAN

Section 9.1. Forgivable Loan. For and in consideration of the obligations of Developer as set forth herein, and as a necessary means of achieving the goals and objectives of the Urban Renewal Plan, the City agrees (subject to the conditions set forth in this Article and this Agreement) to make a Forgivable Loan to Developer in the amount of \$973,000 (the "Forgivable Loan"). Subject to the Conditions Precedent set forth below, such loan shall be disbursed in seven (7) equal, annual installments of \$139,000 (each installment being referred to herein as a "Disbursement") with the first Disbursement occurring on November 1, 2022 and a Disbursement occurring each November 1 thereafter through November 1, 2028, unless this Agreement is terminated earlier pursuant to its terms.

Section 9.2. Conditions Precedent. Notwithstanding the provisions of Section 9.1 above, the City's obligation to provide Developer with a Disbursement under this Agreement in any year shall be subject to satisfaction of the following conditions precedent:

- a. Developer shall have timely completed the Minimum Improvements and caused a business to be employing employees therein consistent with the terms of this Agreement; and
- b. Developer, the City, and the County shall have executed the Minimum Assessment Agreement; and
- c. Developer shall not be in default under the terms and provisions of this Agreement; and
- d. Developer shall have executed a Promissory Note in the form attached as Exhibit F (Promissory Note); and
- e. Developer shall have obtained and provided to the City a letter of credit or dedicated certificate of deposit titled in the name of the City securing repayment of the Forgivable Loan; and

f. There shall be sufficient Tax Increment available from the Urban Renewal Area to pay the Disbursement.

Should Developer fail to qualify for a Disbursement in any year, such a failure shall be an Event of Default and Developer shall be obligated to repay to the City the full amount of any prior Disbursements as set forth in Section 9.5.

Section 9.3 Forgiveness of the Forgivable Loan. The Forgivable Loan shall be forgiven in its entirety as of December 31, 2028, assuming:

a. Developer is in compliance with all terms, conditions and obligations of this Agreement as of the date the loan forgiveness is to be granted, including but not limited to the business operations in Section 6.6; and

b. Developer has submitted Annual Certifications pursuant to Section 6.7 hereof including all requested information, and the Annual Certification (or other information) does not indicate that any Event of Default has occurred or is occurring; and.

c. The Minimum Improvements were timely completed and continue to be assessed pursuant to the terms of this Agreement and the Minimum Assessment Agreement.

The City will make a determination whether Developer is in compliance with the terms, conditions and obligations of this Agreement, and will notify Developer by December 31, 2028 if the Developer does not qualify for loan forgiveness.

Section 9.4. Forgivable Loan Default. If the loan is not forgiven and/or repaid by Developer pursuant to the terms of this Agreement, then an Event of Default has occurred, in which event the City has all the rights under this Agreement and under the terms of the Promissory Note.

Section 9.5. Promissory Note.

a. The Developer shall execute a Promissory Note in the form attached as Exhibit F to this Agreement (Promissory Note) as a condition precedent to any Disbursement (See Section 9.2(d)).

b. Should Developer fail to qualify for any loan Disbursement under Section 9.2 or for loan forgiveness, the entire outstanding balance of the Forgivable Loan will become immediately due and payable within 30 days of the time the City shall send notice to the Developer of Developer's failure to qualify for the Disbursement or loan forgiveness. All unpaid sums will accrue interest at the rate of 4% per annum accruing from the date payment is due.

Section 9.6. Cancellation of Promissory Note. The Promissory Note will be cancelled when no outstanding balance of the Promissory Note exists. No outstanding balance will exist upon occurrence of any of the following:

- a. the entire Forgivable Loan has been forgiven; or
- b. the Developer has paid the City any portion of the Forgivable Loan that has not been forgiven.

Section 9.7. Letter of Credit/Dedicated Certificate of Deposit.

a. Prior to any Disbursement Developer shall provide and deliver to the City an irrevocable standby letter of credit or dedicated certificate of deposit titled in the name of the City, in form and substance satisfactory to the City (“Letter of Credit” or “Dedicated Certificate of Deposit”), which has been issued to cover the entire cost of repayment of the Forgivable Loan.

b. Any Letter of Credit or Dedicated Certificate of Deposit required hereunder must be issued by a bank acceptable to the City and provide immediate recourse for the City if there is a default in payment of the applicable Promissory Note or this Agreement. The Letter of Credit or Dedicated Certificate of Deposit shall be released upon the cancellation of the Promissory Note.

Section 9.8. Source of Loan Funds Limited.

a. The Disbursements shall be payable from and secured solely and only by amounts deposited and held in the Oskaloosa Urban Renewal Area Tax Increment Revenue Fund of the City. The Disbursements shall not be payable in any manner by general taxation or from any other City funds.

b. Each Disbursement 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 Disbursements 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.

c. Notwithstanding the provisions of Section 9.1 hereof, the City shall have no obligation to make a Disbursement to Developer if at any time during the term hereof the City fails to appropriate funds for payment, or receives an opinion from its legal counsel to the effect that the use of Tax Increments to fund a Disbursement to Developer, as contemplated under said Section 9.1, 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; or the City's ability to collect Tax Increment from the Area has been terminated by any change in applicable law. Upon the occurrence of any such circumstance, 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 Disbursements would otherwise have been paid to Developer under the terms of Section 9.1, the City may terminate this Agreement, without penalty or other liability to the City, by written notice to Developer.

ARTICLE X. INDEMNIFICATION

Section 10.1. Release and Indemnification Covenants.

a. Developer releases the City and the governing body members, officers, agents, servants and employees thereof (hereinafter, for purposes of this Article X, 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 Minimum Improvements or Development Property.

b. Except to the extent arising from any willful misrepresentation, gross negligence, or any willful or wanton misconduct or any unlawful act of the indemnified parties, 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 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 and Development Property; 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 Developer or its officers, agents, servants or employees or any other person who may be about the Minimum Improvements or Development Property 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. The provisions of this Article X shall survive the termination of this Agreement.

ARTICLE XI. REMEDIES

Section 11.1. 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 during the Term of this Agreement:

- a. Failure by Developer to cause the construction of the Minimum Improvements to be completed pursuant to the terms and conditions of this Agreement;

- b. Transfer of Developer’s interest in the Development Property, Minimum Improvements, or this Agreement in violation of the provisions of this Agreement;

- c. Failure by Developer to pay or cause to be paid ad valorem taxes on the Development Property or Minimum Improvements;

- d. Failure by Developer to substantially observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement or the Minimum Assessment Agreement;

- e. 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;

- f. Developer shall:

- i. 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

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

- iii. admit in writing its inability to pay its debts generally as they become due;

or

- iv. be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of Developer as bankrupt or either entity’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;

g. Any representation or warranty made by Developer in this Agreement or in any written statement or certificate furnished by 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; or

Section 11.2. Remedies on Default. Whenever any Event of Default referred to in Section 11.1 of this Agreement occurs and is continuing, the City, as specified below, may take any one or more of the following actions after the giving of thirty (30) days' written notice by the City to Developer and the holder of the First Mortgage (but only to the extent the City has been informed in writing of the existence of a First Mortgage and been provided with the address of the holder thereof) of the Event of Default, but only if the Event of Default has not been cured 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:

a. The City may suspend its performance under this Agreement until it receives assurances from Developer, deemed adequate by the City, that the defaulting party will cure the default and continue its performance under this Agreement;

b. The City may terminate this Agreement;

c. The City may withhold the Certificate of Completion;

d. 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; and/or

e. The City may recover from Developer any unforgiven portion of the Forgivable Loan disbursed to Developer, with interest, and enforce any rights under the Promissory Note or Letter of Credit/Certificate of Deposit.

Section 11.3. 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 11.4. 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.

Section 11.5. Agreement to Pay Attorneys' Fees and Expenses.

a. Developer shall pay to the City an amount equal to the actual costs incurred by the City in connection with the drafting and execution 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, associated with the negotiation, drafting, and authorization of this Agreement. Payment by Developer of such costs will be made by the Developer to the City within 30 days of the date on which the City presents a statement to the Developer demonstrating such costs.

b. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of Developer herein contained, and the City prevails in an action to enforce this Agreement, Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses as may be reasonably and appropriately incurred by the City in connection therewith.

ARTICLE XII. MISCELLANEOUS

Section 12.1. 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 consultant or 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 12.2. 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 Oskaloosa Post Development LLC at 230 2nd Street SE, Suite 214, Cedar Rapids, Iowa 52401, Attn: Brian Ridge;
- b. In the case of the City, is addressed to or delivered personally to the City at 220 South Market Street, Oskaloosa, Iowa 52577, Attn: City Clerk;

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 12.3. 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 12.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 12.5. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Iowa.

Section 12.6. 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 12.7. 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 12.8. Termination Date. This Agreement shall terminate and be of no further force or effect on and after January 1, 2029, unless terminated earlier under the provisions of this Agreement.

Section 12.9. 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 12.10. 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.

[Signatures start on the next page]

(SEAL)

CITY OF OSKALOOSA, IOWA

By: _____
David Krutzfeldt, Mayor

ATTEST:

By: _____
Amy Miller, City Clerk

STATE OF IOWA)
) SS
COUNTY OF MAHASKA)

On this _____ day of _____, 2021, before me a Notary Public in and for said State, personally appeared David Krutzfeldt and Amy Miller, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Oskaloosa, 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 Agreement – City of Oskaloosa]

EXHIBIT A

DEVELOPMENT PROPERTY

The Development Property is described as follows:

Lots Five and Six of Block Four of the Original Plat of the City of Oskaloosa, Iowa, except that part of said Lot Five lying Southwesterly of a line beginning at a point Five feet East of the Southwest corner of said Lot Five, on the South line thereof, thence Northwesterly to a point Five feet North of the Southwest corner of said Lot Five, on the West line thereof.

EXHIBIT B

MINIMUM IMPROVEMENTS

Minimum Improvements means the renovation of the former Oskaloosa Post Office building located on the Development Property consistent with Exhibit B-1. The renovation shall be consistent with the preservation of the historic elements of the building and site. Upon completion, the Development Property shall be operated as a full-service, dine-in restaurant, tap room, and community gathering space. This use shall continue for the duration of this Agreement, unless otherwise approved in writing by the Parties. The construction of the Minimum Improvements will be completed by February 28, 2022. Construction costs are expected to be approximately \$6,000,000.

See Exhibit B-1 for site plans and elevations of the Minimum Improvements.

EXHIBIT B-1 SITE PLANS AND ELEVATIONS OF MINIMUM IMPROVEMENTS



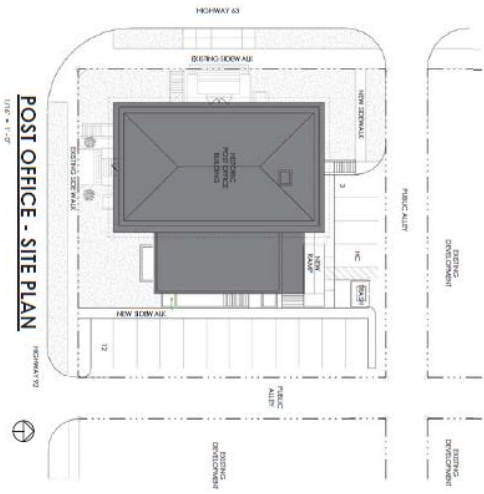
OSKALOOSA HISTORIC POST OFFICE VICINITY MAP



HISTORIC PHOTO



DETAIL PHOTOS



PRELIMINARY DRAWING - NOT FOR CONSTRUCTION

<p>DATE</p> <p style="font-size: 24pt;">L-001</p> <p>CONTENT</p> <p>PLAN</p>	<p>Historic Post Office Redevelopment,</p> <p>Downtown Oskaloosa</p> <p>Oskaloosa, Iowa</p>	
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EXHIBIT B-1 (cont.)
 SITE PLANS AND ELEVATIONS OF MINIMUM IMPROVEMENTS

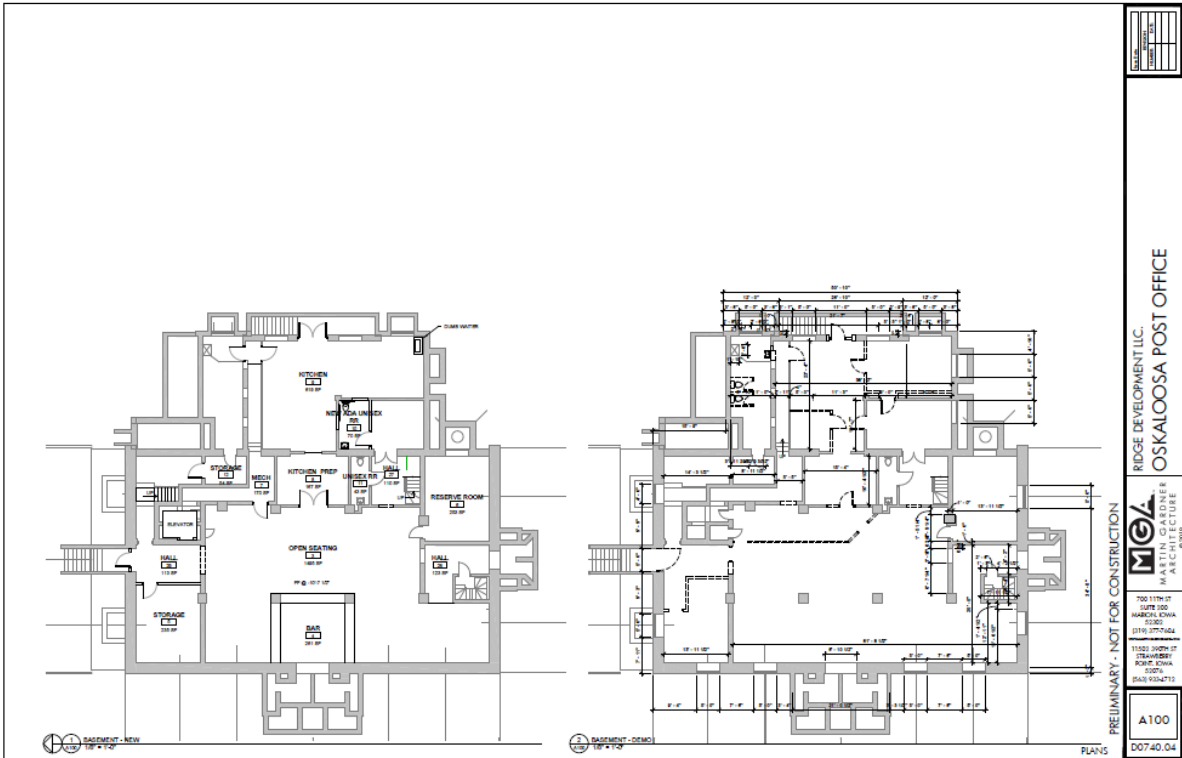
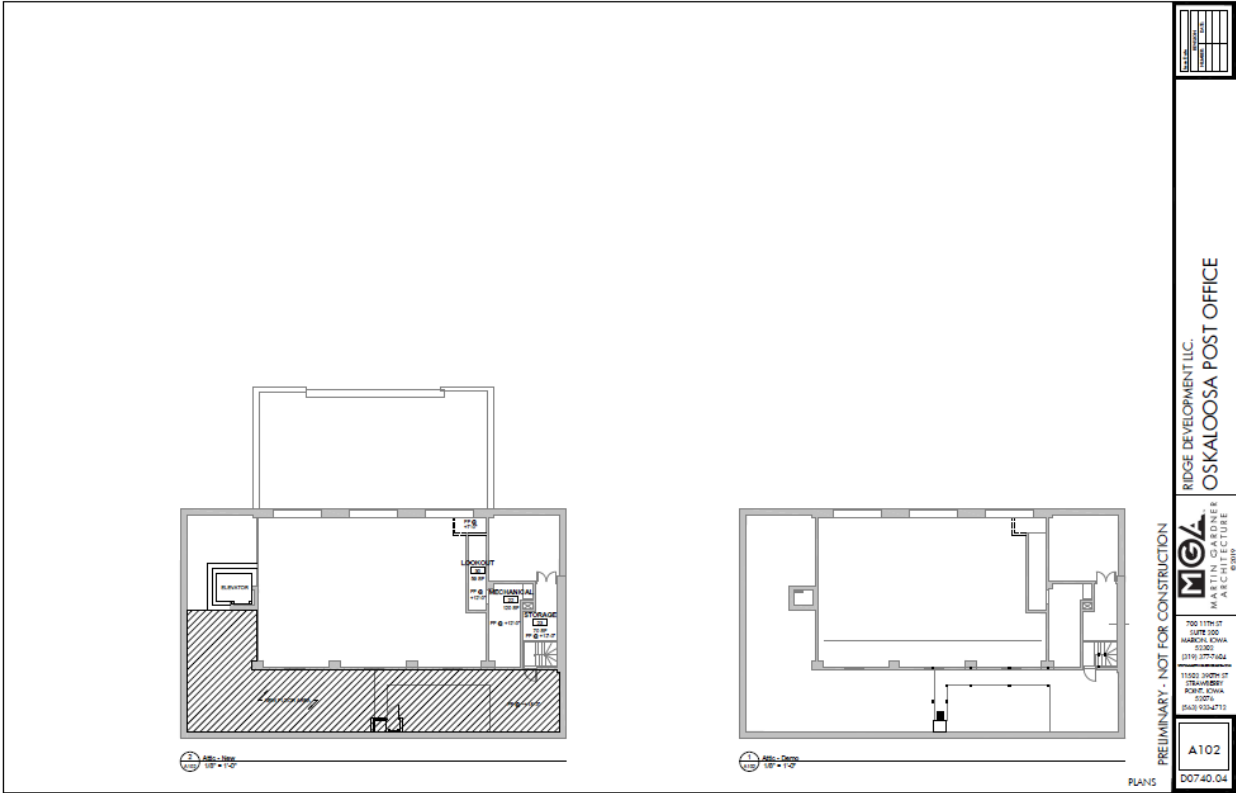


EXHIBIT B-1 (cont.)
SITE PLANS AND ELEVATIONS OF MINIMUM IMPROVEMENTS



DATE	DESCRIPTION

RIDGE DEVELOPMENT LLC.
OSKALOOSA POST OFFICE

MGA
 MARCIA GARDNER
 ARCHITECTURE
 P.C.

700 117th ST
 50265-0000
 MARION, IA 52551
 319.377.5104
 319.377.5104
 11502 200th ST
 50265-0001
 ROCKY HILL, IA 52578
 319.377.5104
 319.377.5104

PRELIMINARY - NOT FOR CONSTRUCTION

A102

PLANS 00740.04

EXHIBIT C
CERTIFICATE OF COMPLETION

WHEREAS, the City of Oskaloosa, Iowa (the “City”) and Oskaloosa Post Development LLC (the “Developer”) did on or about the ____ day of _____, 2021, make, execute and deliver, each to the other, an Agreement for Private Development (the “Agreement”), wherein and whereby the 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:

Lots Five and Six of Block Four of the Original Plat of the City of Oskaloosa, Iowa, except that part of said Lot Five lying Southwesterly of a line beginning at a point Five feet East of the Southwest corner of said Lot Five, on the South line thereof, thence Northwesterly to a point Five feet North of the Southwest corner of said Lot Five, on the West line thereof.

(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 the 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 Mahaska 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.

[Remainder of page intentionally left blank; Signature page follows]

(SEAL)

CITY OF OSKALOOSA, IOWA

By: _____
David Krutzfeldt, Mayor

ATTEST:

By: _____
Amy Miller, City Clerk

STATE OF IOWA)
) SS
COUNTY OF MAHASKA)

On this _____ day of _____, 20____, before me a Notary Public in and for said State, personally appeared David Krutzfeldt and Amy Miller, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Oskaloosa, 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 Certificate of Completion]

EXHIBIT D

Type of Document: **MEMORANDUM OF AGREEMENT FOR PRIVATE DEVELOPMENT
BETWEEN THE CITY OF OSKALOOSA AND OSKALOOSA POST
DEVELOPMENT LLC**

Return Document to: **Amy Miller, City Clerk
City of Oskaloosa
220 S. Market Street,
Oskaloosa, IA 52577**

Preparer Information: **Nathan J. Overberg
Ahlers & Cooney, P.C.
100 Court Ave., Ste. #600
Des Moines, IA 50309
(515) 243-7611**

Taxpayer Information: **N/A**

GRANTORS: N/A

GRANTEES: N/A

LEGAL DESCRIPTION: Lots Five and Six of Block Four of the Original Plat of the City of Oskaloosa, Iowa, except that part of said Lot Five lying Southwesterly of a line beginning at a point Five feet East of the Southwest corner of said Lot Five, on the South line thereof, thence Northwesterly to a point Five feet North of the Southwest corner of said Lot Five, on the West line thereof.

MEMORANDUM OF AGREEMENT FOR PRIVATE DEVELOPMENT

WHEREAS, the City of Oskaloosa, Iowa (the “City”) and Oskaloosa Post Development LLC, an Iowa limited liability company (“Developer”) did on or about the ____ day of _____, 2021, 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 and the Oskaloosa Amended and Restated Urban Renewal Plan (the “Plan”), to develop and operate certain real property located within the City and within the Oskaloosa Urban Renewal Area.

The Development Property is described as follows:

Lots Five and Six of Block Four of the Original Plat of the City of Oskaloosa, Iowa, except that part of said Lot Five lying Southwesterly of a line beginning at a point Five feet East of the Southwest corner of said Lot Five, on the South line thereof, thence Northwesterly to a point Five feet North of the Southwest corner of said Lot Five, on the West line thereof.

(the “Development Property”); and

WHEREAS, the term of the Agreement commenced on the ____ day of _____, 2021 and terminates on January 1, 2029, 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:

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, Oskaloosa, Iowa.

[Signatures Start on Next Page]

IN WITNESS WHEREOF, the City and Developer have executed this Memorandum of Agreement for Private Development on the _____ day of _____, 2021.

(SEAL)

CITY OF OSKALOOSA, IOWA

By: _____
David Krutzfeldt, Mayor

ATTEST:

By: _____
Amy Miller, City Clerk

STATE OF IOWA)
) SS
COUNTY OF MAHASKA)

On this _____ day of _____, 2021, before me a Notary Public in and for said State, personally appeared David Krutzfeldt and Amy Miller, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Oskaloosa, 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 Memorandum of Agreement – City of Oskaloosa]

EXHIBIT E
DEVELOPER ANNUAL CERTIFICATION
(due by October 1st as required under terms of Development Agreement)

Developer certifies the following:

During the time period covered by this Certification, Developer is and was in compliance with Section 6.7 as follows:

(i) attached hereto is proof that all ad valorem taxes on the Minimum Improvements and Development Property have been paid for the prior fiscal year and any taxes due and payable for the current fiscal year as of the date of certification;

(ii) the Minimum Improvements were first fully assessed on January 1, 20____, at a full assessment value of \$_____ and are currently assessed at \$_____;

(iii) the business operating in the Minimum Improvements remains compliant with Section 6.6 of the Development Agreement; and

(iv) the undersigned officer of Developer is familiar with the terms and provisions of this Agreement and certifies that Developer is not in default in the fulfillment of any of the terms and conditions of this Agreement, or if the signer is aware of any such Event of Default, said officer has disclosed the nature thereof, its period of existence and what action, if any, has been taken or is proposed to be taken with respect thereto.

I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the preceding is true and correct to the best of my knowledge and belief.

Signed this _____ day of _____, 20_____.

OSKALOOSA POST DEVELOPMENT LLC

By: _____

Print Name: _____

Its: _____

EXHIBIT F

PROMISSORY NOTE

_____, 2021

As of _____, 2021 (Date of Promissory Note), for valuable consideration received, OSKALOOSA POST DEVELOPMENT LLC, (the “Borrower”) agrees and promises to pay to the order of the CITY OF OSKALOOSA, IOWA (the “Lender” or the “City”) the total amount of the Forgivable Loan made available to Borrower up to the amount of \$973,000, or so much thereof as is disbursed and advanced to Borrower, in one or more disbursements, under the terms of that certain Agreement for Private Development dated _____, 2021 (the “Development Agreement”) between Lender and Borrower. The following are the terms of this Promissory Note (“Note” or this “Promissory Note”).

1. The entire principal balance hereof or the portion due and owing shall be payable to the Lender according to the terms of the Development Agreement, unless this Note is forgiven or cancelled pursuant to the terms of the Development Agreement. If Lender does not forgive or cancel this Note, or if Borrower has not repaid the amount of the principal or the portion due and owing, as defined by the Development Agreement, or if Borrower defaults under any term or condition of the Development Agreement, then Borrower will be in Default and subject to the consequences for Default in Paragraph 3 of this Note and the Development Agreement.

2. The Borrower may at any time prepay without penalty all or any part of the unpaid principal balance of this Note.

3. Any default under the Development Agreement shall be a Default hereunder and payment may be accelerated. Upon Default, the Lender may, at its option, exercise any and all rights and remedies available to it under this Promissory Note, or any applicable law, including, without limitation, the right to collect from the Borrower all sums due under this Note with interest accruing at an annual rate of 4% beginning 30 days following the City’s demand for payment until paid in full. The Borrower hereby waives presentment, demand for payment, notice of nonpayment, notice of dishonor, protest, and all other notices or demands in connection with the delivery, acceptance, performance, or Default of this Note.

4. If this Note is placed in the hands of an attorney for collection after Default in the payment of principal or interest, or if all or any part of the indebtedness represented hereby is proved, established, or collected in any court or in any bankruptcy, receivership, debtor relief, probate, or other court proceeding, the Borrower shall pay all reasonable costs and expenses incurred by or on behalf of Lender in connection with the Lender’s exercise of any or all of its rights and remedies under this Note, including, without limitation, court costs, and attorneys’ fees.

5. No delay or failure of the Lender to exercise any power or right shall operate as a waiver thereof, and such rights and powers shall be deemed continuous; nor shall a partial exercise preclude full

EXHIBIT G

Type of Document: **MINIMUM ASSESSMENT AGREEMENT BETWEEN THE CITY OF OSKALOOSA AND OSKALOOSA POST DEVELOPMENT LLC**

Return Document to: **Amy Miller, City Clerk
City of Oskaloosa
220 S. Market Street,
Oskaloosa, IA 52577**

Preparer Information: **Nathan J. Overberg
Ahlers & Cooney, P.C.
100 Court Ave., Ste. #600
Des Moines, IA 50309
(515) 243-7611**

Taxpayer Information: **N/A**

GRANTORS: N/A

GRANTEES: N/A

LEGAL DESCRIPTION: Lots Five and Six of Block Four of the Original Plat of the City of Oskaloosa, Iowa, except that part of said Lot Five lying Southwesterly of a line beginning at a point Five feet East of the Southwest corner of said Lot Five, on the South line thereof, thence Northwesterly to a point Five feet North of the Southwest corner of said Lot Five, on the West line thereof.

MINIMUM ASSESSMENT AGREEMENT

THIS MINIMUM ASSESSMENT AGREEMENT (“Minimum Assessment Agreement” or “Assessment Agreement”) is dated as of _____, 2021, by and between the City of Oskaloosa, Iowa (“City”), a municipal corporation established pursuant to the Code of Iowa and acting under the authorization of Chapter 403 of the Code of Iowa, 2021, as amended (the “Urban Renewal Act”), and Chapter 15A , and Oskaloosa Post Development LLC, an Iowa limited liability company having an office for the transaction of business at 203 2nd Street SE, Suite 214 ,Cedar Rapids, Iowa 52401 (“Developer”).

WITNESSETH:

WHEREAS, the City and Developer have entered into an Agreement for Private Development dated as of _____, 2021 (“Agreement”) regarding certain real property located in the City which is legally described as follows:

Lots Five and Six of Block Four of the Original Plat of the City of Oskaloosa, Iowa, except that part of said Lot Five lying Southwesterly of a line beginning at a point Five feet East of the Southwest corner of said Lot Five, on the South line thereof, thence Northwesterly to a point Five feet North of the Southwest corner of said Lot Five, on the West line thereof.

(the “Development Property”); and

WHEREAS, defined terms used, but not otherwise defined, herein shall have the same meaning as given to them in the Agreement; and

WHEREAS, it is contemplated that Developer will undertake the construction of the Minimum Improvements (as defined in the Agreement) on the Development Property, as provided in the Agreement; and

WHEREAS, pursuant to Section 403.6(19) of the Code of Iowa, as amended, the City and Developer desire to establish certain minimum actual values for the Minimum Improvements to be constructed on the Development Property by Developer pursuant to the Agreement; and

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

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 completion of construction of the above-referenced Minimum Improvements on the Development Property, but no later than January 1, 2023, the minimum actual value which shall be fixed for assessment purposes for the Development Property (building/improvement and land value) shall be

not less than Seven Hundred Fifty Thousand Dollars (\$750,000) in taxable value before any rollback (hereafter referred to as the “Minimum Actual Value”).

The Minimum Actual Value shall continue to be effective until termination of this Minimum Assessment Agreement on December 31, 2028 (the “Assessment Agreement Termination Date”). The Minimum Actual Value shall be maintained during such period regardless of: (a) any failure to complete the Minimum Improvements on the Development Property; (b) destruction of all or any portion of the Minimum Improvements on the Development Property; (c) diminution in value of the Development Property or the Minimum Improvements thereon; or (d) any other circumstance, whether known or unknown and whether now existing or hereafter occurring.

2. Developer (or subsequent buyer) 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 thereon pursuant to the provisions of this Minimum Assessment Agreement and the Agreement. Such tax payments shall be made without regard to any loss, complete or partial, to the Development Property or the Minimum Improvements thereon, any interruption in, or discontinuance of, the use, occupancy, ownership or operation of the Development Property or the Minimum Improvements thereon 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 thereon.

3. Developer agrees that its obligations to make the tax payments required hereby 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 abatement or diminution thereof, or set off therefrom, nor to any early termination of this Minimum Assessment Agreement for any reason whatsoever.

4. Developer agrees that, prior to the Termination Date, it and any subsequent buyer will not:

a. seek administrative review or judicial review of the applicability or constitutionality of any Iowa tax statute relating to the taxation of property contained as a part of the Development Property or the Minimum Improvements thereon determined by any tax official to be applicable to the Development Property or the Minimum Improvements thereon, 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 or State law, of the taxation of real property, including improvements and fixtures thereon, contained in the Development Property or the Minimum Improvements thereon between the date of execution of this Minimum Assessment Agreement and the Termination Date; or

c. request the Assessor to reduce the Minimum Actual Value; 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; or

e. cause a reduction in the actual value or the Minimum Actual Value through any other proceedings.

5. This Minimum Assessment Agreement shall be promptly recorded by the City with the Recorder of Mahaska County, Iowa. Such filing shall constitute notice to any subsequent encumbrancer of the Development Property (or any 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 Agreement.

7. This Minimum Assessment Agreement shall not be assignable without the consent of the City and 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 or any subsequent buyer 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 or any subsequent buyer seek to reduce the actual value to an amount below the Minimum Actual Value established herein during the term of this Minimum Assessment 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 on the Termination Date set forth in Section 1 above.

11. Developer shall provide a title opinion or title search to the City listing all lienholders of record as of the date of this Assessment Agreement and all such lienholders shall have signed consents to this Assessment Agreement, which consents are attached hereto and made a part hereof.

[Remainder of this page intentionally left blank; signature pages follow]

(SEAL)

CITY OF OSKALOOSA, IOWA

By: _____
David Krutzfeldt, Mayor

ATTEST:

By: _____
Amy Miller, City Clerk

STATE OF IOWA)
) SS
COUNTY OF MAHASKA)

On this _____ day of _____, 2021, before me a Notary Public in and for said State, personally appeared David Krutzfeldt and Amy Miller, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Oskaloosa, 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 Minimum Assessment Agreement – City of Oskaloosa]

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 described in the foregoing Minimum Assessment Agreement, certifies that upon completion of the Minimum Improvements, but in no event later than January 1, 2023, the actual value assigned to the Minimum Improvements and Development Property shall not be less than Seven Hundred Fifty Thousand Dollars (\$750,000) (combined building/improvement and land value) before rollback, until the Assessment Agreement Termination Date of this Minimum Assessment Agreement.

Assessor for Mahaska County, Iowa.

Date

STATE OF IOWA)
) SS
COUNTY OF MAHASKA)

Subscribed and sworn to before me by _____, Assessor for Mahaska County, Iowa.

Notary Public in and for said State

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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