

024234

Permanent Record
Filed in Clerk's Office

Introduced by Treece

First Reading 4-20-20

Second Reading 5-4-20

Ordinance No. 024234

Council Bill No. B 100-20

AN ORDINANCE

authorizing a contract for transfer of real estate with Boone County, Missouri related to the County Fairgrounds Property located east of Highway 63 and Oakland Gravel Road; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute a contract for transfer of real estate with Boone County, Missouri related to the County Fairgrounds Property located east of Highway 63 and Oakland Gravel Road, subject to certain terms and conditions. The form and content of the contract shall be substantially as set forth in "Attachment A" attached hereto and made a part hereof.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

PASSED this 4th day of May, 2020.

ATTEST:

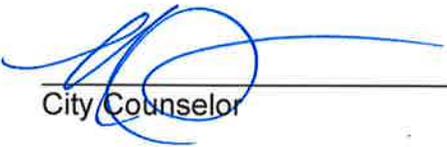


City Clerk



Mayor and Presiding Officer

APPROVED AS TO FORM:



City Counselor



Department Source: Parks and Recreation

To: City Council

From: City Manager & Staff

Council Meeting Date: April 20, 2020

Re: Agreement with Boone County, Missouri Relating to the Transfer of Ownership of the County Fairgrounds Property

Executive Summary

At the January 6, 2020 meeting, Council approved a memorandum of understanding that established guidelines that would allow Boone County to transfer the County Fairgrounds Property to the City of Columbia. This legislation makes the transfer official and after closing, approximately 135 acres will become part of the park system managed by the Columbia Parks and Recreation Department. As a part of the transaction, the P&R Department will also assume maintenance responsibility for a portion of the MKT trail which is currently maintained by the County. The existing leases between Veterans United and UPS will transfer to the City with lease payments going to the Parks & Recreation Department to offset operating costs of the property. The leases will expire in three years and public use of the property will be limited to the Boone County Fair. For the next three years, park planning staff will be conducting meetings to determine a final park master plan of proposed recreational amenities. The property will be annexed into the City at a future date.

Discussion

An agreement has been negotiated with Boone County which, pending Council approval, would result in the transfer of the County Fairgrounds Property (approximately 135 acres) to the City for use for "public recreation purposes." Public recreation purposes includes staff offices for the Parks and Recreation Department, the Convention and Visitors Bureau, facility maintenance and/or other recreation or tourism-related activities. The Parks & Recreation Department also agrees to accept and maintain the County portion of the MKT Trail, from Jay Dix Station to the Katy Trail State Park.

With regard to the Fairgrounds Property, the agreement allows continued use of 23 acres of the property for the Boone County Fair for a period of at least ten (10) days per year. The City will need to enter into an operating agreement with Boone County Fair, Inc. regarding the use and operation of the County Fair. Additionally, the Boone County Sheriff Department will be able to utilize indoor spaces at a time agreeable to Veterans United.

There are also existing leases with Veterans United and UPS that are in effect through December 31, 2022. The City will accept assignment of those leases and honor those lease terms at least through the current expiration date of December 31, 2022. After closing on the property, the lease payments will transfer to the Columbia Parks and Recreation Department to offset dusk-to-dawn utility payments, maintenance costs and demolition of hazardous structures. It is anticipated that with the exception of 10 days for the Boone



City of Columbia

701 East Broadway, Columbia, Missouri 65201

County Fair, public recreation, primarily use of the indoor spaces, will not be allowed until the leases expire. Copies of those leases are provided as supplemental information.

The transfer does not include Tract #2 as shown on the survey. The County will retain ownership of Tract #2 and there are no restrictions on the County's use and development of Tract #2 except that if developed in the future, such development will be done in conformity with City Code. The County has also agreed that at the time of sale and/or development, Tract #2 will be incorporated into the city limits. It will be the responsibility of the City to annex Tract #1 into the city limits.

Fiscal Impact

Short-Term Impact: Existing revenue of leases in the amount of approximately \$40,000 per year will offset operating costs.

Long-Term Impact: There will be revenue generated in year 3 of the leases, but beyond that development of the tract will dictate revenue and expenses.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Operational Excellence, Secondary Impact: Infrastructure, Tertiary Impact: Economy

Comprehensive Plan Impacts:

Primary Impact: Inter-Governmental Cooperation, Secondary Impact: Land Use & Growth Management, Tertiary Impact: Economic Development

Legislative History

| Date | Action |
|----------|---|
| 01/06/20 | <p>B390-19: Authorizing a memorandum of understanding with Boone County, Missouri relating to the transfer of ownership of the County Fairgrounds Property located east of Highway 63 and Oakland Gravel Road.</p> <p>https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=4280714&GUID=C3C142B4-EA4E-4D69-9FE2-95A78DDDE0D7&Options=&Search=</p> |

Suggested Council Action

Passage of the ordinance authorizing an agreement with Boone County, Missouri relating to the transfer of ownership of the Boone County Fairgrounds property.

CONTRACT FOR SALE OF REAL ESTATE

This agreement by and between the **City of Columbia, Missouri**, a municipal corporation (hereinafter referred to as "**City**") and **Boone County, Missouri**, a first-class statutory County (hereinafter referred to as "**County**") is entered into on the date of the last signatory noted below (the "Effective Date").

WITNESSETH:

1. **PREMISES.** City agrees to accept and County agrees to convey the following described real property being:

Tract Number 1 on a survey recorded at Book 4852, Page 155, Boone County records, a copy of which is attached as **Exhibit A**, commonly known as Boone County Fairgrounds (hereafter "Fairgrounds"),

on the following terms and conditions set out herein.

2. **CONSIDERATION.** No money shall be paid by City to County for this conveyance. City will develop and use the property for public recreation purposes which will benefit the citizens of both the City and the County. Additionally, City will enter into a separate agreement with County transferring certain maintenance obligations of the MKT Trail from the County to the City.
3. **INTENDED USE.** The Fairgrounds property shall be exclusively used for public recreation and entertainment purposes, which also includes but is not limited to staff offices for City Parks and Recreation Department employee and personnel, Convention and Visitors Bureau offices, facility maintenance, and recreation and tourism related activities, promotions, and projects and all similar types of activities necessary to carry out and further these purposes.
4. **TITLE.** Merchantable title of record shall be conveyed by Special Warranty Deed in fee simple title free and clear of all encumbrances except as set forth herein. For purposes of this agreement merchantable title shall be defined by the Missouri Bar Title Standards. The Special Warranty Deed shall be in substantially the form as set out in **Exhibit B**.
5. **TITLE INSURANCE.** City shall at City's expense obtain a title commitment from Boone Central Title Company. Upon receipt of the title commitment City shall within twenty (20) days advise County in writing of any objections to title. County shall have sixty (60) days to remove the encumbrances and defects. If County is

unable to do so before closing date, City may terminate this contract and it shall be void.

6. INSPECTION FOR ENVIRONMENTAL HAZARDS. In order to establish whether any environmental contamination or hazard exists on any portion of the property, City may obtain, at City's expense, a Phase I Environmental Survey from a reputable environmental engineering firm as soon as reasonably possible after execution of this agreement. The environmental study shall reflect the presence or absence of any hazardous waste, biological or environmental protection laws. If the survey reflects the possible existence of hazardous waste or any environmental hazard on the property, the closing date shall be delayed for a reasonable period of time (not to exceed one hundred twenty (120) days). Within this period to time, City, at its expense, shall arrange for additional environmental tests and studies to establish to City's satisfaction that there is no environmental contamination of the soil or groundwater on the property. If such tests reveal or recognize environmental condition or contamination on the property that requires remediation under federal or state law, City shall so notify County. Within ten (10) days of receipt of such notice, County must notify City whether or not County will remediate the contamination. If County fails to notify City within ten (10) days, County shall conclusively be presumed to have decided not to remediate the contamination. If County decides not to remediate the contamination, City shall have the option of either purchasing the property or declaring this agreement void.
7. CURRENT LEASEHOLD INTERESTS. County represents to City that there are currently two (2) tenants holding leasehold interests in the property. The United Parcel Service, Inc. lease is attached hereto as **Exhibit C** and the Mortgage Research Center, LLC, d/b/a Veterans United Home Loans (VU) is attached hereto as **Exhibit D**. County shall continue to receive the lease payments until closing. After closing all lease payments shall belong to the City. City agrees to honor the leases for the duration of the terms so long as tenants are in compliance with all terms of the lease.
8. DUSK TO DAWN LIGHTS. There currently are dusk to dawn lights on the Fairgrounds which are metered by Boone Electric. Upon closing, County shall pay all sums due Boone County Electric and City shall transfer the account into City's name and assume any payments coming due thereafter. City may at City's option replace the lights with City provided electrical service.
9. INTERNAL ROADWAYS. There are certain roadways existing within the Fairgrounds. Prior to closing County shall at county's expense convert the public roads existing in the property to private drives by adopting and recording a Commission Order in substantially the form as the draft attached hereto as **Exhibit E**.
10. BOONE COUNTY FAIRGROUNDS REGIONAL RECREATION DISTRICT. County agrees to make efforts to disincorporate the Boone County Fairgrounds

Regional Recreation District at County's expense within a reasonable time upon City's written request.

11. PERMITTED FUTURE ACCESS AND USE OF PROPERTY.

- a. Boone County Fair, Inc. Use. City agrees that upon written request from Boone County Fair, Inc., it will grant a license annually, at no charge, for a period of at least ten (10) days a minimum of twenty-three (23) acres portion of the Fairgrounds for the purpose of conducting the Boone County Fair on the Fairgrounds on dates and times to be agreed to between City and Boone County Fair, Inc. This license shall automatically expire if Boone County Fair, Inc. fails to exercise its rights under this agreement and does not hold the fair at the Fairgrounds within two (2) years of the date of this agreement and each year thereafter. Boone County Fair, Inc. must enter into an operating agreement with City specifying terms and conditions of the event. City shall not be required to undertake any obligation to construct or maintain any structures occupied by Boone County Fair, Inc. for the event.
- b. Boone County Sheriff's Department Use. City agrees that the Boone County Sheriff's Department (BCSD) may continue to use the "Coliseum Building" for public safety K-9 training activities at mutually agreeable times as is currently permitted in paragraph 6(c) of the County's lease with VU (which is attached hereto as **Exhibit D**). Should the City desire to terminate BCSD's future use of the property for K-9 training it may do so upon one-year's written notice to the Boone County Sheriff, 2121 County Drive, Columbia, Missouri 65202.

12. AGREEMENT AS TO TRACT 2 ON EXHIBIT A. There is a second tract of land designated Tract 2 shown on the survey recorded in Book 4852, Page 155 of the Boone County Records that adjoins portions of the Fairgrounds tract that is being conveyed to City and shown as **Exhibit A** attached hereto. Tract 2 is owned by County and shall continue to be used by County. Should County decide to sell or otherwise dispose of Tract 2 it will do so by a sale process that involves a public auction and County shall give City sixty (60) days advance notice so that City may participate in the auction process. County agrees it will annex Tract 2 into the City limits prior to sale or development of Tract 2 and all such development shall comply with the then existing City Code.

13. MKT TRAIL MAINTENANCE AGREEMENT. As a part of the consideration and promises made by the parties to this agreement, City agrees to accept and undertake current maintenance obligations of a portion of the MKT trail that County is presently maintaining. City and County will enter into a written maintenance agreement in substantially the form set out in **Exhibit F**. Nothing

shall prohibit City from later relocating any part of all of that part of the MKT trail and if relocated City maintenance of that portion on County owned property shall end.

14. REAL ESTATE TAXES. As both parties are governmental entities there are no real estate taxes assessed against the property being conveyed and therefore no proration of taxes is necessary.
15. NO WAIVER OF IMMUNITIES. Nothing herein shall be construed a waiver or limitation of the City's or County's rights or defenses with regard to City's and County's statutory, sovereign, governmental or official immunities provided by State or federal laws.
16. CLOSING. The transfer of the real estate shall be closed at Boone Central Title Company, Columbia, Missouri on or before June 15, 2020 or at such times or places as the parties may agree. City shall pay all closing costs.
17. POSSESSION. The County shall deliver possession of the property to the City upon the closing of this contract, subject to the leasehold interests described herein.
18. PROPERTY CONDITION AND REPRESENTATIONS. Except for inspection rights set forth herein, City accepts the premises in its present condition, and County makes no warranties or representations regarding the premises.
19. BINDING ON SUCCESSORS AND ASSIGNS. The Covenants herein contained shall bind and the benefits shall inure to the parties' successors and assigns.
20. AUTHORITY OF SIGNATORIES. Each of the persons signing this Agreement on behalf of either party represents that he or she has been duly authorized and empowered, by order, ordinance or otherwise, to execute this Agreement and that all necessary action on behalf of that party to effectuate that authorization has been taken.
21. CONTRACT TO SURVIVE CLOSING. Any agreement to be performed after closing shall be performed pursuant to this contract which shall survive closing.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and year herein stated.

City:
City of Columbia, Missouri

By: _____
John Glascock, City Manager

Date: _____

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Counselor

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this ____ day of _____, 20__, before me appeared John Glascock, to me personally known, who, being by me duly sworn, did say that he is the City Manager of the City of Columbia, Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of the City and that this instrument was signed and sealed on behalf of the City by authority of its City Council and the City Manager acknowledged this instrument to be the free act and deed of the City.

IN TESTIMONY WHEREOF, I have hereunto set by hand and affixed my official seal, at my office in Columbia, Boone County, Missouri, the day and year first above written.

Notary Public

My commission expires: _____.

STATE OF MISSOURI
Notary Public - Notary Seal
State of Missouri
COUNTY OF BOONE
My Commission Expires: 11/30/2011
Sheela Amin, City Clerk

EXHIBITS

- **Exhibit A – Survey recorded at Book 4852, Page 155 Boone County records**
- **Exhibit B – Special Warranty Deed**
- **Exhibit C – Facility Usage Agreement with United Parcel Service, Inc. (UPS)**
- **Exhibit D – Facility Usage Agreement with Mortgage Research Center, LLC, d/b/a Veterans United Home Loans (VU)**
- **Exhibit E – Draft Commission Order to revert roads to private drives**
- **Exhibit F – Draft MKT Trail Maintenance Agreement**

SPECIAL WARRANTY DEED

THIS INDENTURE, made on this ___ day of _____, 2020, by and between **Boone County, Missouri**, a political subdivision of the State of Missouri, by and through its County Commission, herein **GRANTOR**, and **City of Columbia**, a political subdivision, herein **GRANTEE**. Grantee's mailing address: City of Columbia, 701 E Broadway, PO Box 6015, Columbia, MO 65205.

WITNESSETH, GRANTOR, in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration paid to it by GRANTEE, the receipt of which is hereby acknowledged, does by these presents SELL and CONVEY unto GRANTEE and its successors and assigns the following described lots, tracts, or parcels of land lying, being, and situated in Boone County, Missouri, for so long as the property is used for public recreation and entertainment purposes and including staff offices for the City Parks and Recreation Department employees and personnel, Convention and Visitors Bureau offices, facility maintenance equipment and recreational and tourism related activities, promotion and projects and all similar type activities necessary to carry out and further these purposes, and if said property is no longer used for public recreation purposes the estate shall cease and determine and the property shall revert to the Grantor, to wit:

Tract 1 as shown in a survey recorded at Book 4852, Page 155, Boone County records.

TO HAVE AND TO HOLD the described premises, with all and singular the rights, privileges, appurtenances, and immunities thereto belonging or in any way appertaining unto GRANTEE and unto its successors and assigns forever for so long as the property is used for public recreation purposes, GRANTOR hereby covenanting that:

1. the premises are free and clear from any encumbrance done or suffered by it, except as herein provided; and
2. that it will warrant and defend the title to the premises unto GRANTEE and unto its successors and assigns forever, against the lawful claims and demands of all persons claiming under it, except as herein provided.

It is the intent of this Deed to create a fee simple determinable interest in the City of Columbia for use of the property for public recreation purposes.

IN WITNESS WHEREOF, GRANTOR has caused this instrument to be executed the day and year above written.

Boone County, Missouri
BY:

Daniel K. Atwill, Presiding Commissioner

Attest:

Brianna L. Lennon, County Clerk

STATE OF MISSOURI)
)ss
COUNTY OF BOONE)

On this _____ day of _____, 2020, before me, a Notary Public in and for said state, personally appeared Daniel K. Atwill, known to me to be the person described in and who executed the foregoing instrument, who being by me duly sworn, acknowledged that he executed the same as Presiding Commissioner of the County of Boone, State of Missouri, as an authorized signatory of the County Commission, for the purposes therein stated.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal.

Notary Public

STATE OF MISSOURI)
)ss.
COUNTY OF BOONE)

On this _____ day of _____, 2020, before me, a Notary Public in and for said state, personally appeared Brianna L. Lennon, known to me to be the person described in and who executed the foregoing instrument, who being by me duly sworn, acknowledged that she executed the same as County Clerk of the County of Boone, State of Missouri, as authorized by official action of the County Commission, for the purposes therein stated.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal.

Notary Public

Commission Order # _____

FACILITY USAGE AGREEMENT

THIS AGREEMENT dated the 25th day of June 2019, is made between **County of Boone, Missouri** 801 E. Walnut, Room #333, Columbia, Missouri 65201 (County) and **United Parcel Service, Inc., (UPS)**, c/o Kevin Stoelting, UPS Real Estate Director, 55 Glenlake Parkway NE, Atlanta, GA 30328.

IN CONSIDERATION of the parties' performance of the respective obligations contained herein, the parties agree as follows:

1. **Contract Documents** – This agreement shall consist of this Facility Usage Agreement, RFP #01-08JAN19, Addendums #1, #2, #3, and UPS's RFP Response with Clarification #1 and #2, signed by Kevin Stoelting. All such documents shall constitute the contract documents, which are attached hereto and incorporated herein by reference. In the event of conflict between any of the foregoing documents, the terms, conditions, provisions and requirements contained in this Facility Usage Agreement shall prevail and control over the other incorporated documents.

2. **Term** – The term of this Agreement shall begin on **January 1, 2020 and run through December 31, 2022, a three-year period**. The parties may by written, mutual agreement extend this Agreement for subsequent, one-year periods.

3. **Rent and Annual Rental Adjustments** – The monthly rent shall be paid to County of Boone, Missouri, c/o Boone County Purchasing, 613 E. Ash Street, Columbia, MO 65201 in annual or semi-annual (twice per year) installments, at UPS's option, and shall be paid as follows:

- a. Year 1 (1/1/2020 – 12/31/2020) annual rate: \$11,251.93
- b. Year 2 (1/1/2021 – 12/31/2021) annual rate: \$11,589.48
- c. Year 3 (1/1/2022 – 12/31/2022) annual rate: \$11,937.17

Should the County renew in years 4 and 5, annual rates will be as follows:

- d. Year 4 (1/1/23 – 12/31/23) annual rate: \$12,295.28
- e. Year 5 (1/1/24 – 12/31/24) annual rate: \$12,664.14

For any renewal period beyond Year 5, the prior year's annual rent for the next year shall be increased, but not decreased, by the positive change in the Consumer Price Index, if any, as certified by the Missouri State Tax Commission for the immediately preceding calendar year. Said certified CPI rates can be found via the Missouri State Tax Commission's website, www.stc.mo.gov under the "Clerk's" tab. The only Consumer Price Index that will be used for renewals beyond Year 5 is that rate certified by the Missouri State Tax Commission for the immediately preceding year.

4. **Demised Premises** – The Demised Premises are depicted in Exhibit "A" attached hereto and shall be used for trailer staging. UPS shall prepare the Demised Premises for use as a trailer staging area, it being understood that the area is provided in "as-is" condition.

5. **Non-Exclusive Usage of Demised Premises** – UPS shall quietly enjoy full use of the Demised Premises during the entire term of this Agreement, with the exception of a 14-day

period in December of each year to be designated by Mortgage Research Center, LLC, d/b/a Veterans United Home Loans, (VU) for purposes of their annual holiday party. At the other times throughout the year, VU may approach UPS about coordinating the use of all or a portion of the Demised Premises to accommodate other activities on the property, however UPS shall have priority use to the entire Demised Premises except for the 14-day period that VU designates in December of each year during which a portion of the Demised Premises shall be shared with Veteran's United on terms and conditions mutually-agreed between UPS and Veteran's United.

6. **Insurance** – UPS shall carry public liability insurance on the Demised Premises and shall name Boone County as additional insured under that policy. Said insurance shall be at the following minimum amounts: Workers Compensation coverage per Missouri statutory limits; Commercial General Liability in an aggregate amount of \$3,000,000; and Automobile Liability in an aggregate amount of \$3,000,000.

7. **Indemnity** – To the fullest extent permitted by law, UPS shall indemnify, hold harmless and defend the County, its directors, officers, agents, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of UPS, of any UPS subcontractor, of anyone directly or indirectly employed by UPS or by any UPS subcontractor, or of anyone for whose acts UPS or any UPS subcontractor may be liable, in connection with this Agreement. This provision does not, however, require UPS to indemnify, hold harmless, or defend the County of Boone from its own negligence.

8. **Maintenance, Damage to Premises** – UPS shall maintain the Demised Premises at least annually to repair any usage damage, wash-outs, or other erosion such that the Demised Premises shall remain suitable for a trailer storage area and in a neat, clean, and orderly manner. UPS will be responsible for any additional gravel or leveling equipment necessary to keep the Demised Premises in good repair.

9. **Authority of Signatories** – Each of the persons signing this Agreement on behalf of either party represent that he/she has been duly authorized and empowered, by order, ordinance or otherwise, to execute this Agreement and that all necessary action on behalf of said party to effectuate said authorization has been taken and done.

10. **Binding Effect** – This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect

11. **Entire Agreement** – This agreement constitutes the entire agreement between the parties and supersedes any prior negotiations, written or verbal, and any other proposal or contractual agreement. This agreement may only be amended by a signed writing executed with the same formality as this agreement.

IN WITNESS WHEREOF the parties through their duly authorized representatives have executed this agreement on the day and year first above written.

United Parcel Service, Inc.

Boone County, Missouri

By:

DocuSigned by:
Kevin Stoelting

E3970FC4E407402

Kevin Stoelting
Corporate Real Estate Manager

By:

DocuSigned by:
Daniel K. Atwill

BA4B934CED0E4EB

Daniel K. Atwill, Presiding Comm.

ATTEST:

DocuSigned by:
Brianna L. Lennon by MT

7D0ED4200BF0402

Brianna L. Lennon, County Clerk

Approved as to Legal Form:

DocuSigned by:
Cheryl J. Dillmore
by: *[Signature]*

56EDADD0AC445

County Counselor

**Acknowledged for Budgeting Purposes:
Revenue to: 1190-3822**

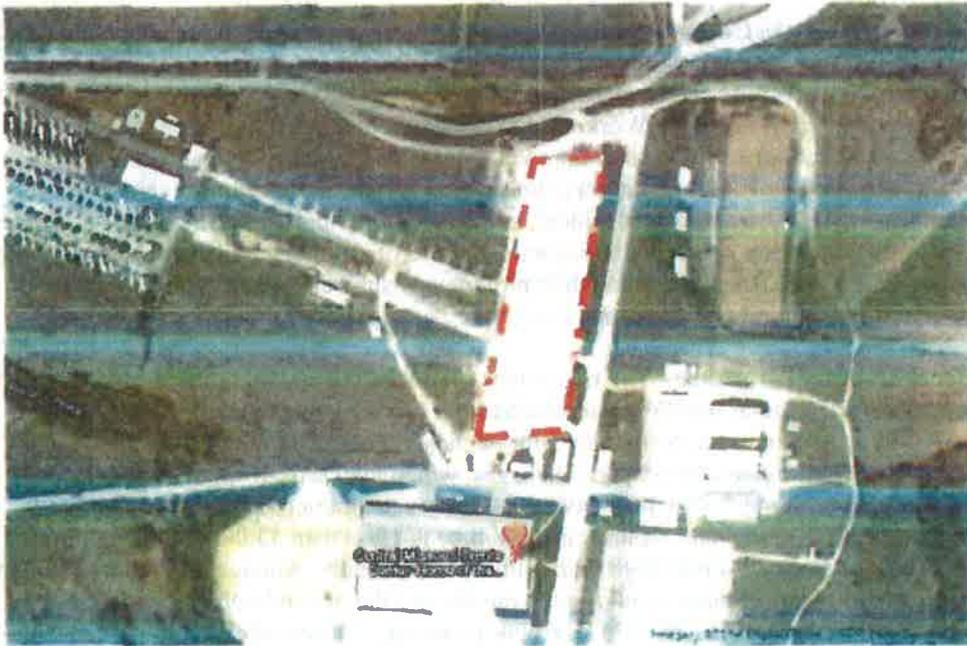
DocuSigned by:
June E. Pitchford

41704E31C0470

June E. Pitchford, County Auditor

ATTACH EXHIBIT A SHOWING DEMISED PREMISES

Boone County Fairgrounds



Insurance Requirements: The Contractor shall not commence work under this contract until they have obtained all insurance required under this paragraph and the Certificate of Insurance has been approved by the County, nor shall the Contractor allow any subcontractor to commence work on their subcontract until all similar insurance required of subcontractor has been so obtained and approved. All policies shall be in amounts, form and companies satisfactory to the County which must carry an A-6 or better rating as listed in the A.M. Best or equivalent rating guide. Insurance limits indicated below may be lowered at the discretion of the County.

Employers Liability and Workers Compensation Insurance - The Contractor shall take out and maintain during the life of this contract, **Employers Liability and Workers Compensation Insurance** for all of its employees employed at the site of work, and in case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. Workers Compensation coverage shall meet Missouri statutory limits. Employers Liability limits shall be \$500,000.00 each employee, \$500,000.00 each accident, and \$500,000.00 policy limit. In case any class of employees engaged in hazardous work under this Contract at the site of the work is not protected under the Workers Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide Employers Liability Insurance for the protection of their employees not otherwise protected.

Commercial General Liability Insurance - The Contractor shall take out and maintain during the life of this contract, such commercial general liability insurance as shall protect it and any subcontractor performing work covered by this contract, from claims for damages for personal injury including accidental death, as well as from claims for property damages, which may arise from operations under this contract, whether such operations be by themselves or for any subcontractor or by anyone directly or indirectly employed by them. The amounts of insurance shall be not less than \$3,000,000.00 combined single limit for any one occurrence covering both bodily injury and property damage, including accidental death. If the Contract involves any underground/digging operations, the general liability certificate shall include X, C, and U (Explosion, Collapse, and Underground) coverage. If providing Commercial General Liability Insurance, then the Proof of Coverage of Insurance shall also be included.

Contractor may satisfy the minimum liability limits required for Commercial General Liability or Business Auto Liability under an Umbrella or Excess Liability policy. There is no minimum per occurrence limit of liability under the umbrella or Excess Liability; however, the Annual Aggregate limit shall not be less than the highest "Each Occurrence" limit for either Commercial General Liability or Business Auto Liability. **Contractor agrees to endorse the County as an Additional Insured on the umbrella or Excess Liability, unless the Certificate of Insurance state the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.**

Business Automobile Liability – The Contractor shall maintain during the life of this contract, automobile liability insurance in the amount of not less than \$3,000,000.00 combined single limit for any one occurrence, covering both bodily injury, including accidental death, and property damage, to protect themselves from any and all claims arising from the use of the Contractor's own automobiles, teams and trucks; hired automobiles, teams and trucks; non-owned and both on and off the site of work.

Subcontractors: Contractor shall cause each Subcontractor to purchase and maintain insurance of the types and amounts specified herein. Limits of such coverage may be reduced only upon written agreement of County. Contractor shall provide to County copies of certificates of insurance evidencing coverage for each Subcontractor. Subcontractors' commercial general liability and business automobile liability insurance shall name County as Additional Insured and have the Waiver of Subrogation endorsements added.

Proof of Carriage of Insurance - The Contractor shall furnish the County with Certificate(s) of Insurance which name the County as additional insured in an amount as required in this contract). The Certificate of Insurance shall provide that there will be no cancellation, non-renewal or reduction of coverage without 30 days prior written notice to the County. In addition, such insurance shall be on an occurrence basis and shall remain in effect until such time as the County has made final acceptance of the services provided.

INDEMNITY AGREEMENT: To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County, its directors, officers, agents, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of Contractor, of any subcontractor (meaning anyone, including but not limited to consultants having a contract with contractor or a subcontract for part of the services), of anyone directly or indirectly employed by contractor or by any subcontractor, or of anyone for whose acts the contractor or its subcontractor may be liable, in connection with providing these services. This provision does not, however, require contractor to indemnify, hold harmless, or defend the County of Boone from its own negligence.

Nothing in these requirements shall be construed as a waiver of any governmental immunity of the County, its officials nor any of its employees in the course of their official duties.

Failure to maintain the required insurance in force may be cause for contract termination. In the event the Agency/Service fails to maintain and keep in force the required insurance or to obtain coverage from its subcontractors, the County shall have the right to cancel and terminate the contract without notice.

Certificate Holder address:

County of Boone, Missouri
C/O Purchasing Department
613 E. Ash Street
Columbia, MO 65201

BOONE COUNTY - MISSOURI

PROPOSAL NUMER AND DESCRIPTION: 01-08JAN19 - Long Term Lease of Real Property

CLARIFICATION FORM #1

This Clarification is issued in accordance with the Instructions to Offeror and is hereby incorporated into and made a part of the Request for Proposal Documents. Offeror is reminded that receipt of this Clarification must be acknowledged and submitted by e-mail to mbobbitt@boonecountymo.org

I. CLARIFICATION - please provide a response to the following request.

1) Your proposal response contemplated terms beginning June 1. Could you please provide pricing for the following calendar years:

| | |
|-------------------|--------------------|
| 7/1/19 - 12/31/19 | 5462.10 |
| 1/1/20 - 12/31/20 | \$ <u>11251.93</u> |
| 1/1/21 - 12/31/21 | \$ <u>11589.48</u> |
| 1/1/22 - 12/31/22 | \$ <u>11937.17</u> |
| 1/1/23 - 12/31/23 | \$ <u>12295.29</u> |
| 1/1/24 - 12/31/24 | \$ <u>12664.14</u> |

In compliance with this request, the Offeror agrees to furnish the services requested and proposed and certifies he/she has read, understands, and agrees to all terms, conditions, and requirements of the RFP and this clarification request and is authorized to contract on behalf of the firm. Note: This form must be signed. All signatures must be original and not photocopies.

Company Name: UPS

Address: 55 Glenlake Parkway
Atlanta GA 30328

Telephone: 214-533-5952 Fax: _____

Federal Tax ID (or Social Security #): 36-2407381

Print Name: Kevin Stoeltge Title: Real Estate Director

Signature: [Handwritten Signature] Date: 5/22/19

E-mail: KStoeltge@ups.com

Boone County Purchasing



Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

613 E. Ash Street, Room 110
Columbia, MO 65201
Phone: (573) 886-4391
Fax: (573) 886-4390
E-mail: mbobbitt@boonecountymo.org

May 22, 2019

United Parcel Service
Attn: Kevin Stoelting, Real Estate Director
55 Glenlake Parkway NE
Atlanta, GA 30328
KStoelting@ups.com

RE: Clarification #2 to 01-08JAN19 – Long Term Lease of Real Property

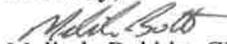
Dear Mr. Stoelting:

Following review of your RFP response, the evaluation committee has identified additional information that is needed. The attached Clarification Form includes any changes being made to the RFP as a result of this request. The Form must be completed, signed by an authorized representative of your organization, and returned with your detailed Clarification response. You are requested to provide written response by **2:00 p.m. May 31, 2019** by e-mail to mbobbitt@boonecountymo.org

You are reminded that pursuant to Section 610.021 RSMo, proposal documents are considered closed records and shall not be divulged in any manner until after a contract is executed or all proposals are rejected. Furthermore, you and your agents (including subcontractors, employees, consultants, or anyone else acting on their behalf) must direct all questions or comments regarding the RFP, the evaluation, etc., to the buyer of record. Neither you nor your agents may contact any other County employee or evaluation committee member regarding any of these matters during the negotiation and evaluation process. Inappropriate contacts or release of information about your proposal response(s) are grounds for suspension and/or exclusion from specific procurements.

If you have any questions regarding this Clarification request, please call (573) 886-4391 or e-mail Mbobbitt@boonecountymo.org. I sincerely appreciate your efforts in working with Boone County - Missouri to ensure a thorough evaluation of your proposal.

Sincerely,


Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

cc: Evaluation Committee Members / Proposal File

BOONE COUNTY - MISSOURI

PROPOSAL NUMBER AND DESCRIPTION: *01-08JAN19 – Long Term Lease of Real Property*

CLARIFICATION FORM #1

This Clarification is issued in accordance with the Instructions to Offeror and is hereby incorporated into and made a part of the Request for Proposal Documents. Offeror is reminded that receipt of this Clarification must be acknowledged and submitted by e-mail to mbobbitt@boonecountymo.org.

I. CLARIFICATION – please provide a response to the following request.

- 1) Your proposal response contemplated terms beginning June 1. Could you please provide pricing for the following calendar years:

| | |
|-------------------|----------|
| 1/1/20 – 12/31/20 | \$ _____ |
| 1/1/21 – 12/31/21 | \$ _____ |
| 1/1/22 – 12/31/22 | \$ _____ |
| 1/1/23 – 12/31/23 | \$ _____ |
| 1/1/24 – 12/31/24 | \$ _____ |

In compliance with this request, the Offeror agrees to furnish the services requested and proposed and certifies he/she has read, understands, and agrees to all terms, conditions, and requirements of the RFP and this clarification request and is authorized to contract on behalf of the firm. **Note:** This form must be signed. All signatures must be original and not photocopies.

Company Name: _____

Address: _____

Telephone: _____ Fax: _____

Federal Tax ID (or Social Security #): _____

Print Name: _____ Title: _____

Signature: _____ Date: _____

E-mail: _____

BOONE COUNTY - MISSOURI

PROPOSAL NUMER AND DESCRIPTION: 01-08JAN19 - Long Term Lease of Real Property

CLARIFICATION FORM #1

This Clarification is issued in accordance with the Instructions to Offeror and is hereby incorporated into and made a part of the Request for Proposal Documents. Offeror is reminded that receipt of this Clarification must be acknowledged and submitted by e-mail to mbobbitt@boonecountymo.org.

I. CLARIFICATION - please provide a response to the following request.

1) Would you consider a 3-year base term? yes

In compliance with this request, the Offeror agrees to furnish the services requested and proposed and certifies he/she has read, understands, and agrees to all terms, conditions, and requirements of the RFP and this clarification request and is authorized to contract on behalf of the firm. Note: This form must be signed. All signatures must be original and not photocopies.

Company Name: United Parcel Service UPS

Address: 55 Dierlake Parkway NE
Atlanta GA 30328

Telephone: 214-533-5952 Fax: _____

Federal Tax ID (or Social Security #): 36-2407381

Print Name: Kevin Stoltz Title: Real Estate Director

Signature: [Handwritten Signature] Date: 3/18/19

E-mail: KStoltz@ups.com

Boone County Purchasing



Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

613 E. Ash Street, Room 110
Columbia, MO 65201
Phone: (573) 886-4391
Fax: (573) 886-4390
E-mail: mbobbitt@boonecountymo.org

March 14, 2019

United Parcel Service
Attn: Kevin Stoelting, Real Estate Director
55 Glenlake Parkway NE
Atlanta, GA 30328
KStoelting@ups.com

RE: Clarification #1 to 01-08JAN19 – Long Term Lease of Real Property

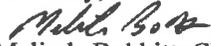
Dear Mr. Stoelting:

Following review of your RFP response, the evaluation committee has identified additional information that is needed. The attached Clarification Form includes any changes being made to the RFP as a result of this request. The Form must be completed, signed by an authorized representative of your organization, and returned with your detailed Clarification response. You are requested to provide written response by **2:00 p.m. April 15, 2019** by e-mail to mbobbitt@boonecountymo.org

You are reminded that pursuant to Section 610.021 RSMo, proposal documents are considered closed records and shall not be divulged in any manner until after a contract is executed or all proposals are rejected. Furthermore, you and your agents (including subcontractors, employees, consultants, or anyone else acting on their behalf) must direct all questions or comments regarding the RFP, the evaluation, etc., to the buyer of record. Neither you nor your agents may contact any other County employee or evaluation committee member regarding any of these matters during the negotiation and evaluation process. Inappropriate contacts or release of information about your proposal response(s) are grounds for suspension and/or exclusion from specific procurements.

If you have any questions regarding this Clarification request, please call (573) 886-4391 or e-mail Mbobbitt@boonecountymo.org. I sincerely appreciate your efforts in working with Boone County - Missouri to ensure a thorough evaluation of your proposal.

Sincerely,


Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

cc: Evaluation Committee Members / Proposal File

BOONE COUNTY - MISSOURI

PROPOSAL NUMER AND DESCRIPTION: 01-08JAN19 – Long Term Lease of Real Property

CLARIFICATION FORM #1

This Clarification is issued in accordance with the Instructions to Offeror and is hereby incorporated into and made a part of the Request for Proposal Documents. Offeror is reminded that receipt of this Clarification must be acknowledged and submitted by e-mail to mbobbitt@boonecountymo.org.

I. CLARIFICATION – please provide a response to the following request.

- 1) Would you consider a 3-year base term?

In compliance with this request, the Offeror agrees to furnish the services requested and proposed and certifies he/she has read, understands, and agrees to all terms, conditions, and requirements of the RFP and this clarification request and is authorized to contract on behalf of the firm. **Note:** This form must be signed. All signatures must be original and not photocopies.

Company Name: _____

Address: _____

Telephone: _____ Fax: _____

Federal Tax ID (or Social Security #): _____

Print Name: _____ Title: _____

Signature: _____ Date: _____

E-mail: _____

APPENDIX A

COVER/ RESPONSE PAGE

PLEASE COMPLETE AND PLACE IN FRONT OF YOUR RFP RESPONSE

Organization Name: United Parcel Service UPS

Address: 55 Marietta Parkway NE
Atlanta GA 30328

Telephone: 214-533-5952 Fax: _____

E-mail Address: KStoelting@UPS.com

Web Site URL: _____

Note: This form must be signed. All signatures must be original and not photocopies.

The undersigned hereby certifies that he/she is a duly authorized official of their organization and has the authority to sign on behalf of the organization and assures that all statements made in the response to the RFP are true.

Print Name: Kevin Stoelting Title: Real Estate Director

Signature: [Signature] Date: 12/11/18

- 1. The annual long-term lease price for Parcel 1 – Central MO Events Center shall be: \$ _____
- 2. The annual long-term lease price for Parcel 2 – Former County Maintenance Building shall be: \$ _____
- 3. The proposed security deposit for Parcel 1 will be: \$ _____
(complete if only proposing for Parcel 1)
- 4. The proposed security deposit for Parcel 2 will be: \$ _____
(complete if only proposing for Parcel 2)
- 5. The proposed security deposit for combined Lease of parcel 1 and Parcel 2 will be: \$ _____
- 6. Any changes from the provisions of this Request for Proposal or to the Insurance Requirements shall be specifically noted here:

7. Proposed term of lease if other than fifty (50) years: 5 years

8. Desired start date of lease: 6/1/19 June 1, 2019

9. Attach an earnest deposit of \$5,000 in the form of a bank check or certified check made payable to Boone County, Missouri.

-X Lease SAME area AS currently leasing
See Attached map area 11

RFP – County of Boone – Missouri

Term – UPS would like to extend the current lease until May 31, 2024.

Area – Same area as currently leasing and show on attached map

Use – Parking for UPS trailers with no packages inside of trailer

Rate – Increase current rate by 3% and annual increases of 3% each year on June 1st.

Rent Schedule:

Current Annual Rate - \$11,170.78

June 1, 2019 – \$11,505.90

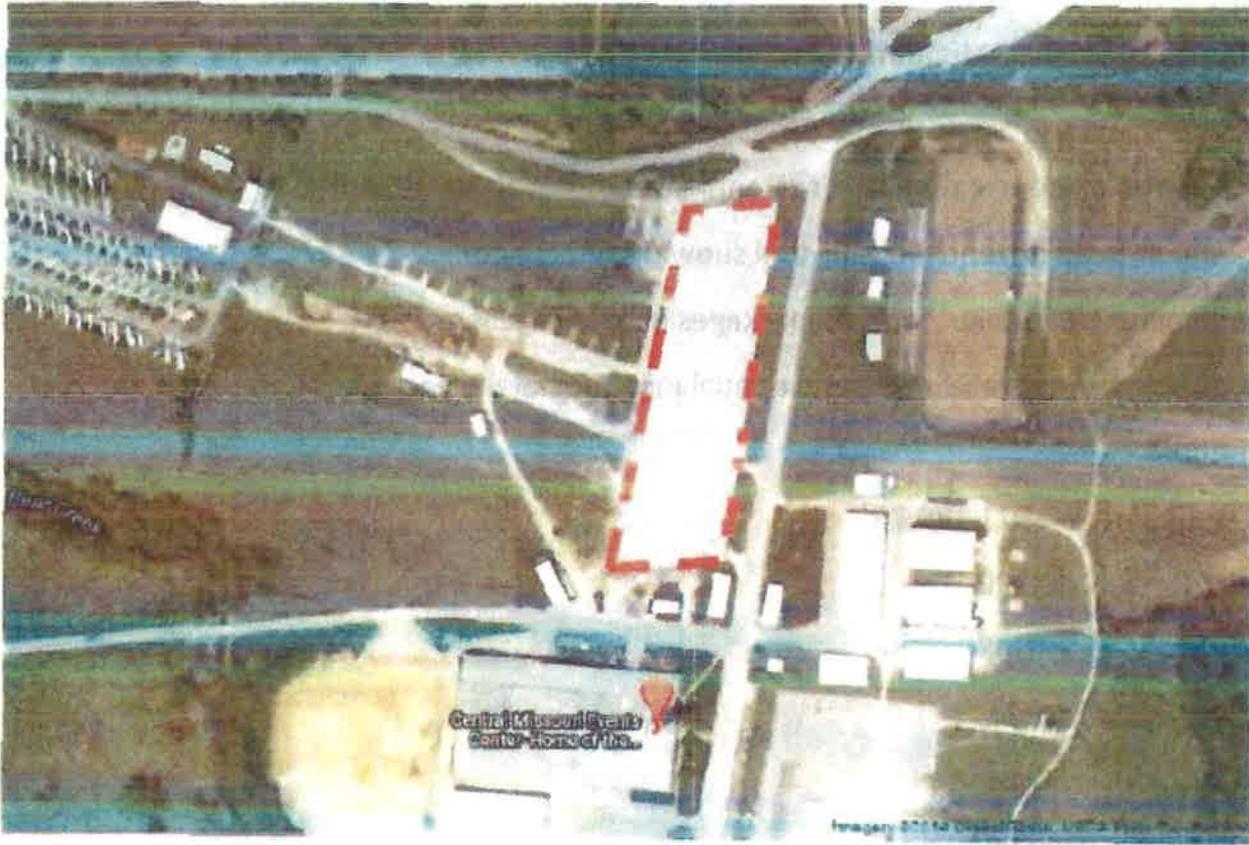
June 1, 2020 – \$11,851.08

June 1, 2021 - \$12,206.61

June 1, 2022 - \$12,572.81

June 1, 2023 - \$12,950.00

boone County Fairgrounds





BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #3 - Issued December 26, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

1) Submittal deadline and opening have been changed to the following:

Delivery of RFP Responses: All RFP responses shall be delivered before 11:00 A.M., Central Time, on January 31, 2019 to:

Boone County Purchasing Department
Boone County Annex
Melinda Bobbitt, Director of Purchasing
613 E. Ash Street, Room 110
Columbia, Missouri 65201-4460

RFP responses must be submitted in a sealed envelope identified with the RFP number. List the RFP number 01-08JAN19 on the outside of the box or envelope and note "Response to Request for Proposal enclosed."

RFP Acknowledgement: RFP Offeror names will be acknowledged and read aloud after 1:30 p.m. on January 31, 2019 in the Boone County Government Center, Commission Chambers, 801 E. Walnut, Columbia, MO. Offeror's names will also be posted on our web page in the afternoon of January 31 at: www.showmeboone.com / Purchasing / Bid Opportunities / 2019 / 01-08JAN19 / RFP Opening.

By: Melinda Bobbitt
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

Offeror has examined Addendum #3 to Request for Proposal # 01-08JAN19 – Long-Term Lease of Real Property, receipt of which is hereby acknowledged:

Company Name: UPS
Address: 55 Glenlake Parkway NE Atlanta GA 30328
Phone Number: 214 533 5552 Fax Number: _____
E-mail: KStoelting@ups.com
Authorized Representative Signature: K Stoelting Date: 12/28/18
Authorized Representative Printed Name: Kevin Stoelting



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #2 - Issued October 22, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

- 1) The *Tour and Pre-Proposal Conference Sign-In Sheet* is attached for informational purpose.
- 2) Should an additional site visit be needed, it may be scheduled by contacting:

Melinda Bobbitt
Email: mbobbitt@boonecountymo.org

By: 
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

Offeror has examined **Addendum #2** to Request for Proposal # *01-08JAN19 – Long-Term Lease of Real Property*, receipt of which is hereby acknowledged:

Company Name: _____

Address: _____

Phone Number: _____ Fax Number: _____

E-mail: _____

Authorized Representative Signature: _____ Date: _____

Authorized Representative Printed Name: _____

**TOUR AND PREPROPOSAL CONFERENCE
SIGN IN SHEET**

FOR: RFP #01-08JAN19 – Long-Term Lease of Real Property

| | Representative Name | Business Name | Telephone Number | Fax Number | E-Mail Address |
|-----|---------------------|-----------------------------|----------------------|--------------|----------------------------|
| 1. | Melinda Bobbitt | Boone County Purchasing | 573-886-4391 | 573-886-4390 | MBobbitt@boonecountymo.org |
| 2. | Fred Parry | Boone County Commission | 573-886-4307 | | fparry@boonecountymo.org |
| 3. | Jo Fey | Robertlynn Area Com College | 460-263-4100 x 11252 | | jof@macc.edu |
| 4. | Walter Thomas | MMSP | 573-489-1551 | | wthomas@wcu.edu |
| 5. | Eric Wilson | Veterans United of the Law | 573-876-2100 | | eric.wilson@vu.com |
| 6. | Myke H | MMSP | 573-424-7012 | | keepergiddyup@gmail.com |
| 7. | Brad Jukes | MMSP | 573-268-7163 | - | brad@jukes@ctmvalco |
| 8. | Chris Kraye | Boone County | 573-886-4414 | | |
| 9. | Donna | Boone County | 573-424-1653 | | |
| 10. | Sherrill Noel | | 573-470-1661 | | Sherrill66@yahoo.com |
| 11. | Cody Noel | | 573-870-5076 | | Noelsantobias@cs.smith.edu |
| 12. | Mary Lamar | | 573-428-91363 | | mlamar@duke.edu |
| 13. | James Pounds | | 573-567-0872 | | jpounds@rocketmail.com |
| 14. | Paul Zilio | | 573-264-1063 | | 205 056 NSU.com |
| 15. | | | | | |
| 16. | | | | | |
| 17. | | | | | |



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #1 - Issued October 11, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

- 1. CHANGE the pre-proposal date referenced on page 8, Section G, b. *Pre-Proposal Conference with site visit* and 5. *Pre-Proposal Conference* of the Request for Proposal to:

October 19, 2018, 1:00 p.m.

By: 
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

Offeror has examined **Addendum #1** to Request for Proposal # **01-08JAN19 – Long-Term Lease of Real Property**, receipt of which is hereby acknowledged:

Company Name: _____

Address: _____

Phone Number: _____ Fax Number: _____

E-mail: _____

Authorized Representative Signature: _____ Date: _____

Authorized Representative Printed Name: _____

COUNTY OF BOONE - MISSOURI



REQUEST FOR PROPOSAL FOR LONG-TERM LEASE OF REAL PROPERTY

INCLUDES TWO (2) PARCELS:
**PARCEL 1: 135.9 ACRES KNOWN AS THE CENTRAL
MISSOURI EVENTS CENTER**
**PARCEL 2: 53.61 ACRES WITH 12,016 SQUARE FOOT
BUILDING**

RFP # 01-08JAN19
Release Date: October 1, 2018

PRE-PROPOSAL CONFERENCE
October 19, 2018, 1:00 p.m.

QUESTION DUE DATE:
December 14, 2018, 5:00 p.m.

Submittal Deadline:
January 8, 2019
not later than 9:00 a.m. Central Time

Boone County Purchasing
613 E. Ash Street, Room 110
Columbia, Missouri 65201

Melinda Bobbitt, CPPO, CPPB, Director of Purchasing
Phone: (573) 886-4391 Fax: (573) 886-4390
E-mail: mbobbitt@boonecountymo.org

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A. INTRODUCTION

The County of Boone – Missouri (the “County”) is accepting proposal responses for a long-term lease of real property known as the Central Missouri Events Center, 5212 N. Oakland Gravel Road, Columbia, Missouri which includes multiple buildings and two parcels of land totaling 189.51 acres. The County will entertain accepting proposals for a ground lease of both combined parcels for a single award or a multi-vendor award for each individual parcel.

Lease Term: The Lease will commence following an agreed-upon date between County and Lessee, not earlier than January 15, 2020. The longest initial lease term contemplated at this time is fifty (50) years. The parties may mutually agree in writing to extend the Term by executing an amendment to the Lease.

The contemplated 50-year land lease is to allow for the construction of improvements that the Lessee will be able to use for their full economic life. Construction must comply with all applicable state and local laws. At the conclusion of the lease, the improvements will become the property of Boone County.

Offerors should clearly illustrate the potential reuse of the property including, if any, plans to maintain public access. Offerors need to perform their own due diligence with respect to zoning, building, and historical issues.

The proposal should outline renovation and site plans together with a time frame for completion. The award will be partially based upon the proposed plan for development in addition to the lease price offered. See *Section E. - Terms, Conditions, and Proposed Uses* below for more information on the proposal evaluation criteria.

B. BACKGROUND

County Profile:

The County is a first-class non-charter county in central Missouri, dissected by Interstate 70 and US Highway 63. The County has a population of approximately 177,000 and contains 685 square miles. It contains 13 population centers consisting of cities, towns, villages and small communities. With a population of nearly 120,612, the City of Columbia serves as County seat.

Previous Management:

The County of Boone purchased the property known as the Central Missouri Events Center (CMEC) in 1999. The management of this facility/property was provided by the Boone County Fair Board, Inc., (the Boone County Agricultural and Mechanical Society) from the time of purchase through the end of 2011.

As a pilot program to determine the viability of operating the facility as an events center, the County issued a RFP in 2011 that contemplated a temporary taxpayer subsidy for the duration of the pilot program. TAG Events LLC was awarded a contract and managed the property from January 1, 2012 through June 30, 2014. As a result of the pilot program, it was determined in consultation with the contractor that the events center business model was not viable without a significant, ongoing public subsidy from a dedicated revenue stream. The County Commission proposed a sales tax initiative to the voters of Boone County on August 5, 2014, in an effort to provide the necessary, ongoing, dedicated public revenue to support the facility as an events center. That measure was defeated with approximately 66% of the votes being in opposition to the measure. The CMEC was closed in January 2015.

A RFP was issued in 2016 for a short-term lease of the property. Veterans United Home Loans is currently leasing the Coliseum, out-building (22,000 square foot), and parking lot north and east of the Coliseum. The United Parcel Services is leasing one of the parking areas. Both leases expire on December 31, 2019.

C. DESCRIPTION OF THE FACILITIES/PROPERTY

The premises described below will be made available in the current condition without representation or warranty as to physical condition. All Offerors must be knowledgeable of the physical conditions of the buildings, grounds, and other property which is the subject matter of this request, and Offeror assumes full responsibility for same. Should the Offeror be interested in an appraisal of the parcel(s), the County will assist and help to facilitate the appraisal. Offeror is responsible for the cost of the appraisal.

Parcel 1:

Location – Central Missouri Events Center, 5212 North Oakland Gravel Road, Columbia, Missouri.

It is located east of Oakland Gravel Road and north of Starke Avenue in the northeast quadrant of the Highway 63 and Oakland Gravel Road interchange, at the northeast edge of Columbia, in Boone County, Missouri.

Land Size – Property includes 135.9 acres with street frontage on two sides and access from three internal publicly maintained drives.

Zoning – Property is zoned M-L, Light Industrial. This district allows for agricultural activity, any permitted use and any conditional use in the C-G commercial District which includes most office and retail use, but no residential dwellings, however resident caretakers are allowed. Light manufacturing uses are allowed.

Public Road – The site is currently bisected by a public road that can, at the option of the County Commission, be made a private drive internal to the parcel. The road will automatically become a private drive if the area is annexed into the City of Columbia. Should this occur, the County will cease to maintain the private drive and it will be considered an internal access road.

Frontage – The site has approximately 2,000 feet of frontage on N. Oakland Gravel Road at the west boundary and 2,100 feet of frontage on the north side of Starke Avenue.

Building Sites –

Coliseum – Approximately 88,000 square foot building with dirt arena, office space, and concession areas. Approximately 22,000 square feet is an air-conditioned multi-purpose room.

Out-Building – Approximately 22,000 square foot building adjacent to Coliseum with dirt floors and lighting.

Grandstand Area - Dirt track with fixed seating capacity for up to 400.

Ancillary Buildings – Four (4) horse barns, (4) livestock barns, six (6) small free-standing concession buildings, and three (3) restroom buildings.

Miscellaneous Features - Approximately 450 recreational vehicle hook-ups, large fenced gravel parking lot, and steel pipe-fenced outdoor uncovered riding corral next to the Coliseum. Recreational vehicle hook-ups include electric and water, but not sewer. Any fees for placing and removing electric meters for RV-rental lots shall be borne by Contractor.

Parcel 2:

Location – The property is located west of Oakland Gravel Road and south of Prathersville Road, at the northeast edge of Columbia, Missouri.

Land Size – Property includes 53.61 acres.

Zoning – Property is zoned M-L, Light Industrial. This district allows for agricultural activity, any permitted use and any conditional use in the C-G commercial District which includes most office and retail use, but no residential dwellings. However, resident caretakers are allowed. Light manufacturing uses are allowed.

Frontage – The site has approximately 3,400 feet of frontage on Oakland Gravel Road at the east, 800 feet of frontage on Prathersville Road on the north and 4,400 feet of frontage on Highway 63 at the west.

Building Site – There is an older, pole frame, metal-clad, building on the site that includes 12,017 square feet. The building is a former County maintenance building currently used for equipment storage.

D. SITE UTILITY SERVICES

The Lessee shall be responsible for the payment of all utilities relating to the facilities covered within the scope of any final Agreement.

Parcel 1:

Electrical Service - Boone Electric Cooperative is the service provider for all electric meters located on site. There are approximately 54 meters.

Water Service – City of Columbia is the service provider for all water meters located on site. There are approximately five meters.

Sewer Service – The sewer system at this site is connected to the City of Columbia system. At the present time, the City of Columbia charges for this service. It is understood there are two sewer dumping sites on the property for use by the RV renters and other leased sites on the grounds.

Natural Gas – Ameren Missouri provides the gas service at this site but the exact location of this service is unknown.

Trash Service – City of Columbia provides the trash service. The Contractor is responsible for the removal of trash in a timely fashion.

Telephone Service - The Contractor may utilize the current telephone system located on site. The Contractor shall be responsible for the monthly service fees and any other costs associated with the use of this system.

Parcel 2:

Water: Public
Electric: Public
Gas: Ameren UE
Sewer: City of Columbia on the east and west sides of the site. May require annexation to connect. Capacity is assumed adequate for all potential uses.

E. TERMS, CONDITIONS, AND PROPOSED USES

The County is seeking proposals for a long-term lease for the parcels that demonstrate the highest lease price and the best use of the property. Offeror(s) should clearly illustrate the potential reuse or redevelopment of the property, including plans, if any, to maintain public access. The County, in evaluating each proposal, may consider (but not be limited to) the following factors. Please describe in your proposal response the following:

1. **Price Offered** – The proposal may include financing contingency, but the County will give more weight to cash offers. The price should be framed as a monthly, quarterly, or annual land lease sum that will be paid in advance of the month, quarter, or year for which the rent will be applied.
2. **Property Use** – A narrative explaining the proposed or intended use of the property, including any demolition and redevelopment plans which may include a site plan.
3. **Renovation Plans with timeline** – The intended plans for renovation of the buildings/property with estimated completion date.
4. **Financial strength of Offeror** - Offeror should provide any information defining/detailing the financial stability of the organization necessary to demonstrate the ability to carry out this lease. At a minimum, Offeror should provide a statement affirming that Lessee has the financial ability to complete the lease and renovation. Also, provide an affirmative statement consenting to provide representatives of the County satisfactory evidence of Lessees financial ability upon request.
5. **Compatibility of the proposed use with the surrounding area**
6. **Public benefit of proposed use**
7. **Relative experience of the Offeror in similar redevelopment projects**
8. **Executive Summary** – A narrative summarizing the vendor’s ability to meet the requirements of this lease. Include the address of headquarters. Provide the name, telephone number and e-mail address of primary contact.
9. **References** – Provide at least three (3) references that will verify your ability to perform the obligations you describe in the lease offer.
10. **Cover Page Signature Form** – The attached Cover Page signature form must be signed as outlined for the RFP response to be considered and placed at the beginning of your RFP response.

Lessee will comply with all applicable state and local laws, including all applicable zoning regulations, building regulations, and subdivision regulations. The Offeror shall undertake its

own review and analysis (due diligence) concerning the physical and environmental condition of the premises, applicable zoning and other land use laws, required permits and approvals and other development, ownership and legal considerations pertaining to the premises, the lease agreement and the use of the premises, and shall apply for and obtain all approvals and permits required for the project with the consent of the County.

No County funds will be available to the lessee of the property. The County will not make any repairs or improvements to the property prior to lease.

Offerors are urged to physically inspect the property prior to submitting a proposal. Under no circumstances will failure to inspect be considered grounds for a claim or grounds for a violation of the contract to lease.

The County will consider offers to lease up to a term of 50 years. The buildings and surrounding areas to be leased shall be leased "as is". The Lessee agrees to accept said property in its present condition. Furthermore, the property is being offered absolutely "as is", "where is" and "with all faults" as of closing without any representation or warranty whatsoever as to its condition, fitness for a particular purpose, except as specifically set forth in this proposal. The County specifically disclaims any warranty, guaranty or representation, oral or written, past or present, express or implied, concerning the property, except as specifically set forth in this proposal. Lessee acknowledges that Lessee is offering for such property based solely upon Lessee's own independent investigations and findings and not in reliance upon any information provided by the County or its agents or contractors except as specifically set forth in this proposal. Without limiting the foregoing, Lessee acknowledges that the County has made no agreement to alter, repair, or improve any of the property. None of the information set forth in the property information materials or any other materials supplied by the County, its agents, employees or commissioners, encompasses conclusions of law; rather, that information is subject to the operation and effect of all applicable laws and legal consequences and to the legal rights of all persons and entities involved.

Sub-lease of Facilities – Lessee may be allowed to sublease facility with prior written consent of the County with the following stipulations:

- with Sublessor providing the same insurance coverages required of Lessor and providing County, in advance, with a Certificate of Insurance documenting such coverages are in place.

Damages – The Lessee shall promptly report any damage to adjacent facilities, property, streets, parking lots and sidewalks as a result of work performed under this contract. The Lessee shall be responsible for any such repairs needed.

Earnest Money Deposit - A deposit of \$5,000 is required with each proposal in the form of a bank check or certified check made payable to Boone County, Missouri.

Non-profit organizations may submit a proposal using the same format provided herein but need not include a deposit. No County funds are available for such organizations.

Proposal response shall include an annual lease price. Commencing on the first anniversary of the Effective Date of the Lease and on each anniversary thereafter during the Initial Term, the per annum lease price amount shall be increased, but not decreased, by the positive change in the Consumer Price Index, if any, as certified by the Missouri State Tax Commission for the immediately preceding calendar year. (For example, the CPI rate certified by the Missouri Tax Commission in 2019 shall be the increase amount for these lease purposes for the lease year that runs 7/1/20 – 6/30/21.) Said certified CPI rates can be found via the Missouri State Tax

Commission's website, www.stc.mo.gov under the "Clerk's" tab. The only Consumer Price Index that will be used for this Lease is that rate certified by the Missouri State Tax Commission for the immediately preceding year.

Background Check – Each Offeror, including the principals thereof, and/or its assigns, may be subject to a background and credit check, which may be necessary to determine responsibility and responsiveness to all items required by this RFP.

F. SPECIAL CONDITIONS

Below is a list of special conditions that will govern the lease of the property.

1. Prior written approval is required if you intend to make any building modifications or demolitions during the term of the lease.
2. The buildings are being leased "as is". Upon termination of Lease, buildings are to be restored to usable, clean condition.
3. Insurance: Lessee shall be responsible for procuring before the commencement and during the term of this Lease any insurance as specified on the attached Boone County Insurance Requirements.
4. No subleases shall be granted for any adult-oriented businesses or conventions.
5. All development on the property will be subject to applicable zoning regulations, subdivision regulations, stormwater ordinances, building codes, fire codes as administered by the Boone County Fire Protection District, and other applicable laws and regulations governing the development of land. The offeror is advised to schedule and participate in a concept review meeting with Boone County Resource Management to ascertain the applicable requirements and how they may impact offeror's plans for the property.
6. Any proposed annexation of all or a portion of the subject property will require the consent of the County Commission.
7. Going Dark / Maintenance of Property: Should the successful offeror cease to operate ("go dark") for a period of 12-months or more, or should the successful offeror ever allow the property to fall into disrepair or otherwise permit nuisances to occur on the property (vegetation of excessive height, trash or debris permitted to accumulate, or other waste or harborages permitted to exist), the County may reenter the property to remedy the condition at the offeror's cost and may declare a default under the terms of the land lease that will be entered into between the parties.

G. INSTRUCTIONS

Copies: The offeror is advised to submit one (1) original proposal, and two (2) copies of the proposal (for a total of three copies), plus an electronic copy of the original proposal on a thumb drive (USB memory stick).

Delivery of RFP Responses: All RFP responses shall be **delivered before 9:00 A.M., Central Time, on January 8, 2019** to:

Boone County Purchasing Department
Boone County Annex
Melinda Bobbitt, Director of Purchasing
613 E. Ash Street, Room 110
Columbia, Missouri 65201-4460

RFP responses must be submitted in a sealed envelope identified with the RFP number and date of closing. List the RFP number 01-08JAN19 on the outside of the box or envelope and note "Response to Request for Proposal enclosed."

Bid Opening: RFP responses will be opened shortly after 9:30 a.m. on January 8, 2019 in the Boone County Government Center, Commission Chambers, 801 E. Walnut, Columbia, MO.

The following is a tentative schedule for the RFP process. Note times are central time:

- | | |
|--|------------------------------|
| a. Issuance of Request for Proposal | October 1, 2018 |
| b. Pre-Proposal Conference with site visit | October 12, 2018, 1:00 p.m. |
| c. Deadline for Submitting Questions | December 14, 2018, 5:00 p.m. |
| d. RFP Response Deadline | January 8, 2019, 9:00 a.m. |
| e. Clarifications with Selected Offerors | January - April 2019 |
| f. Award of Contract | May 2019 |

RFP Response Preparations:

1. RFP responses shall be signed by an authorized representative of the firm. All information requested should be submitted. The Director of Purchasing will review all responses to ensure required information is included. Failure to submit all information requested may result in a request to submit the missing information. Responses which are substantially incomplete, or lack key information may be rejected as incomplete.
2. Response should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
3. Responses should be organized in the order in which the requirements are presented in the RFP. All pages of the response should be numbered. Each response to *Section E – Terms, Conditions, and Proposed Services, #1-#12* should reference the corresponding requirement number in *Section E*. Repeat the text of the requirements as it appears in the RFP before each response. Information which the firm desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the response and designated as additional material. Responses that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
4. Each copy of the paper response should be bound or contained in a single volume where practical. All documentation submitted with the response should be contained in that single volume.
5. **Pre-Proposal Conference:** To assist interested firms in preparing a thorough response, an optional pre-proposal conference with walk thru of facilities has been scheduled for October 12, 2018, at 1:00 P.M. at the Central Missouri Events Center, 5212 N. Oakland Gravel Road, Columbia, Missouri. Offerors have the option to submit questions in advance. Representatives from the County will be available to answer questions. *Offerors are advised to do their own due diligence. Neither the County nor any of its agents or representatives is responsible for representations made regarding the physical condition of the site.* Additional inspections will be permitted for bona fide prospective Offerors at dates and times to be determined and agreed upon with the County. Contact Melinda Bobbitt, Director of Purchasing, Phone: (573) 886-4391 or E-mail: mbobbitt@boonecountymmo.org.
6. **Guidelines for Written Questions:** Offerors and their agents (including subcontractors, employees, consultants, or anyone else acting on their behalf) must direct all questions or comments regarding this RFP, the evaluation, etc. to the buyer of record (contact information on cover page of RFP). Offerors and their agents may not contact any County employee other than the buyer of record listed on the front page of this RFP regarding any of these

matters during the solicitation and evaluation process. Inappropriate contacts are grounds for suspension and/or exclusion from specific procurements. Offerors and their agents who have questions regarding this matter should contact the buyer of record.

Questions shall be submitted in writing no later than 5:00 P.M., December 14, 2018 in order to allow enough time for the County to provide a response. All questions must be mailed, faxed or e-mailed to the attention of Melinda Bobbitt, Director of Purchasing. All such questions will be answered in writing, and such answers will be provided to all parties having obtained a RFP. The responses and usage will become a part of a written addendum, which will be mailed or emailed prior to RFP opening.

Melinda Bobbitt, CPPO, CPPB, Director of Purchasing
Boone County Purchasing
613 E. Ash, Room 110
Columbia, Missouri 65201
Phone: (573) 886-4391; Fax: (573) 886-4390
E-mail: mbobbitt@boonecountymo.org

The County will not reimburse firms for any costs associated with the preparing or submitting of any RFP response.

7. Information provided in RFP responses will be considered proprietary and will not be divulged during the selection process. The successful firm's RFP will become public record after its acceptance by the County Commission. All responses and tabulation sheets are kept by the County for a period of time established by regulation or statutes after the award is made and are available for inspection at any time during regular working hours.

H. SELECTION OF LESSEE(S)

Selection of the lessee(s) is subject to the best offer(s) received that adds value to the property and is determined to be in the best interest of the County. Selection may also be based on proposed use of property. The lease is subject to final approval of the Boone County Commission. The County reserves the right to reject any or all offers.

Evaluation and Award Process:

Boone County will select an evaluation team to review responses and to make a formal recommendation for award to the County Commission. After determining a responsible Offeror and a responsive proposal through the determination that the proposal satisfies the mandatory requirements stated in the Request for Proposal, the evaluation team will use both objective analysis and subjective judgment in conducting a comparative assessment of the proposal in accordance with the evaluation criteria stated below:

- a. **Method of Performance (15 points)**
 - Property Use
 - Demolition and Renovation Plans with Timeline
 - Compatibility of the proposed use with the surrounding area
 - Public benefit of proposed use
- b. **Experience/Expertise of Offeror (15 points)**
 - Financial Strength of Offeror
 - Relative experience of the Offeror in similar redevelopment projects

Executive Summary
References

c. Proposed Annual Lease Price (70 points)

After an initial evaluation process the County may choose to interview the Offeror or Offeror's designated representative. Offeror may be asked to make an oral presentation of their proposal to the evaluation team at a location designated by the County. Attendance cost shall be at the Offeror's expense. The County will coordinate all arrangements and scheduling.

I. NEGOTIATION OF CONTRACT

Competitive Negotiation of Proposals: The Offeror is advised that the County reserves the right to either negotiate proposals received or to award a contract without such negotiations. If such negotiations are conducted, the following conditions shall apply:

The County may negotiate in person, in writing, or by telephone.

The County will negotiate only potentially acceptable proposals. The County reserves the right to limit negotiations to those proposals which received the highest rankings during the initial evaluation phase.

Any features of the proposals, including but not limited to services, conditions, prices, methodology, or other may be subject to negotiation and revision. As part of the negotiations, the Offeror may be required to submit supporting financial, pricing and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.

This Request for Proposal's mandatory requirements are not negotiable and shall remain unchanged unless the County determines that a change in such requirements is in the best interest of the parties.

J. APPENDIX

- a. Cover / Response Page
- b. Boone County Insurance Requirements
- c. Area Data
- d. Boone County Survey

COVER/ RESPONSE PAGE

PLEASE COMPLETE AND PLACE IN FRONT OF YOUR RFP RESPONSE

Organization Name: _____

Address: _____

Telephone: _____ Fax: _____

E-mail Address: _____

Web Site URL: _____

Note: This form must be signed. All signatures must be original and not photocopies.

The undersigned hereby certifies that he/she is a duly authorized official of their organization and has the authority to sign on behalf of the organization and assures that all statements made in the response to the RFP are true.

Print Name: _____ Title: _____

Signature: _____ Date: _____

1. The annual long-term lease price for Parcel 1 – Central MO Events Center shall be: \$ _____
2. The annual long-term lease price for Parcel 2 – Former County Maintenance Building shall be: \$ _____
3. The proposed security deposit for Parcel 1 will be: \$ _____
(complete if only proposing for Parcel 1)
4. The proposed security deposit for Parcel 2 will be: \$ _____
(complete if only proposing for Parcel 2)
5. The proposed security deposit for combined Lease of parcel 1 and Parcel 2 will be: \$ _____
6. Any changes from the provisions of this Request for Proposal or to the Insurance Requirements shall be specifically noted here:

7. Proposed term of lease if other than fifty (50) years: _____
8. Desired start date of lease: _____
9. Attach an earnest deposit of \$5,000 in the form of a bank check or certified check made payable to Boone County, Missouri.

APPENDIX B

Insurance Requirements: The Contractor shall not commence work under this contract until they have obtained all insurance required under this paragraph and the Certificate of Insurance has been approved by the County, nor shall the Contractor allow any subcontractor to commence work on their subcontract until all similar insurance required of subcontractor has been so obtained and approved. All policies shall be in amounts, form and companies satisfactory to the County which must carry an A-6 or better rating as listed in the A.M. Best or equivalent rating guide. Insurance limits indicated below may be lowered at the discretion of the County.

Employers Liability and Workers Compensation Insurance - The Contractor shall take out and maintain during the life of this contract, **Employers Liability and Workers Compensation Insurance** for all of its employees employed at the site of work, and in case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. Workers Compensation coverage shall meet Missouri statutory limits. Employers Liability limits shall be \$500,000.00 each employee, \$500,000.00 each accident, and \$500,000.00 policy limit. In case any class of employees engaged in hazardous work under this Contract at the site of the work is not protected under the Workers Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide Employers Liability Insurance for the protection of their employees not otherwise protected.

Commercial General Liability Insurance - The Contractor shall take out and maintain during the life of this contract, such commercial general liability insurance as shall protect it and any subcontractor performing work covered by this contract, from claims for damages for personal injury including accidental death, as well as from claims for property damages, which may arise from operations under this contract, whether such operations be by themselves or for any subcontractor or by anyone directly or indirectly employed by them. The amounts of insurance shall be not less than \$3,000,000.00 combined single limit for any one occurrence covering both bodily injury and property damage, including accidental death. If the Contract involves any underground/digging operations, the general liability certificate shall include X, C, and U (Explosion, Collapse, and Underground) coverage. If providing Commercial General Liability Insurance, then the Proof of Coverage of Insurance shall also be included.

Contractor may satisfy the minimum liability limits required for Commercial General Liability or Business Auto Liability under an Umbrella or Excess Liability policy. There is no minimum per occurrence limit of liability under the umbrella or Excess Liability; however, the Annual Aggregate limit shall not be less than the highest "Each Occurrence" limit for either Commercial General Liability or Business Auto Liability. **Contractor agrees to endorse the County as an Additional Insured on the umbrella or Excess Liability, unless the Certificate of Insurance state the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.**

Business Automobile Liability - The Contractor shall maintain during the life of this contract, automobile liability insurance in the amount of not less than \$3,000,000.00 combined single limit for any one occurrence, covering both bodily injury, including accidental death, and property damage, to protect themselves from any and all claims arising from the use of the Contractor's own automobiles, teams and trucks; hired automobiles, teams and trucks; non-owned and both on and off the site of work.

Subcontractors: Contractor shall cause each Subcontractor to purchase and maintain insurance of the types and amounts specified herein. Limits of such coverage may be reduced only upon written agreement of County. Contractor shall provide to County copies of certificates of

insurance evidencing coverage for each Subcontractor. Subcontractors' commercial general liability and business automobile liability insurance shall name County as Additional Insured and have the Waiver of Subrogation endorsements added.

Proof of Carriage of Insurance - The Contractor shall furnish the County with Certificate(s) of Insurance which name the County as additional insured in an amount as required in this contract). The Certificate of Insurance shall provide that there will be no cancellation, non-renewal or reduction of coverage without 30 days prior written notice to the County. In addition, such insurance shall be on an occurrence basis and shall remain in effect until such time as the County has made final acceptance of the services provided.

INDEMNITY AGREEMENT: To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County, its directors, officers, agents, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of Contractor, of any subcontractor (meaning anyone, including but not limited to consultants having a contract with contractor or a subcontract for part of the services), of anyone directly or indirectly employed by contractor or by any subcontractor, or of anyone for whose acts the contractor or its subcontractor may be liable, in connection with providing these services. This provision does not, however, require contractor to indemnify, hold harmless, or defend the County of Boone from its own negligence.

Nothing in these requirements shall be construed as a waiver of any governmental immunity of the County, its officials nor any of its employees in the course of their official duties.

Failure to maintain the required insurance in force may be cause for contract termination. In the event the Agency/Service fails to maintain and keep in force the required insurance or to obtain coverage from its subcontractors, the County shall have the right to cancel and terminate the contract without notice.

Certificate Holder address:

County of Boone, Missouri
C/O Purchasing Department
613 E. Ash Street
Columbia, MO 65201

AREA DATA

LOCATION

The City of Columbia is located in central Missouri at the intersection of Interstate Highway 70 and U.S. Highway 63. Columbia is midway between St. Louis and Kansas City, being approximately 125 miles from the center of each metropolitan area. Jefferson City, the state capitol, is located 33 miles to the south of Columbia.

GOVERNMENT

The City of Columbia operates under a home rule (Council-Manager) form of government. The City has a zoning ordinance, building codes and a comprehensive city plan. The City Council is composed of the mayor and six ward representatives. The Council is the policy and lawmaking body for Columbia.

Columbia is the county seat of Boone County. The County is governed by a commission composed of three commissioners. The Commission oversees the budget and makes policy decisions pertaining to county government. The County maintains a planning and zoning program by use of a zoning ordinance, subdivision regulations and building codes.

POPULATION AND WORK FORCE

The US Census Bureau estimated population in 2010 at 108,500 for the City of Columbia and 162,642 for Boone County. The Columbia population showed an increase of 28.36% from the 2000 Census estimate of 84,531. The 2015 census estimate is 119,108 persons. The population of Boone County increased 20.1% from the 2000 census of 135,454 to a total of 162,642. The county population is currently estimated at about 177,000.

The period from 1960 to 2000 was a time of dramatic population growth in Boone County. From 1960 to 1980 the population of Boone County changed from 55,205 to 100,376, an increase of 81.8%. This represents an average annual increase of 4%. The period from 1980 to 2000 indicated a change in population of Boone County from 100,376 to 135,454, an increase of 34.9%. This represents an average annual increase of 1.7%. The period from 2000 to 2010 represents an average annual increase of 2.8%.

EMPLOYMENT AND ECONOMY

The unemployment rate in Columbia is consistently lower than state and national rates due to the diverse economic base of the area. The largest employment sectors in the Columbia MSA are education, services, government, and retail trade. The education sector includes the University of Missouri, Columbia's largest employer. The service sector includes a large healthcare and insurance component.

Below is a list of employers within the Columbia MSA that employ 500 or more people. An analysis of the most significant industries/sectors is provided after the list of employers.

| Organization | Product/Service | Number of Employees |
|-------------------------------|-------------------|---------------------|
| University of Missouri (MU) | Education | 8,750 |
| University Hospital & Clinics | Medical/Education | 4,502 |
| Columbia Public Schools | Education | 2,524 |
| Boone Hospital Center | Medical Care | 2,000 |
| City of Columbia | Government | 1,360 |

| | | |
|---|------------------|-------|
| Harry S. Truman Veteran's Hospital | Medical Care | 1,400 |
| Veterans United Home Loans | Mortgage Lending | 1,442 |
| Shelter Insurance Companies | Insurance | 1,128 |
| MBS Textbook Exchange | Education/Retail | 851 |
| State Farm Insurance Companies | Insurance | 850 |
| Columbia College | Education | 766 |
| Joe Machens Dealerships | Auto Sales | 711 |
| Hubbell Power Systems, Inc. | Manufacturing | 580 |
| Kraft Foods | Food Production | 550 |
| State of Missouri (excludes MU) | Government | 502 |

HEALTH SERVICES

With six major hospitals and approximately 1,256 hospital beds, Columbia has hospital facilities capable of serving a regional population of 450,000. The employed labor force working in medically related occupations includes over 1,000 doctors specializing in every medical field and over 2,200 registered nurses and over 660 licensed practical nurses.

Columbia's healthcare facilities include a major teaching hospital and children's hospital (University Hospital), one private community hospital (Boone Hospital Center), a veteran's hospital (Harry S. Truman Memorial Veteran's Hospital), a cancer treatment center (Ellis Fischel Cancer Center) a 60-bed rehabilitation hospital (Rusk Rehabilitation Center), a psychiatric care facility (Missouri Psychiatric Center) and a long term acute care hospital (Landmark Hospital of Columbia). Both the University and Boone hospitals recently expanded their facilities and programs. The University projects include three phases with a projected cost of \$850 million dollars. The Ellis Fischel relocation to the University of Missouri campus was completed in 2013. Boone Hospital completed a 920 space-parking garage and patient tower in 2013. The cost was \$120 million dollars. Boone Hospital recently completed the first phase of a south campus office facility. The south campus will include a 65,000 square foot main building, two 12,000 square foot buildings and a 35,000 square foot facility. Some of the building will be available for lease to health care professionals.

It is anticipated that Columbia's medical industry will continue to grow; due in part to a large referral practice conducted by central Missouri physicians. The medical industry not only provides an excellent level of health care for residents, but also has a positive impact on the economy. The Boone Hospital Center lease with BJC is up for renewal and the hospital is seeking proposals for a new management agreement. The University of Missouri Health Care system is considering a partnership, however, negotiations recently paused.

Recently Columbia is expanding the Health Services industry by attracting high-tech medical companies. Clinical Research Organization, BioPharma Services Inc. has recently chosen Columbia to open new facilities. Northwest Medical Isotopes recently revealed plans to invest \$50 million dollars to construct a radioisotope production facility at Discovery Ridge Research Park, which will bring 68 high-paying jobs to the region.

EDUCATION

Education is Columbia's largest and most important employment sectors. Education accounts for a majority of the jobs in Columbia. The education system includes: one university, two liberal-arts colleges, trade schools, satellite locations of other colleges, the public-school system, parochial schools, and private schools.

The flagship campus of the University of Missouri is located in Columbia. The Columbia campus was established in 1839 as a land grant institution. The campus, which includes 1,358 acres of land, is located in the central sector of the city at the south edge of the central business district (“The District”).

At present, the University offers degree programs in 18 schools and colleges and maintains an enrollment of over 30,000. The enrollment has grown significantly over the past 10 years but has declined since 2015. The 2018 freshman class is projected to stabilize or increase slightly; however, it will be smaller than the 2018 graduating class, thus, total enrollment will likely decline again.

Significant cuts in enrollment and funding have been met with reductions in staff and course offerings. Additional cuts to staff/programs are projected for Fall 2018. The University is making significant strides to improve the situation with changes in administration including a new chancellor and president.

In the near term, the funding cuts and lower enrollment will adversely affect most segments of the local economy to some extent. Real estate will not escape the effects. Student oriented businesses and student housing are projected to be the most directly impacted, however, all segments will be affected to some extent. Staff reductions and uncertainty will adversely affect the single-family home market to some degree.

Vacancies for Fall 2017 have increased while future rates will be dependent on the extent of enrollment declines and new apartment construction.

The number of students enrolled at the University of Missouri for the last seven years is as follows:

Historic:

| <u>MU Fall Enrollment</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Campus Total | 32,415 | 33,805 | 34,748 | 34,658 | 35,441 | 35,448 | 33,266 | 30,870 |
| Increase (%) | 3.77% | 4.29% | 2.79% | -0.26% | 2.26% | 0.20% | -6.16% | -7.20% |

Enrollment had previously been projected to continue increasing through 2019, however as of August 23, 2016, the Fall 2016 enrollment was 2,182 students lower than 2015. The decline is due to a combination of factors including shrinking freshman class size, including smaller high school class sizes, increased recruiting from other universities, and campus turmoil in the Fall 2015. Further declines occurred in 2017.

Columbia College, a private college founded in 1851, is located at the north edge of “The District”. The Columbia campus currently maintains an enrollment, including evening and extended studies students, of 16,946 students. The total annual enrollment including day, evening, nationwide campuses, online campus, and graduate studies is about 27,500. Thirteen major programs offered at Columbia College include art, business administration, criminal justice administration, education, administration, psychology, and social work. Fall 2017 enrollment is expected to grow about 10% with about 1,050 traditional students. The college recently received approval for a four-story classroom and residence hall.

Stephens College is a private women’s college located at the east edge of “The District”. Established in 1833, the college has a current enrollment of 866, including graduate and

continuing studies programs. The residential student population is 700. The college offers programs for business administration, radio-TV-film, fashion, legal assistants, and equestrian science. Moberly Area Community College, Bryan College, William Woods University, and Central Methodist University have Columbia campuses.

The Columbia Public School District includes 21 elementary, 6 middle schools and 4 senior high schools, and an area vocational school. Battle High School opened in 2013. Over 18,170 students were enrolled in the 2016-2017 school year, and over 2,000 faculty and staff members are a part of this system. The school district has an AAA rating, the highest possible in Missouri, and is recognized for excellence on a regular basis both state and nationwide. According to the Missouri State Board of Education there are 12 non-public schools in Columbia with an enrollment of over 1,200 students. In 2012, Father Tolton Catholic High School completed construction in south Columbia on Gans Road west of Highway 63. Columbia Independent School purchased and renovated a former office building for school use in 2009. There is a total of 17 private and parochial schools.

INSURANCE

The insurance industry has a significant role in Columbia's economy. Columbia is the corporate headquarters of Shelter Insurance and the regional headquarters of State Farm Insurance. In 2004-05 State Farm relocated several jobs to Columbia as a result of closing offices in Monroe, Louisiana. They added 188 jobs in 2004, and 180 in the first half of 2005, plus another 60 unrelated training jobs. Other insurance companies operating in Columbia include Columbia Mutual Insurance Company and Missouri Employers Mutual Insurance Company.

INDUSTRY AND MANUFACTURING

The manufacturing sector continues to represent a decreasing percentage of Columbia's economic base. According to the Missouri Economic Research and Information Center, about 4% of the employed labor force in Boone County is employed in manufacturing.

The largest industrial employers in the area include: Hubbell/Chance Co, Columbia Foods (Oscar Mayer), Square D Company, Watlow Electric, Dana Corporation, EAG Laboratories, Inc., 3-M Company, Otscon, and PepsiCo.

A majority of Columbia's industrial base is made up of "clean" industry. There are very few "smokestack" type industries operating here. Our market has had difficulty, along with the region, in securing larger manufacturing concerns and the local economic development corporation is focusing on the recruitment of technology or knowledge-based employers that can benefit from a relationship with MU.

American Outdoor Brands Corporation, a leading provider of quality products for shooting, hunting, and rugged outdoor enthusiasts, announced March 2 plans to potentially establish a national distribution center in the Columbia area of Boone County, Missouri. Under the plans, the company would break ground on the new 500,000 sq. ft. facility in the next several months. The company's plans to establish the new facility in Boone County are contingent upon the approval of incentives, completion of due diligence, and the finalization of agreements related to other terms and conditions.

On February 6, 2017, the Columbia City Council unanimously approved the Purchase and Sale Agreement of the city-owned Missouri state certified Sutter Industrial Site to AOD-MO Holdings, LLC. Affiliates of AOD-MO Holdings, LLC are the leading producers of store-brand organic milk and butter for U.S. retailers and is headquartered in Boulder, Colorado.

With this purchase and capital investment, AOD-MO Holdings, LLC will construct an approximately 80,000 square foot dairy processing facility including warehouse distribution of their product. The first phase of the project will include a capital investment of \$89 million in building and equipment. It will also create 100 or more full-time positions that pay an average wage above the Boone County average wage of \$36,225/annually (plus benefits). The project includes plans for an expansion anticipated within the first five years of operation that would bring an additional \$50 million capital and add an additional 40 or more full-time positions.

RETAIL TRADE

Approximately 13% of the employed labor force works in the retail sector. Columbia serves as a regional shopping center for mid-Missouri and has tremendous buying power within its own population. Sales growth slowed in 2008 due to the recession and expansion of shopping facilities in other central Missouri towns, such as Jefferson City, but has resumed increases since 2010. The trend in taxable sales, which are tabulated by the MO Department of Revenue, provides a good indication of the growth in this sector. A summary of taxable sales for Columbia, published by the City of Columbia for the last 6 years, is provided. Note: These figures are not adjusted for inflation.

| Year | Taxable Sales | \$ Increase | % Increase |
|-------------|----------------------|--------------------|-------------------|
| 2010 | \$1,959,805,400 | \$38,000,700 | 1.98% |
| 2011 | \$2,074,241,900 | \$114,436,500 | 5.80% |
| 2012 | \$2,173,169,500 | \$98,927,600 | 6.00% |
| 2013 | \$2,255,243,500 | \$82,074,000 | 3.78% |
| 2014 | \$2,342,346,600 | \$87,103,100 | 3.86% |
| 2015 | \$2,380,852,200 | \$38,505,600 | 1.64% |
| 2016 | \$2,431,853,000 | \$51,000,800 | 2.14% |

CONVENTION AND TOURISM TRADE

Columbia maintains a strong convention trade due to its strategic geographic location within the state and the facilities it offers for lodging and convention type business. There are four exhibition facilities and numerous hotels with meeting facilities.

The Columbia hotel/motel market includes a total of 37 hotels/motels with 3,555 guestrooms. The most recent completed new construction in the local market is the Candlewood Suites, which was recently completed just north of Clark Lane. This extended-stay hotel includes 96 rooms. The Holiday Inn Express and Suites, was constructed in 2014 at the Stadium Boulevard and Highway 63 interchange. This hotel includes 121 rooms. The Broadway Columbia, a Doubletree hotel located downtown was completed in 2014 and includes 114 guestrooms. A Best Western Plus was opened in 2015 at the Highway 63 and I-70 interchange. This hotel had formerly been a Comfort Inn but had been closed in recent years. A Springhill Suites is currently under construction north of Clark Lane and this hotel will include 82 rooms. A TownPlace by Marriott is under construction at the Highway 63 and Gans Discovery Parkway interchange and this hotel will include 96 rooms. The Howard Johnson Inn located on I-70 Drive Southeast was recently razed and construction of a new Drury Inn & Suites with 210 rooms is ongoing at a cost of approximately \$9 million. The Baymont Inn & Suites located at 801 Keene Street recently converted to a Quality Inn.

Columbia's tourism trade is supported by college events such as sports and graduation, and by other events such as the annual Show-Me State Games and Special Olympics state games (both multi-sport competition with participants from throughout the state) and the Roots and Blues and BBQ festival.

One measure of the health of Columbia's convention and tourism trade is the tax collected for the Convention and Tourism Fund. This room tax was increased in January 2000 from 2% to 4%, and again in January 2017 to 5% of all receipts from the rental of any sleeping accommodations at hotels or motels. A summary of the tax for 2010 through 2016 follows. Annual reporting is on a fiscal year of October 1 to September 30 for the City of Columbia.

| YEAR | TAX REV | \$ CHANGE | % CHANGE | GROSS ROOM REV |
|------|-------------|--------------|----------|----------------|
| 2010 | \$1,799,349 | \$77,570.00 | 4.5% | \$44,983,723 |
| 2011 | \$1,939,309 | \$139,960.00 | 7.8% | \$48,482,725 |
| 2012 | \$1,968,362 | \$29,053.00 | 1.5% | \$49,209,050 |
| 2013 | \$2,154,762 | \$186,400.00 | 9.5% | \$53,869,052 |
| 2014 | \$2,328,765 | \$174,003.00 | 8.1% | \$58,219,125 |
| 2015 | \$2,491,275 | \$162,510.00 | 7.0% | \$62,281,875 |
| 2016 | \$2,496,674 | \$5,399.00 | 0.2% | \$62,416,850 |

Based on an STR report provided by the Columbia Convention and Visitors Bureau, the overall occupancy rate for hotels/motels in Columbia was 59.0% for 2016 vs. 56.5% for 2015. The ADR was \$88.57 for 2016 vs. \$86.97 for 2015. RevPAR was \$52.23 for 2016 vs. \$49.13 for 2015.

COMMERCIAL DEVELOPMENT

Permits for commercial construction activity during the last six years, as tracked by the Columbia Community Development Department, are summarized below.

| YEAR | New Non-Residential CONSTRUCTION | | NON-RESIDENTIAL ADDITIONS AND ALTERATIONS | |
|------|----------------------------------|--------------|---|--------------|
| | PERMITS | AMOUNT | PERMITS | AMOUNT |
| 2010 | 33 | \$20,778,190 | 218 | \$42,349,821 |
| 2011 | 42 | \$19,058,403 | 164 | \$46,905,325 |
| 2012 | 35 | \$58,015,303 | 197 | \$40,782,599 |
| 2013 | 41 | \$55,653,531 | 251 | \$60,808,332 |
| 2014 | 36 | \$59,173,040 | 211 | \$53,652,668 |
| 2015 | 57 | \$49,635,694 | 213 | \$71,644,778 |

HOUSING DEVELOPMENT

As of the 2010 Census, the City of Columbia included 46,758 total housing units. Total housing units increased from 35,916 in 2000, an average annual increase of 3%. While total sales appear to have stabilized over the past three years, new home sales and permits have declined somewhat. New home sales in 2017 were the lowest since 2011. As interest rates and development costs increase, new home sales for 2018 are expected to decline again and total home sales may decline somewhat over the next few years.

COLUMBIA APARTMENT MARKET

Moore and Shryock conducts a survey of the Columbia apartment market every year. The Fall 2017 report indicated the following vacancy rates.

| <u>Market Sector</u> | <u>Vacancy Rate</u> |
|----------------------|---------------------|
| Conventional | 5.66% |
| Student Downtown | 5.64% |
| Student Off-Campus | 23.18% |

The 2017 survey included 65 apartment complexes within the Columbia market. These complexes comprise two distinct market segments: the conventional market and student market. Each of which contain sub-sectors which were analyzed in the survey. The student complexes are defined as those that are purpose-built for this use and offer amenities that are attractive to this segment of the market. Twenty-three complexes in this survey were defined as student complexes. The remainder were defined as conventional complexes.

The off-campus student sector had the highest vacancy rate and the southwest sector of the conventional market had the lowest vacancy rate. The student market had the highest number of units added in the last two years. Many units were added to the downtown sector and it continues to capture a higher percentage of the market demand.

The off-campus student market showed a significant increase in vacancy over the last three years. During this period, the downtown sector has increased supply and captured a larger share of the overall student market, maintaining a relatively low vacancy rate compared to the off-campus sector. Some off-campus units have continued to have strong occupancy while some have struggled. The downtown student sector added about 1,400 beds to the market in the fall of 2017. These additional units came on-line in the face of two years of declining enrollment at the University of Missouri. The MU enrollment is projected to stabilize or increase somewhat in the Fall of 2018 and development of new units targeted for students is minimal. However, the graduation of one of the larger MU classes with replacement by a significantly smaller sophomore class will further adversely impact the apartment market.

Additional market rate apartments are also being added. The 2018 vacancy rates are expected to increase.

COST OF LIVING INDEX

The Columbia, MO MSA index averaged near 95% for several years. This rate is higher than Kansas City, Springfield, and St. Louis. Columbia's cost of living is below the U.S. average due in part to the affordability of housing.

SUMMARY AND OUTLOOK

Overall, Columbia is a prosperous community and an appealing place to live. The city's economic success is indirectly supported by its exceptionally high quality of life. There are a wide variety of cultural, social and recreational opportunities available to visitors and residents.

The economy of Columbia is generally stable due to the diversity of industries, which comprise the base. The government sector is large, and these jobs are generally affected less by business cycles than manufacturing and retail sectors. The medical and insurance industries are also reasonably stable. The stability of these industries filters into other businesses and job sectors, and the real estate market in general. The lower enrollment at the University of Missouri will adversely impact the local economy to some extent over the next few years.

In the future, we expect additional population growth as new job opportunities develop. Columbia's strategic location, economic stability, quality of life, and non-union orientation will continue to attract new employers over the long term.

MARKET CONDITIONS SUMMARY-1ST QUARTER 2018

According to the January Beige Book for the Eighth District economic conditions have continued to improve at a modest pace since our previous report. Labor market conditions remain tight, the pace of hiring remains slow, while wage growth has been moderate. Reports on consumer spending were positive. Residential real estate conditions have improved modestly after a few months of sluggish home sales. District bankers reported moderate loan growth across most categories. Price pressures have increased moderately. Reports from general retailers, auto dealers, and hoteliers indicate consumer spending has grown modestly since our previous report. November real sales tax collections increased. Most manufacturing contacts expect conditions in 2018 to be similar to those in U.S. GDP is forecast to range from 2.2% to 2.8% with a midpoint of 2.5% in 2018. If tax changes provide a boost to growth 2018 real GDP may trend to the upper side of the range. This is the 10th year of economic expansion and GDP has averaged about 2.1% per year.

The Wells Fargo Housing Market Index (HMI) rose 5 points to 74 in December. This index is now at an 18-year high. Recession remains a low probability in the next few months. It appears likely the Federal Open Market Committee will raise short term interest rates three times in 2018.

Commercial property owners are the biggest beneficiaries of the tax bill. The 1031 exchange provision remains in place. Commercial landlords will still be entitled to a full mortgage interest deduction, in addition to benefiting from the reduced corporate tax rate of 21%. The bill also reduces the depreciation period for multifamily and commercial properties to 25 years. The new plan will likely be a net positive for the multifamily sector by discouraging home ownership.

The current 4.1% unemployment rate is indicative of a labor market that continues to tighten. Meanwhile, hiring, though strong, has been slowing since 2015.

Because the new economy is built on technology it will change the commercial real estate sector forever. Many brick and mortar stores are struggling to stay afloat as customers are increasingly choosing to make online purchases. Many retail properties are in prime locations and can easily be repurposed. E-commerce is propelling demand for warehousing in some locations. Situs RERC survey respondents did not predict much change in the CRE values in the next year as 80% said CRE values would remain the same, and 20% predicted a 1% increase. More respondents felt that the CRE price growth over the past recovery cycle will continue in 2018 and that the eventual correction in values will be minimal.

In Columbia, the local economy is buoyed by the number of persons employed by the University of Missouri, other state supported institutions, the medical industry and the insurance industry. At present, the University offers degree programs in 18 schools and colleges and maintains an enrollment of over 30,000. The enrollment has grown significantly over the past 10 years but has declined since 2015. The 2018 freshman class is projected to stabilize or increase slightly; however, it will be smaller than the 2018 graduating class, thus, total enrollment will likely decline again. Significant cuts in enrollment and funding have been met with reductions in staff and course offerings. Additional cuts to staff/programs are projected for Fall 2018. The University is making significant strides to improve the situation with changes in administration including a new chancellor and president.

In the near term, the funding cuts and lower enrollment will adversely affect most segments of the local economy to some extent. Real estate will not escape the effects. Student oriented businesses

and student housing are projected to be the most directly impacted, however, all segments will be affected to some extent. Staff reductions and uncertainty will adversely affect the single-family home market to some degree. Vacancies for Fall 2017 have increased while future rates will be dependent on the extent of enrollment declines and new apartment construction.

As the U.S. economic recovery gains momentum, most commercial markets have improved. The volume of land sales with commercial development potential has improved. There have been additional land sales for single-family residential development in 2017 as residential lot absorption continues at a steady pace and a backlog of cheaper lots has been absorbed. A strong demand for lots and small acreage home sites outside the city limits continues.

Land suitable for multi-family or student housing was in strong demand until 2016, especially in "The District", however, the number of units under construction, combined with significant declines in enrollment at MU, has softened demand. Based on interviews with commercial brokers, demand for downtown land suitable for large multi-family projects has declined significantly due to the current market trends and uncertainty regarding the new development code. These same brokers indicated remaining interest is at considerably lower land prices than experienced through 2015.

Commercial improved property sales and leasing are reasonably strong. Appealing listings of commercial property are limited. The Plaza Commercial Realty 2017 Market Report indicates increases in occupancy for office and decreases for industrial markets. Retail occupancy remained stable. All remain below the national averages.

Nationally cap rates for most property segments declined since 2015 and projections are for stabilization through 2018. Higher interest rates are forecast to have more impact on deal volume than cap rates in 2018, but further interest rate increases could put upward pressure on cap rates.

Apartments have been the strongest segment both locally and nationally for the past few years and expansion of this market has continued through 2017. There were several student-oriented complexes that opened in August 2017. The new apartments delivered included downtown student housing (1,400+ beds) and market rate units in the southwest and southeast areas. Demographics of increasing population, young people entering the housing market, increasing immigrants likely to lease, and the increasing number of single person households all will have a positive effect on the future apartment market, however, declines in MU enrollment will likely offset gains in the next few years.

The local retail market has improved. Most national sources expect a stabilization of this sector through 2018. Online sales are adversely affecting growth of city revenue and the city's ability to fund operations.

The retail and office space in The District (downtown business district) has experienced improved occupancy and increased rents. There have been more sales of improved properties for office or retail use. The retail market segment will be directly impacted by MU enrollment declines.

The demand for office space within The District remains relatively stable with governmental and financial institutions providing a stable base. Trends of less space per employee and more efficient use of space are likely to continue. Squeezing more people into less space will put structural stress on office building systems and public parking.

The general office market has been generally steady with limited new product coming on line. Demand by Veterans United, the largest local employer, has absorbed significant available supply. Medical office space in the local market continues to be in average demand however,

some projects are taking a wait and see approach regarding the future of Boone Hospital's operator. There are a few vacancies within medical office buildings in the local market.

The manufacturing/warehouse market is steady. While there has been growth in the industrial sector nationwide, locally there has been limited new development. Sources are indicating an improvement in leasing demand due to the improvement in the economy. While our market has had difficulty, along with the region, in securing larger manufacturing prospects, several older industrial buildings have sold, and several larger tracts of industrial land have been absorbed for new development.

American Outdoor Brands Corporation, a leading provider of quality products for shooting, hunting, and rugged outdoor enthusiasts, announced March 2 plans to potentially establish a national distribution center on about 180 acres east of Columbia in Boone County. Plans call for the company to break ground on the new 500,000 sq. ft. facility in the next several months. The company's plans to establish the new facility in Boone County are contingent upon the approval of incentives, completion of due diligence, and the finalization of agreements related to other terms and conditions.

On February 6, 2017, the Columbia City Council unanimously approved the Purchase and Sale Agreement of 100 acres of the city-owned Missouri state certified Sutter Industrial Site to AOD-MO Holdings, LLC. Affiliates of AOD-MO Holdings, LLC are the leading producers of store-brand organic milk and butter for U.S. retailers and are headquartered in Boulder, Colorado.

With this purchase and capital investment, AOD-MO Holdings, LLC will construct an approximately 80,000 square foot dairy processing facility including warehouse distribution of their product. The first phase of the project will include a capital investment of \$89 million in building and equipment. It will also create 100 or more full-time positions that pay an average wage above the Boone County average wage of \$36,225/annually (plus benefits). The project includes plans for an expansion anticipated within the first five years of operation that would bring an additional \$50 million capital and add an additional 40 or more full-time positions. Columbia ranked 4th among Missouri cities in 2016 with the most rentals and income for homeowners offering either one room or an entire house to out of town guests through Airbnb. The median Airbnb income for Columbia hosts was about \$2,200 or \$422,000 total. The local hotel market has experienced expansion of new facilities as some older properties struggle. A Drury Inn is under construction and an expansion of the Broadway Hotel downtown is planned. While long-term prospects for the area are good, the decline of MU enrollment and funding cuts will adversely impact the local economy to some extent over the next few years.

NEIGHBORHOOD DESCRIPTION

The subject property is located east of Highway 63 and Oakland Gravel Road and north of Starke Avenue at the northeast edge of the City of Columbia. The subject neighborhood is defined as those properties located along the Highway 63 corridor north of the Vandiver Drive interchange to the Wagon Trail Road overpass north of the subject. Said interchanges include (from north to south) Prathersville Road, Brown School Road, Route B, and Vandiver Drive.

The Prathersville Road interchange with Highway 63 includes mixed commercial uses. The northeast quadrant, with access from Masonic Drive, is developed with three fraternal related buildings that are office or institutional type use. There is also some undeveloped land zoned for office and residential uses in this area. The southeast quadrant and southwest quadrants are owned by Boone County and used for institutional uses including a juvenile detention facility and the former county Central Missouri Events Center. The northwest quadrant is developed with a Case farm implement dealership and some second-tier industrial uses.

Prathersville Road is a one-mile, two-lane, corridor between Range Line Street and Oakland Gravel Road. This area of mixed development includes residential, industrial and other second-tier commercial land uses. Developments along Prathersville Road include a retail strip center with a gas/ convenience store located at the corner of Prathersville Road and Range Line, a fitness center located in an older shop / warehouse building, an automotive repair business, a beer brewing facility and a Boone County Fire District station. There is also a large, multi-tenant office / warehouse building on Tower Drive toward the east end of the Prathersville Road corridor west of Highway 63. Commercial occupancy in the area is stabilized. Overall, Prathersville Road is a mixed-use corridor with residential and second-tier commercial land uses. While there are several tracts of industrial land for sale in the area, there has been recent sale and construction activity to suggest demand for the land is improving. At the east end of the corridor near Oakland Gravel Road is the former Boone County Central Missouri Events Center (subject). Cottonwoods RV Park is located on the east side of Oakland Gravel Road adjacent to the subject's northwest corner and includes a 97 pad RV park and campground.

Continuing south on Highway 63, the Oakland Gravel Road/Brown School Road interchange includes institutional uses in the northwest and northeast corners including the county jail and former Central Missouri Events Center with a few smaller commercially zoned, but largely undeveloped, tracts closer to the corners. The subject property is located in the northeast quadrant of this interchange on the east side of Oakland Gravel Road and north of Starke Avenue.

Route B is a major thoroughfare providing access from downtown through northeast Columbia, with traffic volumes ranging from approximately 13,000 to 20,000 cars per day. Route B, north of Highway 63, was widened to five lanes with existing development consisting of primarily sales/service and industrial type uses including Quaker Oats, 3M, Schneider Electric, Mid-City Lumber Co., Tractor Supply, and Kraft Foods/Oscar Mayer. A considerable amount of vacant land remains available along the east side of Route B north of Highway 63. The southern section of Route B, south of Highway 63, has also been widened. Commercial properties along this part of Route B are retail and service oriented. Some of the commercial uses south of Highway 63 include an Orscheln Farm and Home, Landmark Bank, Linweld, Midwest Block & Brick, RSC Rental Equipment, and UPS Freight.

The Vandiver Drive interchange includes a significant amount of vacant land, as well as a mix of commercial and residential uses. The west side of Highway 63 includes most of the existing development, with the Centerstate project anchored by Bass Pro Shops retail store and Menard's home improvement store, both located south of Vandiver, and residential and office-oriented uses north of Vandiver. The east side of Highway 63 is undeveloped; however, most of the land outside of the Hinkson Creek floodplain already has entitlements in place to permit additional commercial development. A 70-acre tract sold in the last two years at the southeast quadrant of Vandiver and Highway 63 and a 7-acre tract sold in the last three years at the northeast quadrant of the same intersection. No development has occurred on either tract. Both sites were purchased by investors. The I-70 and Highway 63 interchange is about one mile south of Vandiver. While most other Highway 63 interchanges within the city are near fully developed, considerable other vacant land along Highway 63 exists near the south city limits at the Gans Road interchange. This land would compete with the subject location to some extent but is generally considered superior in location.

The subject neighborhood is best described as a destination oriented, mixed use, neighborhood with mostly scattered public institutions, a few destination retail uses at prominent corner locations, offices, and considerable vacant land (much of which has infrastructure and entitlements in place). Demand for other retail and office use is projected to be weak. While some evidence of multi-family development exists further south along the corridor, demand for such use closer to the subject is projected to be weak. There has been recent demand for larger tracts

for light industrial use in the west part of the neighborhood and along Route B and Route Z. Future development is expected to be limited in the near term despite the availability of land, improving economy, and improving demand for properties further south of the subject. The Columbia CATSO major Roadway plan shows extension of Prathersville/Waco Road extending east to Route Z and I-70 which would improve access throughout the neighborhood, but the time frame for development is likely be several years.

LOCAL INDUSTRIAL LAND MARKET

Columbia benefits from its centralized location and association with one of nation's top universities; however, until the past two years, the local market has experienced nominal demand for new industrial development. A summary of industrial land sales in Columbia over the past 8 years is summarized below.

| Date | Location | # of Acres | \$/Acre | Rail |
|------|---------------------------|------------|----------|------|
| 2009 | Route Z | 22 | \$10,000 | No |
| 2011 | Leupold Court 10 | | \$18,000 | No |
| 2011 | Trade Winds Parkway | 113 | \$13,000 | No |
| 2011 | Brown Station Road 50 | | \$8,000 | Yes |
| 2012 | Rangeline Road S. of I-70 | 14 | \$18,557 | No |
| 2013 | Tower Drive 3.46 | | \$40,462 | No |
| 2013 | Paris Road | 4.3 | \$45,000 | No |
| 2014 | Confidential >75 | | \$8,000 | No |
| 2016 | Trade Winds Parkway | 30.24 | \$13,000 | No |
| 2016 | N. 763 134 | | \$11,190 | No |
| 2017 | Route Z | 22 | \$22,000 | No |
| 2017 | Route Z 186 | | \$15,000 | No |
| 2017 | Waco | 103 | \$20,000 | No |
| 2017 | Tower Drive 11 | | \$32,727 | No |

The three properties that sold in 2011 were tracts of land that had been developed as industrial subdivisions with most of the necessary infrastructure already in place. Each of these tracts were bank-owned and were sold at auction after foreclosure. In an interview with the former listing agents most thought the sale prices were below market value. Market conditions have improved since 2011, however, there has been minimal development on the 2011 sale tracts.

The small industrial tracts provide limited comparability to a larger tract such as the subject, but two small tracts (<10 acres) are considered herein as support of the overall volume and type of market activity that has occurred since the end of the recession. The two 2013 sale tracts sold to end users for prices over \$40,000 per acre. Several smaller tracts similar to these sales remain available in the market. Considering the market trends, supply, and demand, the larger subject parcel will command significantly lower unit values compared to these sales. More recent sales of larger tracts support a reasonably strong demand at prices below \$20,000 per acre.

We have also considered the number of active listings currently competing with the subject in the local market. A partial list of the properties and their respective sizes and list prices are noted on the following page. Additional land with industrial potential exists but is not presently listed on the open market. Also, similar land in surrounding smaller towns is available at prices of \$20,000 per acre or less.

The listings are comprised of land in all different phases of development, with most of the lots having the necessary infrastructure in place to permit immediate development; however, some of the larger tracts will require extension of public utilities and/or additional off-site improvements before development would be permitted. The smaller lots are located in various developments throughout the Columbia market.

| Certified Sites | | |
|---------------------------------|------------|-------------------------|
| Location | # of Acres | \$/Acre |
| Heller Road 109 | | \$21,344 |
| Highway 63 & Discover Parkway | 115 | \$2.30 (per s.f./lease) |
| Other Sites Listed | | |
| Location | # of Acres | \$/Acre |
| North | | |
| 5000 Paris Road Hinshaw East | 81 | \$30,000 |
| Singleton Road (Centralia) | 48 | \$15,000 |
| 5001 Paris Road Hinshaw West 26 | | \$36,538 |
| 11507 Route B (Hallsville) 200 | | \$15,000 |
| Cartwright Park (Ashland) | 380 | N.A. |
| Heller Road 174 | | \$19,388 |
| East | | |
| I-70 Drive SE & Route Z | 22 | \$196,020 |
| South | | |
| Meyer Industrial Drive | 60.5 | \$76,104 |
| 696 Highway UU | 135 | \$105,000 |

There are currently two Missouri Certified Sites available including: 109 acres also in northern sector at Brown Station Road and Heller Road (Ewing Industrial Park/Lender); and 123 acres in the southern sector at Highway 63 and Discovery Parkway (University of Missouri). Site certification provides a standardized tool by which both development professionals and businesses can review prospective sites for compatibility with their development needs. Economic development sources indicated that those sites that are not certified are at a considerable disadvantage when competing against other sites that are certified.

Most of the listed tracts have been marketed for an extended period of time and have received nominal interest. The list price of some parcels has been lowered over the past two years. Activity for this type of land has increased recently, with roughly 450 acres being purchased for three developments. This absorption level is in stark contrast to the prior 10-year rate and is due in part to improvement in the overall economy, lower land prices, and strong industrial development efforts by REDI.

As supported by the data available, there is a limited, but competitive/active, market for the smaller (<5 acres) tracts, which is primarily comprised of local buyers/end-users that have purchased the tracts for immediate development. Sales prices for these smaller tracts has increased somewhat, but volume remains low.

Although there have been recent large sales for immediate development, the long-term average absorption by end industrial users is lower. Based on local sites marketed publicly, a total of about 1,400 acres are available. These sites range in size and do not include the subject property. Five tracts are over 100 acres. The past 10-year absorption rate is estimated at about 80 acres per year, however, it is unknown if this rate can be sustained. Roughly one-half of this absorption occurred in the past two years. At a rate of 80 acres per year the present availability would supply the market demand for about 17 years. Considering the industrial market trends, demand for industrial land has fluctuated significantly over the past ten years. The most recent sales of larger industrial tracts have sold at prices significantly below the historical list prices for similar land.

AGENCY CUSTOMER ID: LM_116

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

| | | | |
|---|------------------|--|--|
| AGENCY Liberty Mutual Insurance Co. Nat'l Ins Northeast | | NAMED INSURED UNITED PARCEL SERVICE, INC. 55 GLENLAKE PARKWAY, NE ATLANTA GA 30328 | |
| POLICY NUMBER | | EFFECTIVE DATE: | |
| CARRIER | NAIC CODE | | |

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability (03/16)

HOLDER: County of Boone, Missouri C/O Purchasing Department

ADDRESS: 613 E. Ash Street Columbia MO 65201

If changes/revisions to this certificate are necessary, you may email your request to CMecertProduction@libertymutual.com.

If you no longer require this certificate and do not need on an annual basis, please email the certificate to our office and instruct us to delete from our database.

Commission Order # _____

FACILITY USAGE AGREEMENT

THIS AGREEMENT dated the 25th day of June 2019, is made between **County of Boone, Missouri** 801 E. Walnut, Room #333, Columbia, Missouri 65201 (County) and **Mortgage Research Center, LLC, d/b/a Veterans United Home Loans (VU)**, c/o Sandy Overacre, Director of Office Administration, 1400 Veterans United Drive, Columbia, MO 65203.

IN CONSIDERATION of the parties' performance of the respective obligations contained herein, the parties agree as follows:

1. **Contract Documents** – This agreement shall consist of this Facility Usage Agreement, RFP #01-08JAN19, Addendums #1, #2, #3, and VU's RFP Response with Clarification #1, signed by Sandy Overacre. All such documents shall constitute the contract documents, which are attached hereto and incorporated herein by reference. In the event of conflict between any of the foregoing documents, the terms, conditions, provisions and requirements contained in this Facility Usage Agreement shall prevail and control over the other incorporated documents.

2. **Term** – The term of this Agreement shall begin on **January 1, 2020 and run through December 31, 2022, a three-year period**. The parties may by written, mutual agreement extend this Agreement for subsequent, one-year periods.

3. **Rent and Annual Rental Adjustments** – The monthly rent shall be paid to County of Boone, Missouri, c/o Boone County Purchasing, 613 E. Ash Street, Columbia, MO 65201 in an annual payment and shall be paid as follows:

- a. **Year 1 (1/1/2020 – 12/31/2020):** The annual rent shall be \$30,000.00, calculated as follows:
 - i. Coliseum: \$25,000
 - ii. Sapp Building: \$2,500
 - iii. Parking lots north and east of Coliseum: \$2,500
- b. **Years 2 & 3 (and any agreed-upon extension periods):** For lease years 2 and 3, on each January 1st anniversary of the extension period, the prior year's annual rent for the next year shall be increased, but not decreased, by the positive change in the Consumer Price Index, if any, as certified by the Missouri State Tax Commission for the immediately preceding calendar year. Said certified CPI rates can be found via the Missouri State Tax Commission's website, www.stc.mo.gov under the "Clerk's" tab. The only Consumer Price Index that will be used for this Lease is that rate certified by the Missouri State Tax Commission for the immediately preceding year.

4. **Security Deposit** – VU agrees to pay a Security Deposit in the amount of Ten Thousand Dollars (\$10,000) no later than January 1, 2020. County acknowledges receipt of said deposit under the parties' prior Agreement approved in Commission Order 372-2016. Said deposit will be returned to VU after the Property has been adequately cleaned and accepted by County in an undamaged condition, and after VU has paid the utilities due under this Agreement. If County

applies the deposit to clean-up or the utilities, it will provide VU with an itemized list of those charges along with a return of any remaining deposit within thirty (30) days of the end of the Lease Term.

5. ***Demised Premises*** – The Demised Premises shall consist of the Coliseum, Sapp Building, and the two main parking lots to the north and east of the Coliseum, and such other areas of the property owned by County as are reasonably accessed for the maintenance and idle property management activities contemplated herein. VU understands that County has a separate Agreement with UPS for a trailer parking area north of the Coliseum property and VU's shared usage of that area is more fully addressed below, as well as an agreement approved by Boone County Commission Order 290-2016 with Jason Wilhite regarding the harvesting of hay in areas surrounding the Demised Premises.

6. ***Usage of Demised Premises*** – VU shall quietly enjoy full use of the Demised Premises during the entire term of this Agreement, with the exceptions set forth in this Agreement.

- a. **County-designated secured area.** County's Facilities Maintenance Director may designate an area in the Coliseum building as a secure area that will not be generally accessible by VU or VU's sublessees. Any such area shall be shown to VU in a walkthrough to be arranged by VU and County prior to the commencement of the initial Lease Term on January 1, 2020.
- b. **UPS Parking Area.** UPS's leased parking area north of the Coliseum is set out in Exhibit "A" which is attached hereto and incorporated herein by reference, and that area shall be shared with UPS as set out herein. As to that area depicted in Exhibit "A", VU shall have the authority to designate to UPS a 14-day period in December of each year where UPS shall be required to provide such space in the trailer parking area as is necessary for VU's annual holiday party purposes. At the other times throughout the year, VU may approach UPS about coordinating the use of all or a portion of the area depicted in Exhibit "A" to accommodate other activities on the property as contemplated in VU's RFP Response, however UPS shall have priority use to area depicted in Exhibit "A" during all times except for the 14-day period that VU designates in December of each year. During the 14-day period designated by VU to UPS, the area depicted in Exhibit "A" shall be shared by VU and UPS on terms and conditions mutually agreed to between VU and UPS.
- c. **Usage by BCSD.** VU shall allow the Boone County Sheriff's Department to conduct training in and around the Demised Premises at mutually agreeable times and at no cost to County.
- d. **Possible usage for Boone County Fair.** Subject to the usage by UPS as contemplated herein and by mutual agreement between VU and UPS, VU may allow a sublease of the premises to The Boone County Fair Inc., for purposes of its annual fair at a cost of \$10,000 in rental or security deposit to be paid by The Boone County Fair, Inc., to the County. VU and The Boone County Fair, Inc., shall make such other arrangements regarding security deposits, utilities, and any other agreements on terms agreeable to VU and The Boone County Fair, Inc. In the event of a sublease to The Boone County Fair, Inc., adequate insurance coverage as approved by County will be required from The Boone County Fair, Inc., naming the County as an additional insured.

- e. Other possible usage by sublessees approved by VU. Subject to the usage by UPS as contemplated herein, and as contemplated in VU's RFP Response, VU may consider additional subleases on a case-by-case basis. Amounts payable for rent by any other sublessees which in the aggregate exceed VU's financial payments for rent, utilities, idle property management services (deemed value estimated at \$45,000 per Lease Year), and repairs as contemplated herein shall be paid to County as contemplated in VU's RFP response. VU shall provide documentation concerning its revenues and expenses as reasonably requested by County to implement the provisions of this "profit" payment to County. Any other sublease of the property beyond the parameters contemplated herein shall be by mutual, written agreement of VU and County.
- f. General access by County. County will communicate with VU as is reasonably practicable as to any planned County access to the facilities that constitute the Demised Premises.

7. Idle Property Management Services – VU shall provide idle property management services during the term of this Agreement as set forth in VU's RFP response. VU shall provide such services as VU deems appropriate for purposes of ensuring the security of the property, ensuring the viability of the Coliseum building's systems, for maintenance of the property, snow removal, repairs necessary to restore essential functioning of the property, and otherwise ensuring the property is in a condition suitable for VU's usage as contemplated herein.

8. Condition of Property, Repairs and Maintenance – VU and County agree to the following, specific provisions relating to the condition of the Demised Premises and any necessary repairs:

- a. As-is condition. VU agrees to accept the properties and buildings in "as is" condition without any guarantees regarding the functioning of the buildings' systems. VU acknowledges that County makes no warranties, express or implied, to any aspect of the property's fitness for any particular use. VU shall arrange for any necessary preparations to the grounds or Property that are necessary for VU's anticipated use and shall arrange for all supplies and infrastructure that is necessary for VU's usage of the Demised Premises.
- b. Obligation to make repairs. VU shall make such repairs as VU or County determines are necessary for the essential functioning of the Demised Premises. VU's obligation to provide repairs shall not exceed an aggregate sum of \$40,000 in any calendar year before VU shall have the right to terminate this Agreement as set forth below. To the extent of any casualty loss that results in a payment from the County's insurer for damage to the Demised Premises, the parties may apply those insurance proceeds to repairs of the Demised Premises if the County decides to embark upon repairs caused by the casualty loss, in County's sole discretion.
- c. Personal property. County makes no representations about the availability of any personal property on the property. If VU desires to use any tables, chairs, or other property County has on site, VU shall return them at the conclusion of this Agreement and shall be responsible for any such property damaged or destroyed during VU's use of the property. No additional charges will be due to County for any available personal property.
- d. Notification of any damage. VU agrees to notify County's designee of any damage to the facilities or property during this Agreement.

- e. County maintenance of county roads. County will continue, to the extent of annual funding appropriated for that purpose, maintain the county roads that run through the subject property.

9. **Utilities** – VU will arrange for the placement of any meters or services VU desires on the property directly with the appropriate utility provider. In addition, VU and County have made the following, specific agreements relating to existing utilities on the property:

- a. Ameren (natural gas). VU will make arrangements with Ameren Missouri to continue payment of charges related the gas meter formerly in County's name associated with account number 95002-14137. At the conclusion of this Agreement, VU will coordinate with County to have said meter transferred back to the County's name.
- b. City of Columbia (water). VU will make arrangements with the City of Columbia to continue payment of charges related to the water meter formerly in County's name associated with account number 401535-115700. At the conclusion of this Agreement, VU will coordinate with County to have said meter transferred back to the County's name.
- c. Boone Electric Cooperative (electric). VU will make arrangements with Boone Electric to continue payment of charges related to the electric meters formerly in the County's name and at the conclusion of this Agreement VU will coordinate with County to have said meters transferred back to County's name as set forth below:
 - i. Account 14508002 – 5212 N. Oakland Gravel Road Pumping Station
 - ii. Account 14513002 – 5212 N. Oakland Gravel Road Coliseum
 - iii. Account 14553002 – 5212 N. Oakland Gravel Road Horse Show Office
 - iv. All other Boone Electric accounts in County's name for lights shall remain in County's name and be paid by County during this Agreement.

10. **Security of Property during VU's Annual Holiday Party** – VU agrees that it will make adequate arrangements for security during VU's annual Holiday Party and VU agrees it will be responsible for the payment of any fees for event security.

11. **Use of Local Vendors for VU's Annual Holiday Party** – Whenever commercially reasonable, in VU's sole discretion, VU shall use vendors with a physical presence in Boone County, Missouri, for products and services used in VU's annual holiday party.

12. **Clean-Up of Property** – Upon termination of this Agreement, VU agrees to return the property to County in the same or better condition as it found the property at the commencement of this Agreement, reasonable wear and tear excepted.

13. **Insurance** – VU shall carry liability insurance on the Demised Premises and shall name Boone County as additional insured under that policy. Said insurance shall be at the following minimum amounts: Workers Compensation coverage per Missouri statutory limits and Commercial General Liability in an aggregate amount of \$3,000,000. VU shall provide a Certificate of Insurance in a form acceptable to County no later than September 1st of each year. County will carry casualty insurance on the Demised Premises on such terms and conditions as the County determines.

14. **Indemnity and Hold Harmless** – To the fullest extent permitted by law, VU shall indemnify, hold harmless and defend the County, its directors, officers, agents, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of VU, of any VU subcontractor, of anyone directly or indirectly employed by VU or by any VU subcontractor, or of anyone for whose acts VU or any VU subcontractor may be liable, in connection with this Agreement.

15. **Governing Law and Venue** – This Agreement shall be governed by the laws of the State of Missouri, and any action relating to the same shall be brought in the Circuit Court of Boone County, Missouri.

16. **Authority of Signatories** – Each of the persons signing this Agreement on behalf of either party represent that he/she has been duly authorized and empowered, by order, ordinance or otherwise, to execute this Agreement and that all necessary action on behalf of said party to effectuate said authorization has been taken and done.

17. **Binding Effect** – This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect.

18. **Entire Agreement** – This agreement constitutes the entire agreement between the parties and supersedes any prior negotiations, written or verbal, and any other proposal or contractual agreement. This agreement may only be amended by a signed writing executed with the same formality as this agreement.

19. **Termination** – The parties have agreed to the following termination provisions for times other than the natural end of the Lease Term provided for herein:

- a. VU agrees to excuse County's performance of any obligations under this Agreement as to any particular portion of the property if it is determined by County, in County's sole discretion, that any condition of the Property makes the same unsafe or unfit for use by VU or others accessing the property. If County is unable to provide possession of all or a portion of the Property due to an unsafe condition, VU's annual rent shall be prorated through the date of notification by County of the unsafe condition and until such time as the condition is remedied. If the unsafe condition is not remedied within 30 days of notification by the County, either party may terminate this agreement through written notification to the other party of its desire to terminate.
- b. If repairs to the property deemed necessary by VU exceed the sum of \$40,000 in any calendar year, then VU shall have the right to terminate this Agreement upon 30 days written notice to County. VU's annual rent shall be prorated through the date of notification by VU of its intent to terminate under this provision. VU shall provide County with documentation reasonably available to VU of the scope of the necessary repairs and the related cost.

IN WITNESS WHEREOF the parties through their duly authorized representatives have executed this agreement on the day and year first above written.

**Mortgage Research Center, LLC
d/b/a Veterans United Home Loans**

Boone County, Missouri

By:

DocuSigned by:


3902A9E6E8D48C

Brock Bukowsky, Managing Member

By:

DocuSigned by:


9A48034CED6E4E9

Daniel K. Atwill, Presiding Comm.

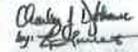
ATTEST:

DocuSigned by:
Brianna L Lennon by MT

7D82DA986BF64D5

Brianna L. Lennon, County Clerk

Approved as to Legal Form:

DocuSigned by:


58E0A9DDB0A0446

County Counselor

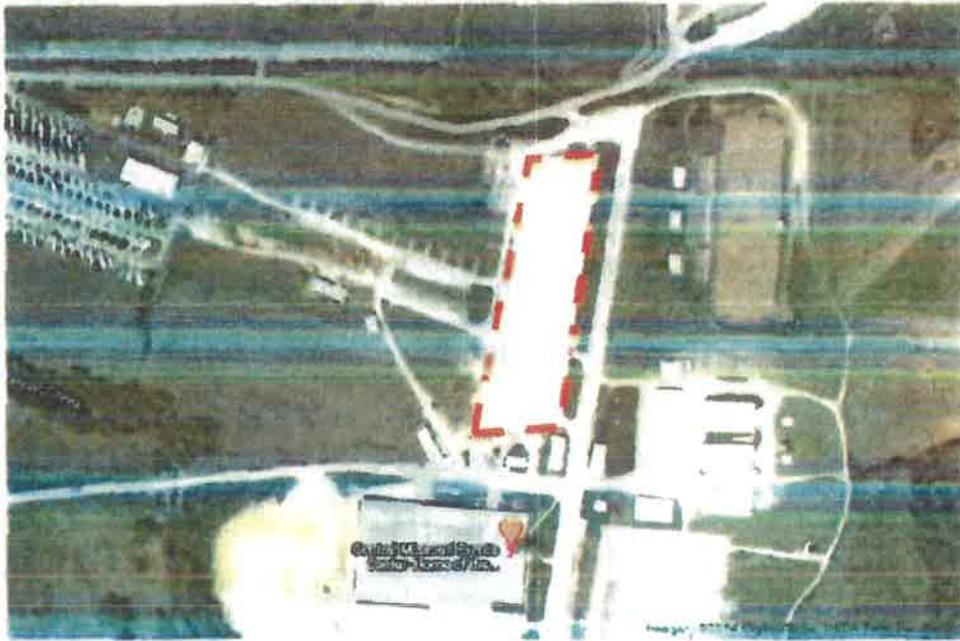
**Acknowledged for Budgeting Purposes:
Revenue to: 1190-3822**

DocuSigned by:


4147B4E3F1C047D

June E. Pitchford, County Auditor

Boone County Fairgrounds



Insurance Requirements: The Contractor shall not commence work under this contract until they have obtained all insurance required under this paragraph and the Certificate of Insurance has been approved by the County, nor shall the Contractor allow any subcontractor to commence work on their subcontract until all similar insurance required of subcontractor has been so obtained and approved. All policies shall be in amounts, form and companies satisfactory to the County which must carry an A-6 or better rating as listed in the A.M. Best or equivalent rating guide. Insurance limits indicated below may be lowered at the discretion of the County.

Employers Liability and Workers Compensation Insurance - The Contractor shall take out and maintain during the life of this contract, **Employers Liability and Workers Compensation Insurance** for all of its employees employed at the site of work, and in case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. Workers Compensation coverage shall meet Missouri statutory limits. Employers Liability limits shall be \$500,000.00 each employee, \$500,000.00 each accident, and \$500,000.00 policy limit. In case any class of employees engaged in hazardous work under this Contract at the site of the work is not protected under the Workers Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide Employers Liability Insurance for the protection of their employees not otherwise protected.

Commercial General Liability Insurance - The Contractor shall take out and maintain during the life of this contract, such commercial general liability insurance as shall protect it and any subcontractor performing work covered by this contract, from claims for damages for personal injury including accidental death, as well as from claims for property damages, which may arise from operations under this contract, whether such operations be by themselves or for any subcontractor or by anyone directly or indirectly employed by them. The amounts of insurance shall be not less than \$3,000,000.00 combined single limit for any one occurrence covering both bodily injury and property damage, including accidental death. If the Contract involves any underground/digging operations, the general liability certificate shall include X, C, and U (Explosion, Collapse, and Underground) coverage. If providing Commercial General Liability Insurance, then the Proof of Coverage of Insurance shall also be included.

Contractor may satisfy the minimum liability limits required for Commercial General Liability or Business Auto Liability under an Umbrella or Excess Liability policy. There is no minimum per occurrence limit of liability under the umbrella or Excess Liability; however, the Annual Aggregate limit shall not be less than the highest "Each Occurrence" limit for either Commercial General Liability or Business Auto Liability. **Contractor agrees to endorse the County as an Additional Insured on the umbrella or Excess Liability, unless the Certificate of Insurance state the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.**

Business Automobile Liability – The Contractor shall maintain during the life of this contract, automobile liability insurance in the amount of not less than \$3,000,000.00 combined single limit for any one occurrence, covering both bodily injury, including accidental death, and property damage, to protect themselves from any and all claims arising from the use of the Contractor's own automobiles, teams and trucks; hired automobiles, teams and trucks; non-owned and both on and off the site of work.

Subcontractors: Contractor shall cause each Subcontractor to purchase and maintain insurance of the types and amounts specified herein. Limits of such coverage may be reduced only upon written agreement of County. Contractor shall provide to County copies of certificates of insurance evidencing coverage for each Subcontractor. Subcontractors' commercial general liability and business automobile liability insurance shall name County as Additional Insured and have the Waiver of Subrogation endorsements added.

Proof of Carriage of Insurance - The Contractor shall furnish the County with Certificate(s) of Insurance which name the County as additional insured in an amount as required in this contract). The Certificate of Insurance shall provide that there will be no cancellation, non-renewal or reduction of coverage without 30 days prior written notice to the County. In addition, such insurance shall be on an occurrence basis and shall remain in effect until such time as the County has made final acceptance of the services provided.

INDEMNITY AGREEMENT: To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County, its directors, officers, agents, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of Contractor, of any subcontractor (meaning anyone, including but not limited to consultants having a contract with contractor or a subcontract for part of the services), of anyone directly or indirectly employed by contractor or by any subcontractor, or of anyone for whose acts the contractor or its subcontractor may be liable, in connection with providing these services. This provision does not, however, require contractor to indemnify, hold harmless, or defend the County of Boone from its own negligence.

Nothing in these requirements shall be construed as a waiver of any governmental immunity of the County, its officials nor any of its employees in the course of their official duties.

Failure to maintain the required insurance in force may be cause for contract termination. In the event the Agency/Service fails to maintain and keep in force the required insurance or to obtain coverage from its subcontractors, the County shall have the right to cancel and terminate the contract without notice.

Certificate Holder address:

County of Boone, Missouri
C/O Purchasing Department
613 E. Ash Street
Columbia, MO 65201

BOONE COUNTY - MISSOURI

PROPOSAL NUMER AND DESCRIPTION: *01-08JAN19 - Long Term Lease of Real Property*

CLARIFICATION FORM #1

This Clarification is issued in accordance with the Instructions to Offeror and is hereby incorporated into and made a part of the Request for Proposal Documents. Offeror is reminded that receipt of this Clarification must be acknowledged and submitted by e-mail to mboobbitt@boonecountymmo.org.

I. CLARIFICATION - please provide a response to the following request.

- 1) Would you consider a 5-year base term?

Yes, Veterans United is willing to consider a 5-year base term as part of contract negotiations under Section I of the original Request for Proposal.

- 2) Rather than a lease of \$10,000 for the Boone County Fair, would a \$10,000 security deposit with a \$0.00 lease be acceptable?

Under Veterans United's current lease with the County, the \$10,000 lease payment from Boone County Fair, Inc. would be payable to the County of Boone. In keeping with the existing agreement, Veterans United is willing to honor whatever lease payment the County of Boone would look to receive. Should the County of Boone wish to waive the \$10,000 rental fee, Veterans United will have no issue with that structure. As with the current lease agreement, Veterans United will work with the Boone County Fair, as it would with any other potential sublessees, to ensure that proper arrangements regarding security deposit, utilities, adequate insurance coverage, law enforcement planning and additional safety measures are contracted for as part of an agreement.

In compliance with this request , the Offeror agrees to furnish the services requested and proposed and certifies he/she has read, understands , and agrees to all tenn s, conditions, and requirements of the RFP and this clarification request and is authorized to contract on behalf of the firm. **Note:** This form must be signed. All signature s must be original and not photocopies.

Company Name: Mortgage Research Center dba Veterans United Home Loans

Address: 1400 Veterans United Dr., Columbia, MO 65203

Telephone: 573-876-2600 ^{ext. 3359} Fax:

Federal Tax ID (or Social Security #): 43-1925151

Print Name: SANDY OVERACRE Title: Dir. of Customer Services

Signature: *Sandy Overacre* Date: 3-19-2019

E-mail: SOVERACRE@VU.COM

Boone County Purchasing



Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

613 E. Ash Street, Room 110

Columbia, MO 65201

Phone: (573) 886-4391

Fax: (573) 886-4390

E-mail: mbobbitt@boonecountymo.org

March 14, 2019

Veterans United Home Loans
Attn: Sandy Overacre
1400 Veterans United Drive
Columbia, MO 65203
E-mail: soveracre@vu.com

RE: Clarification #1 to 01-08JAN19 – Long Term Lease of Real Property

Dear Ms. Overacre:

Following review of your RFP response, the evaluation committee has identified additional information that is needed. The attached Clarification Form includes any changes being made to the RFP as a result of this request. The Form must be completed, signed by an authorized representative of your organization, and returned with your detailed Clarification response. You are requested to provide written response by **2:00 p.m. April 15, 2019** by e-mail to mbobbitt@boonecountymo.org

You are reminded that pursuant to Section 610.021 RSMo, proposal documents are considered closed records and shall not be divulged in any manner until after a contract is executed or all proposals are rejected. Furthermore, you and your agents (including subcontractors, employees, consultants, or anyone else acting on their behalf) must direct all questions or comments regarding the RFP, the evaluation, etc., to the buyer of record. Neither you nor your agents may contact any other County employee or evaluation committee member regarding any of these matters during the negotiation and evaluation process. Inappropriate contacts or release of information about your proposal response(s) are grounds for suspension and/or exclusion from specific procurements.

If you have any questions regarding this Clarification request, please call (573) 886-4391 or e-mail Mbobbitt@boonecountymo.org. I sincerely appreciate your efforts in working with Boone County - Missouri to ensure a thorough evaluation of your proposal.

Sincerely,

Handwritten signature of Melinda Bobbitt in black ink.

Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

cc: Evaluation Committee Members / Proposal File

BOONE COUNTY - MISSOURI

PROPOSAL NUMER AND DESCRIPTION: *01-08JAN19 – Long Term Lease of Real Property*

CLARIFICATION FORM #1

This Clarification is issued in accordance with the Instructions to Offeror and is hereby incorporated into and made a part of the Request for Proposal Documents. Offeror is reminded that receipt of this Clarification must be acknowledged and submitted by e-mail to mbobbitt@boonecountymo.org.

I. CLARIFICATION – please provide a response to the following request.

- 1) Would you consider a 5-year base term?
- 2) Rather than a lease of \$10,000 for the Boone County Fair, would a \$10,000 security deposit with a \$0.00 lease be acceptable?

In compliance with this request, the Offeror agrees to furnish the services requested and proposed and certifies he/she has read, understands, and agrees to all terms, conditions, and requirements of the RFP and this clarification request and is authorized to contract on behalf of the firm. **Note:** This form must be signed. All signatures must be original and not photocopies.

Company Name: _____

Address: _____

Telephone: _____ Fax: _____

Federal Tax ID (or Social Security #): _____

Print Name: _____ Title: _____

Signature: _____ Date: _____

E-mail: _____

APPENDIX A

COVER/ RESPONSE PAGE

PLEASE COMPLETE AND PLACE IN FRONT OF YOUR RFP RESPONSE

Organization Name: Mortgage Research Center dba Veterans United Home Loans
 Address: 1400 Veterans United Dr.
Columbia, MO 65203 (573)
 Telephone: (573) 876-2600 Fax: _____
 E-mail Address: soveracre@vu.com
 Web Site URL: veteransunited.com

Note: This form must be signed. All signatures must be original and not photocopies.

The undersigned hereby certifies that he/she is a duly authorized official of their organization and has the authority to sign on behalf of the organization and assures that all statements made in the response to the RFP are true.

Print Name: Sandy Overacre Title: Director of Customer Services

Signature:  Date: 1-18-19

1. The annual long-term lease price for Parcel 1 – Central MO Events Center shall be: \$ 30,000.00
2. The annual long-term lease price for Parcel 2 – Former County Maintenance Building shall be: \$ na
3. The proposed security deposit for Parcel 1 will be: (complete if only proposing for Parcel 1) \$ 10,000.00
4. The proposed security deposit for Parcel 2 will be: (complete if only proposing for Parcel 2) \$ na
5. The proposed security deposit for combined Lease of parcel 1 and Parcel 2 will be: \$ na
6. Any changes from the provisions of this Request for Proposal or to the Insurance Requirements shall be specifically noted here:
See response to Section E.1. for further detail. Veterans United Home Loans intention is to lease the Coliseum, Sapp Building, and parking lots north and east of the Coliseum.
7. Proposed term of lease if other than fifty (50) years: 3 years, with seven 1-year renewals
8. Desired start date of lease: 01/01/2020
9. Attach an earnest deposit of \$5,000 in the form of a bank check or certified check made payable to Boone County, Missouri.



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #1 - Issued October 11, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

1. CHANGE the pre-proposal date referenced on page 8, Section G, *b. Pre-Proposal Conference with site visit* and 5. *Pre-Proposal Conference* of the Request for Proposal to:

October 19, 2018, 1:00 p.m.

By: 
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

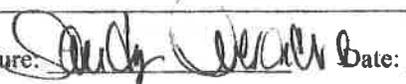
Offeror has examined **Addendum #1** to Request for Proposal # *01-08JAN19 – Long-Term Lease of Real Property*, receipt of which is hereby acknowledged:

Company Name: Mortgage Research Center dba Veterans United Home Loans

Address: 1400 Veterans United Dr., Columbia, MO 65203

Phone Number: (573) 876-2600 Fax Number: _____

E-mail: soveracre@vu.com

Authorized Representative Signature:  Date: 1-18-19

Authorized Representative Printed Name: Sandy Overacre



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #2 - Issued October 22, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

- 1) The *Tour and Pre-Proposal Conference Sign-In Sheet* is attached for informational purpose.
- 2) Should an additional site visit be needed, it may be scheduled by contacting:

Melinda Bobbitt
Email: mbobbitt@boonecountymo.org

By: 
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

Offeror has examined **Addendum #2** to Request for Proposal # **01-08JAN19 – Long-Term Lease of Real Property**, receipt of which is hereby acknowledged:

Company Name: Mortgage Research Center dba Veterans United Home Loans

Address: 1400 Veterans United Dr., Columbia, MO 65203

Phone Number: (573) 876-2600 Fax Number: _____

E-mail: soveracre@vu.com

Authorized Representative Signature:  Date: 1-18-19

Authorized Representative Printed Name: Sandy Overacre



**TOUR AND PREPROPOSAL CONFERENCE
SIGN IN SHEET**

FOR: RFP #01-08JAN19 – Long-Term Lease of Real Property

| | Representative Name | Business Name | Telephone Number | Fax Number | E-Mail Address |
|-----|---------------------|-------------------------|----------------------|--------------|----------------------------|
| 1. | Melinda Bobbitt | Boone County Purchasing | 573-886-4391 | 573-886-4390 | MBobbitt@boonecountymo.org |
| 2. | Fred Parry | Boone County Commission | 573-886-4307 | | fparry@boonecountymo.org |
| 3. | Jo Fey | Roberty/Ina Con College | 460-263-4100 x 11252 | | jof@vmacc.edu |
| 4. | Matt Tronzo | MMSP | 573-489-1851 | | mtronzo@mmsp.com |
| 5. | Eric Wilson | Veterans United | 573-876-1100 | | eric.wilson@vu.com |
| 6. | Myka A | MMSP | 573-424-7002 | | keepingitdyup@gmail.com |
| 7. | Brad Jakes | MMSP | 573-268-7163 | - | bradjakes@ltnet.com |
| 8. | Walter Kraye | Boone County | 573-886-4414 | | |
| 9. | Wayne Kelly | Boone County | 573-424-1633 | | |
| 10. | Shawn Noel | | 573-420-1661 | | Shawn166@yahoo.com |
| 11. | Cody Noel | | 573-870-5678 | | Noelcody96015@gmail.com |
| 12. | Mary Lambert | | 573-428-9036 | | mlambert@mmsp.com |
| 13. | James Pounds | | 573-567-0022 | | jpounds@mmsp.com |
| 14. | Paul Zullo | | 573-964-1003 | | 205 656 1501.com |
| 15. | | | | | |
| 16. | | | | | |
| 17. | | | | | |



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #3 - Issued December 26, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

1) Submittal deadline and opening have been changed to the following:

Delivery of RFP Responses: All RFP responses shall be delivered before 11:00 A.M., Central Time, on January 31, 2019 to:

Boone County Purchasing Department
Boone County Annex
Melinda Bobbitt, Director of Purchasing
613 E. Ash Street, Room 110
Columbia, Missouri 65201-4460

RFP responses must be submitted in a sealed envelope identified with the RFP number. List the RFP number 01-08JAN19 on the outside of the box or envelope and note "Response to Request for Proposal enclosed."

RFP Acknowledgement: RFP Offeror names will be acknowledged and read aloud after 1:30 p.m. on January 31, 2019 in the Boone County Government Center, Commission Chambers, 801 E. Walnut, Columbia, MO. Offeror's names will also be posted on our web page in the afternoon of January 31 at: [www.showmeboone.com / Purchasing / Bid Opportunities / 2019 / 01-08JAN19 / RFP Opening.](http://www.showmeboone.com/Purchasing/Bid%20Opportunities/2019/01-08JAN19/RFP%20Opening)

By: Melinda Bobbitt
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

Offeror has examined **Addendum #3** to Request for Proposal # **01-08JAN19 – Long-Term Lease of Real Property**, receipt of which is hereby acknowledged:

Company Name: Mortgage Research Center dba Veterans United Home Loans

Address: 1400 Veterans United Dr., Columbia, MO 65203

Phone Number: (573) 876-2600 Fax Number: _____

E-mail: soveracre@vu.com

Authorized Representative Signature: Sandy Overacre Date: 1-12-19

Authorized Representative Printed Name: Sandy Overacre



Veterans United Home Loans | veteransunited.com

800-884-5560 (p)
NMLS 1907

January 31, 2019

Melinda Bobbitt
Director of Purchasing
Boone County Purchasing Department
613 E. Ash Street, Room 110
Columbia, MO 65201-4460

RE: Response to RFP #01-08JAN19

Ms. Bobbitt,

The following is the response from Mortgage Research Center, LLC d/b/a Veterans United Home Loans (hereinafter "Veterans United") to the Request for Proposal for Long-Term Lease of Real Property, RFP #01-08JAN19. As required, the responses of Veterans United to Section E of the Request for Proposal are below.

SECTION E. TERMS, CONDITIONS, AND PROPOSED USES

Section E. 1. Price Offered – The proposal may include financing contingency, but the County will give more weight to cash offers. The price should be framed as a monthly, quarterly, or annual land lease sum that will be paid in advance of the month, quarter, or year for which the rent will be applied.

Response: Veterans United proposes to lease the Coliseum, Sapp Building, and the two main parking lots North and East of the Coliseum for a period of three years at a rate of \$30,000 annually. The expense would be broken down as follows:

| Item | Cost |
|---|-----------------|
| Coliseum | \$25,000 |
| Sapp Building | \$2,500 |
| Parking lots North and East of Coliseum | \$2,500 |
| Total | \$30,000 |

Under this agreement, Veterans United proposes an annual payment to the County in the amount of \$30,000. Veterans United will maintain the grounds with adequate idle property management services estimated at \$30,000 per year.

Although Veterans United is not interested in running the Events Center in a profit making capacity, it will consider sub-leases. These will include allowing the Boone County Sheriff's Office to conduct training at no cost, sub-leasing parking facilities to United Parcel Service at a negotiated rate to be paid directly to the County and subleasing annually to the Boone County Fair Board the grounds in their entirety at a cost of \$10,000 to be paid to the County. In each

case, the company will assume no liability, perform no maintenance and guaranty no facilities. The sub-leases will be considered triple net.

Veterans United will consider any additional subleases on a case-by-case basis.

Veterans United, while having no interest in making revenue from this lease, also proposes that should a profit ever be made on these facilities under its management that 100 percent of those profits be paid directly to the County. A profit would be considered revenue made in excess of Veterans United's lease and maintenance expenses annually.

Section E. 2. Property Use – A narrative explaining the proposed or intended use of the property, including any demolition and redevelopment plans which may include a site plan.

Response: Veterans United Home Loans has nearly 2,400 employees nationwide, and more than 1,800 of those employees are located in Boone County. The 1,800 employees in Boone County help Veterans and military families achieve the dream of homeownership across all 50 states and the District of Columbia from our offices in Columbia.

As Veterans United has grown, the company has sought to maintain its culture through multiple annual gatherings. Since Veterans United's founding in 2002, it has hosted an annual holiday party, and beginning in 2012 the company has hosted the event at the Central Missouri Events Center. The event held most recently on December 8, 2018, included nearly 3,000 guests. At various events throughout the years, the company has utilized local vendors including A-1 Rentals, University Catering, Direct Impact, Signs Now, Creative Photo, Redlight Photo, MO-X, Fresh Ideas Food Service, and many others. The company's interest in leasing the Coliseum, Sapp Building and parking lots is to continue holding the annual holiday party and other company events at the property throughout the year. The Coliseum hosts the events, while the Sapp Building is used for staging purposes within fire code restrictions. In order to prepare for and clean up after the party, the Company requires access to the property about five (5) days in advance and five days (5) after its conclusion.

Veterans United has searched throughout mid-Missouri for another facility that meets size, parking, utilities and access requirements in December to host more than 2,500 guests. To the company's knowledge, the Central Missouri Events Center is the only facility between the Kansas City and St. Louis Regions large enough and available in December that will meet these specifications.

As a result of Veterans United's desire to continue hosting this event at this time of year in Boone County, it is willing to continue its lease in order to ensure the buildings are maintained in safe and sound condition.

From time to time, Veterans United may use the facilities for additional company functions, including department meetings, team trainings, culture events and other events as necessary.

Section E. 3. Renovation Plans with timeline - The intended plans for renovation of the buildings/property with estimated completion date.



Veterans United Home Loans |
veteransunited.com

800-884-5560 (p)
NMLS 1907

Response: Since 2016, United has expended over \$300,000 for renovations, maintenance and repairs to the property including but not limited to bathroom renovations, lawn care, parking lot maintenance, utilities, HVAC repairs, and cleaning. Veterans United plans to continue repairing and maintaining the property as it has since 2016. A summary of these expenditures is attached at the end of this response as additional material.

Section E. 4. Financial strength of Offeror - Offeror should provide any information defining/detailing the financial stability of the organization necessary to demonstrate the ability to carry out this lease. At a minimum, Offeror should provide a statement affirming that Lessee has the financial ability to complete the lease and renovation. Also, provide an affirmative statement consenting to provide representatives of the County satisfactory evidence of Lessee's financial ability upon request.

Response: Veterans United Home Loans has the financial stability to complete the lease and maintenance of the property as described in this RFP Response. Veterans United has annual revenues in excess of \$100 million, and has shown its ability to meet all lease obligations throughout Boone County. Veterans United is willing provide representatives of the County satisfactory evidence of our financial ability upon request.

Section E. 5. Compatibility of the proposed use with the surrounding area

Response: Veterans United's proposed use of the property is compatible with the surrounding area in that it plans to utilize the buildings for internal gatherings, and also continues to be willing to sublease the property where appropriate to public and private entities where appropriate.

Section E. 6. Public benefit of proposed use

Response: As the lessee of the property for the last three years, Veterans United has continued to grant public entities use of the property throughout the year, including regular use by the Boone County Sheriff's Office K-9 Unit and Swat Team for training, Boone County drone pilot skills training, and The Missouri National Guard. In addition to these uses, Veterans United utilizes numerous local vendors for transportation, housing, food, decoration, and other purposes for events it holds, injecting significant revenue into the local economy.

Section E. 7. Relative experience of the Offeror in similar redevelopment projects

Response: Veterans United has served as the lessee of the property for the last three years, and as such has the ability and experience to continue the lease under the current terms. While we have no plans to redevelop the property, we do intend to continue maintaining the property as we have under the current lease.

Section E. 8. Executive Summary - A narrative summarizing the vendor's ability to meet the requirements of this lease. Include the address of headquarters. Provide the name, telephone number and e-mail address of primary contact.

Response: As it has since 2016, Veterans United intends to maintain one full-time employee on site to manage the property on a daily basis, in addition to a number of employees who spend significant time on issues relating to the management of the property, representing over \$100,000 in employee time. Veterans United also intends to continue contracting annually with a third-party property management company to handle a number of tasks relating to the property.

Veterans United's main point of contact will be Sandy Overacre, Director of Office Administration. Sandy's role at the company includes oversight its 16 Boone County-office locations, including leases, maintenance, staffing and logistics. Along with her staff, she has successfully led Veterans United's execution of leases at the Central Missouri Events Center since 2012. Her contact is 573-876-2600 x 3359 and soveracre@veteransunited.com.

Veterans United's ability to meet lease obligations can be seen in its multiple leases in Boone County, as well as its track record of successfully hosting events at the Events Center over the past seven years.

Section E. 9. References - Provide at least three (3) references that will verify your ability to perform the obligations you describe in the lease offer.

Response: Veterans United maintains property leases with numerous companies throughout Boone County and across the country. More references are available as needed.

Forum Development Group – Jay Lindner (573) 446-5500
1400 Forum Blvd., #10
Columbia, MO 65203

Central Trust and Investment Company
As Trustee of the Robert M. LeMone Marital – Amy Henderson, Vice President
SilverTree Companies – Jay Burchfield (573) 875-5151
302 Campusview Dr., Ste 211
Columbia, MO 65201

JAKE Properties, LLC – John Kirby (573) 256-7205
1309 Glasgow Dr.
Columbia, MO 65203

Section E. 10. Cover Page Signature Form - The attached Cover Page signature form must be signed as outlined for the RFP response to be considered and placed at the beginning of your RFP response.

Response: The cover page signature form is signed and attached hereto.

| Veterans United Home Loans Expenses for Central Missouri Events Center - August 2016 to August 2017 | | |
|--|---|--------------|
| Standing Contracts | Notes | Cost |
| | Janitorial Services - Annual \$4,800 | \$ 4,800.00 |
| | HVAC - Annual \$6,520 | \$ 6,520.00 |
| | Management - Annual \$30,000 | \$ 30,000.00 |
| | Pest Control - Annual \$3,012.50 | \$ 3,012.50 |
| | Lease payment | \$ 30,000.00 |
| June-Sept. 2016 | Notes | |
| | Mowing and land care | \$ 3,200.00 |
| | Mowing | \$ 350.00 |
| Oct. 2016 | Notes | |
| | Mowed fairground fields | \$ 450.00 |
| | Equipment rental | \$ 525.00 |
| | Labor | \$ 2,925.00 |
| Nov. 2016 | Notes | |
| | Electrical - power supply switch replacement and fire alarm service | \$ 795.02 |
| | Labor | \$ 559.50 |
| | Plumbing - inspection, repair sprinkler leak | \$ 936.58 |
| | Labor - fire inspection, painting, tile replacing | \$ 4,923.28 |
| | Equipment | \$ 609.36 |
| | Electrical bill | \$ 252.35 |
| Dec. 2016 | Notes | |
| | Equipment rental | \$ 1,239.36 |
| | Labor | \$ 18,299.50 |
| | Supplies | \$ 4,751.32 |
| | Repair roof leak | \$ 264.00 |
| | Demo and replace ceiling tiles | \$ 6,000.00 |
| | Replace panel on entrance sign | \$ 1,213.09 |
| | Power washing the facility | \$ 8,987.50 |
| | Electrical - service, breakers, system check | \$ 2,724.22 |
| | Plumbing - replace valves, facets, add four sinks | \$ 4,823.00 |
| Jan. 2017 | Notes | |
| | Labor | \$ 8,314.32 |
| | Garage door repair | \$ 255.00 |
| | Fire alarm monitoring | \$ 300.00 |
| | Cleaning | \$ 810.00 |
| | Repairs after inspection | \$ 985.17 |
| | Labor and materials | \$ 8,650.41 |
| | Heating - bring units up to operating conditions | \$ 2,410.70 |
| | Utilities | \$ 5,801.52 |
| Feb. 2017 | Notes | |
| | Labor | \$ 2,127.18 |
| | Initial clean for holiday party | \$ 2,288.00 |
| | Ceiling repair - roof leaks | \$ 1,464.50 |
| | Utilities | \$ 3,554.54 |
| Mar-17 | Notes | |
| | Heating - relighting of pilot lights and equipment | \$ 526.06 |
| | Air filter replacement | \$ 452.47 |
| | Utilities | \$ 1,886.13 |

| Apr-17 | Notes | |
|--|-------------------------------|----------------------|
| | Lawncare | \$ 1,250.00 |
| | Heating and air system repair | \$ 216.98 |
| | Structural evaluation | \$ 800.00 |
| | Utilities | \$ 1,345.07 |
| | | |
| May-17 | Notes | |
| | Lawncare | \$ 475.00 |
| | Roof repair | \$ 2,438.20 |
| | Utilities | \$ 1,156.75 |
| | | |
| Jun-17 | Notes | |
| | Lawncare | \$ 350.00 |
| | Utilities | \$ 1,095.63 |
| | | |
| Jul-17 | Notes | |
| | Lawncare | \$ 350.00 |
| | Utilities | \$ 1,517.25 |
| | | |
| Aug-17 | Notes | |
| | Lawncare | \$ 350.00 |
| | Utilities | \$ 1,797.74 |
| | | |
| Total money spent as of April 2017 (updated September 2018 to include utility expenditures) | | \$ 191,129.20 |

| Veterans United Home Loans Expenses for Central Missouri Events Center - September 2017 to August 2018 | | |
|---|--|--------------|
| Standing Contracts | Notes | Cost |
| | HVAC - Annual \$6,606.12 | \$ 6,606.12 |
| | Management - Annual \$30,000 | \$ 30,000.00 |
| | Pest Control - Annual \$1,650 | \$ 1,650.00 |
| | Lease payment | \$ 30,000.00 |
| Sep-17 | Notes | |
| | Utilities | \$ 2,365.23 |
| | Labor | \$ 262.50 |
| | Cleaning | \$ 400.00 |
| Oct-17 | Notes | |
| | Cleaning | \$ 400.00 |
| | Utilities | \$ 2,018.82 |
| Nov-17 | Notes | |
| | Utilities | \$ 1,835.37 |
| | Carpet cleaning | \$ 175.00 |
| | Cleaning | \$ 400.00 |
| Dec-17 | Notes | |
| | Utilities | \$ 4,385.09 |
| | Materials - rock for parking lot | \$ 451.49 |
| | Plumbing - fire system inspection, men's bathroom remodel, backflow inspection | \$ 3,008.00 |
| | Cleaning | \$ 400.00 |
| Jan-18 | Notes | |
| | Cleaning | \$ 848.06 |
| | Utilities | \$ 5,637.62 |
| Feb-18 | Notes | |
| | Security - fire alarm monitoring | \$ 300.00 |
| | Trash | \$ 348.62 |
| | Utilities | \$ 4,142.39 |
| | Fire extinguishing system fill line repair / electrical | \$ 449.74 |
| | Supplies - batteries for emergency lighting | \$ 223.67 |
| Mar-18 | Notes | |
| | Trash | \$ 210.00 |
| | Cleaning | \$ 714.00 |
| | Roof repair - leaks | \$ 242.50 |
| | Utilities | \$ 5,079.55 |
| | Supplies - replacement light bulbs | \$ 19.41 |
| | Boone County drone pilot skills training - no fee charged | \$ 10,000.00 |
| Apr-18 | Notes | |
| | Lawn care | \$ 200.00 |
| | Utilities | \$ 4,647.42 |
| | Cleaning | \$ 357.00 |
| | Well House repair (check valve & relay replacement) | \$ 1,385.10 |
| | Trash | \$ 210.00 |

| Month | Notes | | |
|---|--|-----------|-------------------|
| May-18 | Lawncare | \$ | 400.00 |
| | Heating and air - filter replacement | \$ | 121.54 |
| | Utilities | \$ | 3,891.01 |
| | Maintenance | \$ | 132.50 |
| | Well House repair (fire suppression relay switch repair) | \$ | 127.11 |
| | Parking lot maintenance | \$ | 200.00 |
| | Cleaning | \$ | 357.00 |
| Jun-18 | Notes | | |
| | Lawncare | \$ | 400.00 |
| | Utilities | \$ | 3,788.11 |
| | Cleaning | \$ | 357.00 |
| Jul-18 | Notes | | |
| | Lawncare | \$ | 400.00 |
| | Utilities | | |
| | Cleaning | \$ | 657.00 |
| | Trash | \$ | 210.00 |
| Aug-18 | Notes | | |
| | Lawncare | \$ | 600.00 |
| | Utilities | | |
| | Cleaning | | |
| Aug-18 | Garage door repairs | \$ | 1,007.22 |
| | | | |
| Total money spent September 2017 - August 2018 (Note: Utilities for July & August 2018 not included) | | \$ | 133,653.19 |



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #3 - Issued December 26, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

1) Submittal deadline and opening have been changed to the following:

Delivery of RFP Responses: All RFP responses shall be **delivered before 11:00 A.M., Central Time, on January 31, 2019** to:

Boone County Purchasing Department
Boone County Annex
Melinda Bobbitt, Director of Purchasing
613 E. Ash Street, Room 110
Columbia, Missouri 65201-4460

RFP responses must be submitted in a sealed envelope identified with the RFP number. List the RFP number **01-08JAN19** on the outside of the box or envelope and note "Response to Request for Proposal enclosed."

RFP Acknowledgement: RFP Offeror names will be acknowledged and read aloud after **1:30 p.m. on January 31, 2019** in the Boone County Government Center, Commission Chambers, 801 E. Walnut, Columbia, MO. Offeror's names will also be posted on our web page in the afternoon of January 31 at: www.showmeboone.com / Purchasing / Bid Opportunities / 2019 / 01-08JAN19 / RFP Opening.

By: 
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

Offeror has examined **Addendum #3** to Request for Proposal # **01-08JAN19 – Long-Term Lease of Real Property**, receipt of which is hereby acknowledged:

Company Name: _____

Address: _____

Phone Number: _____ Fax Number: _____

E-mail: _____

Authorized Representative Signature: _____ Date: _____

Authorized Representative Printed Name: _____



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #2 - Issued October 22, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

- 1) The *Tour and Pre-Proposal Conference Sign-In Sheet* is attached for informational purpose.
- 2) Should an additional site visit be needed, it may be scheduled by contacting:

Melinda Bobbitt
Email: mbobbitt@boonecountymo.org

By: Melinda Bobbitt
Melinda Bobbitt, CPPO, CPPB
Director of Purchasing

Offeror has examined **Addendum #2** to Request for Proposal # **01-08JAN19 – Long-Term Lease of Real Property**, receipt of which is hereby acknowledged:

Company Name: _____

Address: _____

Phone Number: _____ Fax Number: _____

E-mail: _____

Authorized Representative Signature: _____ Date: _____

Authorized Representative Printed Name: _____

TOUR AND PREPROPOSAL CONFERENCE SIGN IN SHEET

FOR: RFP #01-08JAN19 – Long-Term Lease of Real Property

| | Representative Name | Business Name | Telephone Number | Fax Number | E-Mail Address |
|-----|---------------------|--------------------------|---------------------------|--------------|----------------------------|
| 1. | Melinda Bobbitt | Boone County Purchasing | 573-886-4391 | 573-886-4390 | MBobbitt@boonecountymo.org |
| 2. | Fred Parry | Boone County Commission | 573-886-4307 | | fparry@boonecountymo.org |
| 3. | Jo Fey | Roberty Area Com College | 602-263-4100 x 11252 | | jof@vmacc.edu |
| 4. | Wm Thornton | MMSP | 573-484-1551 | | wthornton@e-ne.io |
| 5. | Eric Wilson | Veterans United of Va | 573-876-2600 | | eric.wilson@vu.com |
| 6. | Myke A | MMSP | 573-424-7002 | | keepers.ddyup@gmail.com |
| 7. | Brad Jukes | MMSP | 573-268-7163 | - | brad@jukes@latmail.com |
| 8. | C. J. Kraybill | Boone County | 573-886-4414 | | |
| 9. | Don Wynn | Boone County | 573-424-1633 | | |
| 10. | Shawn Noel | | 573- 507 -1661 | | Snoc1166@yahoo.com |
| 11. | Cody Noel | | 573- 507 -5678 | | Noelsantias96315@gmail.com |
| 12. | Mary Lambert | | 573-489-8363 | | miamardunn@gmail.com |
| 13. | James Pounds | | 573-567-0072 | | jpounds@rocket.net |
| 14. | Paul Zullo | | 573-264-1003 | | ZDS 656 NSU.com |
| 15. | | | | | |
| 16. | | | | | |
| 17. | | | | | |



BOONE COUNTY, MISSOURI

Request for Proposal #: 01-08JAN19 – Long-Term Lease of Real Property

ADDENDUM #1 - Issued October 11, 2018

This addendum is issued in accordance with the Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal documents. Offerors are reminded that they should acknowledge receipt of this addendum and submit it with Offeror's Response Form.

Specifications for the above noted Request for Proposal and the work covered thereby are modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

1. CHANGE the pre-proposal date referenced on page 8, Section G, *b. Pre-Proposal Conference with site visit* and 5. *Pre-Proposal Conference* of the Request for Proposal to:

October 19, 2018, 1:00 p.m.

By:

**Melinda Bobbitt, CPPO, CPPB
Director of Purchasing**

Offeror has examined **Addendum #1** to Request for Proposal # **01-08JAN19 – Long-Term Lease of Real Property**, receipt of which is hereby acknowledged:

Company Name: _____

Address: _____

Phone Number: _____ Fax Number: _____

E-mail: _____

Authorized Representative Signature: _____ Date: _____

Authorized Representative Printed Name: _____

COUNTY OF BOONE - MISSOURI



REQUEST FOR PROPOSAL FOR LONG-TERM LEASE OF REAL PROPERTY

INCLUDES TWO (2) PARCELS:
**PARCEL 1: 135.9 ACRES KNOWN AS THE CENTRAL
MISSOURI EVENTS CENTER**
**PARCEL 2: 53.61 ACRES WITH 12,016 SQUARE FOOT
BUILDING**

RFP # 01-08JAN19

Release Date: October 1, 2018

PRE-PROPOSAL CONFERENCE

October 19, 2018, 1:00 p.m.

QUESTION DUE DATE:

December 14, 2018, 5:00 p.m.

Submittal Deadline:

January 8, 2019

not later than 9:00 a.m. Central Time

**Boone County Purchasing
613 E. Ash Street, Room 110
Columbia, Missouri 65201**

**Melinda Bobbitt, CPPO, CPPB, Director of Purchasing
Phone: (573) 886-4391 Fax: (573) 886-4390
E-mail: mbobbitt@boonecountymo.org**

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A. INTRODUCTION

The County of Boone – Missouri (the “County”) is accepting proposal responses for a long-term lease of real property known as the Central Missouri Events Center, 5212 N. Oakland Gravel Road, Columbia, Missouri which includes multiple buildings and two parcels of land totaling 189.51 acres. The County will entertain accepting proposals for a ground lease of both combined parcels for a single award or a multi-vendor award for each individual parcel.

Lease Term: The Lease will commence following an agreed-upon date between County and Lessee, not earlier than January 15, 2020. The longest initial lease term contemplated at this time is fifty (50) years. The parties may mutually agree in writing to extend the Term by executing an amendment to the Lease.

The contemplated 50-year land lease is to allow for the construction of improvements that the Lessee will be able to use for their full economic life. Construction must comply with all applicable state and local laws. At the conclusion of the lease, the improvements will become the property of Boone County.

Offerors should clearly illustrate the potential reuse of the property including, if any, plans to maintain public access. Offerors need to perform their own due diligence with respect to zoning, building, and historical issues.

The proposal should outline renovation and site plans together with a time frame for completion. The award will be partially based upon the proposed plan for development in addition to the lease price offered. See *Section E. - Terms, Conditions, and Proposed Uses* below for more information on the proposal evaluation criteria.

B. BACKGROUND

County Profile:

The County is a first-class non-charter county in central Missouri, dissected by Interstate 70 and US Highway 63. The County has a population of approximately 177,000 and contains 685 square miles. It contains 13 population centers consisting of cities, towns, villages and small communities. With a population of nearly 120,612, the City of Columbia serves as County seat.

Previous Management:

The County of Boone purchased the property known as the Central Missouri Events Center (CMEC) in 1999. The management of this facility/property was provided by the Boone County Fair Board, Inc., (the Boone County Agricultural and Mechanical Society) from the time of purchase through the end of 2011.

As a pilot program to determine the viability of operating the facility as an events center, the County issued a RFP in 2011 that contemplated a temporary taxpayer subsidy for the duration of the pilot program. TAG Events LLC was awarded a contract and managed the property from January 1, 2012 through June 30, 2014. As a result of the pilot program, it was determined in consultation with the contractor that the events center business model was not viable without a significant, ongoing public subsidy from a dedicated revenue stream. The County Commission proposed a sales tax initiative to the voters of Boone County on August 5, 2014, in an effort to provide the necessary, ongoing, dedicated public revenue to support the facility as an events center. That measure was defeated with approximately 66% of the votes being in opposition to the measure. The CMEC was closed in January 2015.

A RFP was issued in 2016 for a short-term lease of the property. Veterans United Home Loans is currently leasing the Coliseum, out-building (22,000 square foot), and parking lot north and east of the Coliseum. The United Parcel Services is leasing one of the parking areas. Both leases expire on December 31, 2019.

C. DESCRIPTION OF THE FACILITIES/PROPERTY

The premises described below will be made available in the current condition without representation or warranty as to physical condition. All Offerors must be knowledgeable of the physical conditions of the buildings, grounds, and other property which is the subject matter of this request, and Offeror assumes full responsibility for same. Should the Offeror be interested in an appraisal of the parcel(s), the County will assist and help to facilitate the appraisal. Offeror is responsible for the cost of the appraisal.

Parcel 1:

Location – Central Missouri Events Center, 5212 North Oakland Gravel Road, Columbia, Missouri.

It is located east of Oakland Gravel Road and north of Starke Avenue in the northeast quadrant of the Highway 63 and Oakland Gravel Road interchange, at the northeast edge of Columbia, in Boone County, Missouri.

Land Size – Property includes 135.9 acres with street frontage on two sides and access from three internal publicly maintained drives.

Zoning – Property is zoned M-L, Light Industrial. This district allows for agricultural activity, any permitted use and any conditional use in the C-G commercial District which includes most office and retail use, but no residential dwellings, however resident caretakers are allowed. Light manufacturing uses are allowed.

Public Road – The site is currently bisected by a public road that can, at the option of the County Commission, be made a private drive internal to the parcel. The road will automatically become a private drive if the area is annexed into the City of Columbia. Should this occur, the County will cease to maintain the private drive and it will be considered an internal access road.

Frontage – The site has approximately 2,000 feet of frontage on N. Oakland Gravel Road at the west boundary and 2,100 feet of frontage on the north side of Starke Avenue.

Building Sites –

Coliseum – Approximately 88,000 square foot building with dirt arena, office space, and concession areas. Approximately 22,000 square feet is an air-conditioned multi-purpose room.

Out-Building – Approximately 22,000 square foot building adjacent to Coliseum with dirt floors and lighting.

Grandstand Area - Dirt track with fixed seating capacity for up to 400.

Ancillary Buildings – Four (4) horse barns, (4) livestock barns, six (6) small free-standing concession buildings, and three (3) restroom buildings.

Miscellaneous Features - Approximately 450 recreational vehicle hook-ups, large fenced gravel parking lot, and steel pipe-fenced outdoor uncovered riding corral next to the Coliseum. Recreational vehicle hook-ups include electric and water, but not sewer. Any fees for placing and removing electric meters for RV-rental lots shall be borne by Contractor.

Parcel 2:

Location – The property is located west of Oakland Gravel Road and south of Prathersville Road, at the northeast edge of Columbia, Missouri.

Land Size – Property includes 53.61 acres.

Zoning – Property is zoned M-L, Light Industrial. This district allows for agricultural activity, any permitted use and any conditional use in the C-G commercial District which includes most office and retail use, but no residential dwellings. However, resident caretakers are allowed. Light manufacturing uses are allowed.

Frontage – The site has approximately 3,400 feet of frontage on Oakland Gravel Road at the east, 800 feet of frontage on Prathersville Road on the north and 4,400 feet of frontage on Highway 63 at the west.

Building Site – There is an older, pole frame, metal-clad, building on the site that includes 12,017 square feet. The building is a former County maintenance building currently used for equipment storage.

D. SITE UTILITY SERVICES

The Lessee shall be responsible for the payment of all utilities relating to the facilities covered within the scope of any final Agreement.

Parcel 1:

Electrical Service - Boone Electric Cooperative is the service provider for all electric meters located on site. There are approximately 54 meters.

Water Service – City of Columbia is the service provider for all water meters located on site. There are approximately five meters.

Sewer Service – The sewer system at this site is connected to the City of Columbia system. At the present time, the City of Columbia charges for this service. It is understood there are two sewer dumping sites on the property for use by the RV renters and other leased sites on the grounds.

Natural Gas – Ameren Missouri provides the gas service at this site but the exact location of this service is unknown.

Trash Service – City of Columbia provides the trash service. The Contractor is responsible for the removal of trash in a timely fashion.

Telephone Service - The Contractor may utilize the current telephone system located on site. The Contractor shall be responsible for the monthly service fees and any other costs associated with the use of this system.

Parcel 2:

Water: Public
Electric: Public
Gas: Ameren UE
Sewer: City of Columbia on the east and west sides of the site. May require annexation to connect. Capacity is assumed adequate for all potential uses.

E. TERMS, CONDITIONS, AND PROPOSED USES

The County is seeking proposals for a long-term lease for the parcels that demonstrate the highest lease price and the best use of the property. Offeror(s) should clearly illustrate the potential reuse or redevelopment of the property, including plans, if any, to maintain public access. The County, in evaluating each proposal, may consider (but not be limited to) the following factors. Please describe in your proposal response the following:

1. **Price Offered** – The proposal may include financing contingency, but the County will give more weight to cash offers. The price should be framed as a monthly, quarterly, or annual land lease sum that will be paid in advance of the month, quarter, or year for which the rent will be applied.
2. **Property Use** – A narrative explaining the proposed or intended use of the property, including any demolition and redevelopment plans which may include a site plan.
3. **Renovation Plans with timeline** – The intended plans for renovation of the buildings/property with estimated completion date.
4. **Financial strength of Offeror** - Offeror should provide any information defining/detailing the financial stability of the organization necessary to demonstrate the ability to carry out this lease. At a minimum, Offeror should provide a statement affirming that Lessee has the financial ability to complete the lease and renovation. Also, provide an affirmative statement consenting to provide representatives of the County satisfactory evidence of Lessees financial ability upon request.
5. **Compatibility of the proposed use with the surrounding area**
6. **Public benefit of proposed use**
7. **Relative experience of the Offeror in similar redevelopment projects**
8. **Executive Summary** – A narrative summarizing the vendor’s ability to meet the requirements of this lease. Include the address of headquarters. Provide the name, telephone number and e-mail address of primary contact.
9. **References** – Provide at least three (3) references that will verify your ability to perform the obligations you describe in the lease offer.
10. **Cover Page Signature Form** – The attached Cover Page signature form must be signed as outlined for the RFP response to be considered and placed at the beginning of your RFP response.

Lessee will comply with all applicable state and local laws, including all applicable zoning regulations, building regulations, and subdivision regulations. The Offeror shall undertake its

own review and analysis (due diligence) concerning the physical and environmental condition of the premises, applicable zoning and other land use laws, required permits and approvals and other development, ownership and legal considerations pertaining to the premises, the lease agreement and the use of the premises, and shall apply for and obtain all approvals and permits required for the project with the consent of the County.

No County funds will be available to the lessee of the property. The County will not make any repairs or improvements to the property prior to lease.

Offerors are urged to physically inspect the property prior to submitting a proposal. Under no circumstances will failure to inspect be considered grounds for a claim or grounds for a violation of the contract to lease.

The County will consider offers to lease up to a term of 50 years. The buildings and surrounding areas to be leased shall be leased "as is". The Lessee agrees to accept said property in its present condition. Furthermore, the property is being offered absolutely "as is", "where is" and "with all faults" as of closing without any representation or warranty whatsoever as to its condition, fitness for a particular purpose, except as specifically set forth in this proposal. The County specifically disclaims any warranty, guaranty or representation, oral or written, past or present, express or implied, concerning the property, except as specifically set forth in this proposal. Lessee acknowledges that Lessee is offering for such property based solely upon Lessee's own independent investigations and findings and not in reliance upon any information provided by the County or its agents or contractors except as specifically set forth in this proposal. Without limiting the foregoing, Lessee acknowledges that the County has made no agreement to alter, repair, or improve any of the property. None of the information set forth in the property information materials or any other materials supplied by the County, its agents, employees or commissioners, encompasses conclusions of law; rather, that information is subject to the operation and effect of all applicable laws and legal consequences and to the legal rights of all persons and entities involved.

Sub-lease of Facilities – Lessee may be allowed to sublease facility with prior written consent of the County with the following stipulations:

- with Sublessor providing the same insurance coverages required of Lessor and providing County, in advance, with a Certificate of Insurance documenting such coverages are in place.

Damages – The Lessee shall promptly report any damage to adjacent facilities, property, streets, parking lots and sidewalks as a result of work performed under this contract. The Lessee shall be responsible for any such repairs needed.

Earnest Money Deposit - A deposit of \$5,000 is required with each proposal in the form of a bank check or certified check made payable to Boone County, Missouri.

Non-profit organizations may submit a proposal using the same format provided herein but need not include a deposit. No County funds are available for such organizations.

Proposal response shall include an annual lease price. Commencing on the first anniversary of the Effective Date of the Lease and on each anniversary thereafter during the Initial Term, the per annum lease price amount shall be increased, but not decreased, by the positive change in the Consumer Price Index, if any, as certified by the Missouri State Tax Commission for the immediately preceding calendar year. (For example, the CPI rate certified by the Missouri Tax Commission in 2019 shall be the increase amount for these lease purposes for the lease year that runs 7/1/20 – 6/30/21.) Said certified CPI rates can be found via the Missouri State Tax

Commission's website, www.stc.mo.gov under the "Clerk's" tab. The only Consumer Price Index that will be used for this Lease is that rate certified by the Missouri State Tax Commission for the immediately preceding year.

Background Check – Each Offeror, including the principals thereof, and/or its assigns, may be subject to a background and credit check, which may be necessary to determine responsibility and responsiveness to all items required by this RFP.

F. SPECIAL CONDITIONS

Below is a list of special conditions that will govern the lease of the property.

1. Prior written approval is required if you intend to make any building modifications or demolitions during the term of the lease.
2. The buildings are being leased "as is". Upon termination of Lease, buildings are to be restored to usable, clean condition.
3. **Insurance:** Lessee shall be responsible for procuring before the commencement and during the term of this Lease any insurance as specified on the attached Boone County Insurance Requirements.
4. No subleases shall be granted for any adult-oriented businesses or conventions.
5. All development on the property will be subject to applicable zoning regulations, subdivision regulations, stormwater ordinances, building codes, fire codes as administered by the Boone County Fire Protection District, and other applicable laws and regulations governing the development of land. The offeror is advised to schedule and participate in a concept review meeting with Boone County Resource Management to ascertain the applicable requirements and how they may impact offeror's plans for the property.
6. Any proposed annexation of all or a portion of the subject property will require the consent of the County Commission.
7. **Going Dark / Maintenance of Property:** Should the successful offeror cease to operate ("go dark") for a period of 12-months or more, or should the successful offeror ever allow the property to fall into disrepair or otherwise permit nuisances to occur on the property (vegetation of excessive height, trash or debris permitted to accumulate, or other waste or harborages permitted to exist), the County may reenter the property to remedy the condition at the offeror's cost and may declare a default under the terms of the land lease that will be entered into between the parties.

G. INSTRUCTIONS

Copies: The offeror is advised to submit one (1) original proposal, and two (2) copies of the proposal (for a total of three copies), plus an electronic copy of the original proposal on a thumb drive (USB memory stick).

Delivery of RFP Responses: All RFP responses shall be **delivered before 9:00 A.M., Central Time, on January 8, 2019** to:

Boone County Purchasing Department
Boone County Annex
Melinda Bobbitt, Director of Purchasing
613 E. Ash Street, Room 110
Columbia, Missouri 65201-4460

RFP responses must be submitted in a sealed envelope identified with the RFP number and date of closing. List the RFP number **01-08JAN19** on the outside of the box or envelope and note "Response to Request for Proposal enclosed."

Bid Opening: RFP responses will be opened shortly after 9:30 a.m. on January 8, 2019 in the Boone County Government Center, Commission Chambers, 801 E. Walnut, Columbia, MO.

The following is a tentative schedule for the RFP process. Note times are central time:

- | | |
|--|------------------------------|
| a. Issuance of Request for Proposal | October 1, 2018 |
| b. Pre-Proposal Conference with site visit | October 12, 2018, 1:00 p.m. |
| c. Deadline for Submitting Questions | December 14, 2018, 5:00 p.m. |
| d. RFP Response Deadline | January 8, 2019, 9:00 a.m. |
| e. Clarifications with Selected Offerors | January - April 2019 |
| f. Award of Contract | May 2019 |

RFP Response Preparations:

1. RFP responses shall be signed by an authorized representative of the firm. All information requested should be submitted. The Director of Purchasing will review all responses to ensure required information is included. Failure to submit all information requested may result in a request to submit the missing information. Responses which are substantially incomplete, or lack key information may be rejected as incomplete.
2. Response should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
3. Responses should be organized in the order in which the requirements are presented in the RFP. All pages of the response should be numbered. Each response to *Section E – Terms, Conditions, and Proposed Services, #1-#12* should reference the corresponding requirement number in *Section E*. Repeat the text of the requirements as it appears in the RFP before each response. Information which the firm desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the response and designated as additional material. Responses that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
4. Each copy of the paper response should be bound or contained in a single volume where practical. All documentation submitted with the response should be contained in that single volume.
5. **Pre-Proposal Conference:** To assist interested firms in preparing a thorough response, an optional pre-proposal conference with walk thru of facilities has been scheduled for October 12, 2018, at 1:00 P.M. at the Central Missouri Events Center, 5212 N. Oakland Gravel Road, Columbia, Missouri. Offerors have the option to submit questions in advance. Representatives from the County will be available to answer questions. *Offerors are advised to do their own due diligence. Neither the County nor any of its agents or representatives is responsible for representations made regarding the physical condition of the site.* Additional inspections will be permitted for bona fide prospective Offerors at dates and times to be determined and agreed upon with the County. Contact Melinda Bobbitt, Director of Purchasing, Phone: (573) 886-4391 or E-mail: mbobbitt@boonecountymmo.org.
6. **Guidelines for Written Questions:** Offerors and their agents (including subcontractors, employees, consultants, or anyone else acting on their behalf) must direct all questions or comments regarding this RFP, the evaluation, etc. to the buyer of record (contact information on cover page of RFP). Offerors and their agents may not contact any County employee other than the buyer of record listed on the front page of this RFP regarding any of these

matters during the solicitation and evaluation process. Inappropriate contacts are grounds for suspension and/or exclusion from specific procurements. Offerors and their agents who have questions regarding this matter should contact the buyer of record.

Questions shall be submitted in writing no later than 5:00 P.M., December 14, 2018 in order to allow enough time for the County to provide a response. All questions must be mailed, faxed or e-mailed to the attention of Melinda Bobbitt, Director of Purchasing. All such questions will be answered in writing, and such answers will be provided to all parties having obtained a RFP. The responses and usage will become a part of a written addendum, which will be mailed or emailed prior to RFP opening.

Melinda Bobbitt, CPPO, CPPB, Director of Purchasing
Boone County Purchasing
613 E. Ash, Room 110
Columbia, Missouri 65201
Phone: (573) 886-4391; Fax: (573) 886-4390
E-mail: mbobbitt@boonecountymmo.org

The County will not reimburse firms for any costs associated with the preparing or submitting of any RFP response.

7. Information provided in RFP responses will be considered proprietary and will not be divulged during the selection process. The successful firm's RFP will become public record after its acceptance by the County Commission. All responses and tabulation sheets are kept by the County for a period of time established by regulation or statutes after the award is made and are available for inspection at any time during regular working hours.

H. SELECTION OF LESSEE(S)

Selection of the lessee(s) is subject to the best offer(s) received that adds value to the property and is determined to be in the best interest of the County. Selection may also be based on proposed use of property. The lease is subject to final approval of the Boone County Commission. The County reserves the right to reject any or all offers.

Evaluation and Award Process:

Boone County will select an evaluation team to review responses and to make a formal recommendation for award to the County Commission. After determining a responsible Offeror and a responsive proposal through the determination that the proposal satisfies the mandatory requirements stated in the Request for Proposal, the evaluation team will use both objective analysis and subjective judgment in conducting a comparative assessment of the proposal in accordance with the evaluation criteria stated below:

- a. **Method of Performance (15 points)**

- Property Use
- Demolition and Renovation Plans with Timeline
- Compatibility of the proposed use with the surrounding area
- Public benefit of proposed use

- b. **Experience/Expertise of Offeror (15 points)**

- Financial Strength of Offeror
- Relative experience of the Offeror in similar redevelopment projects

Executive Summary
References

c. Proposed Annual Lease Price (70 points)

After an initial evaluation process the County may choose to interview the Offeror or Offeror's designated representative. Offeror may be asked to make an oral presentation of their proposal to the evaluation team at a location designated by the County. Attendance cost shall be at the Offeror's expense. The County will coordinate all arrangements and scheduling.

I. NEGOTIATION OF CONTRACT

Competitive Negotiation of Proposals: The Offeror is advised that the County reserves the right to either negotiate proposals received or to award a contract without such negotiations. If such negotiations are conducted, the following conditions shall apply:

The County may negotiate in person, in writing, or by telephone.

The County will negotiate only potentially acceptable proposals. The County reserves the right to limit negotiations to those proposals which received the highest rankings during the initial evaluation phase.

Any features of the proposals, including but not limited to services, conditions, prices, methodology, or other may be subject to negotiation and revision. As part of the negotiations, the Offeror may be required to submit supporting financial, pricing and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.

This Request for Proposal's mandatory requirements are not negotiable and shall remain unchanged unless the County determines that a change in such requirements is in the best interest of the parties.

J. APPENDIX

- a. Cover / Response Page
- b. Boone County Insurance Requirements
- c. Area Data
- d. Boone County Survey

COVER/ RESPONSE PAGE

PLEASE COMPLETE AND PLACE IN FRONT OF YOUR RFP RESPONSE

Organization Name: _____

Address: _____

Telephone: _____ Fax: _____

E-mail Address: _____

Web Site URL: _____

Note: This form must be signed. All signatures must be original and not photocopies.

The undersigned hereby certifies that he/she is a duly authorized official of their organization and has the authority to sign on behalf of the organization and assures that all statements made in the response to the RFP are true.

Print Name: _____ Title: _____

Signature: _____ Date: _____

1. The annual long-term lease price for Parcel 1 – Central MO Events Center shall be: \$ _____

2. The annual long-term lease price for Parcel 2 – Former County Maintenance Building shall be: \$ _____

3. The proposed security deposit for Parcel 1 will be: \$ _____
(complete if only proposing for Parcel 1)

4. The proposed security deposit for Parcel 2 will be: \$ _____
(complete if only proposing for Parcel 2)

5. The proposed security deposit for combined Lease of parcel 1 and Parcel 2 will be: \$ _____

6. Any changes from the provisions of this Request for Proposal or to the Insurance Requirements shall be specifically noted here:

7. Proposed term of lease if other than fifty (50) years: _____

8. Desired start date of lease: _____

9. Attach an earnest deposit of \$5,000 in the form of a bank check or certified check made payable to Boone County, Missouri.

APPENDIX B

Insurance Requirements: The Contractor shall not commence work under this contract until they have obtained all insurance required under this paragraph and the Certificate of Insurance has been approved by the County, nor shall the Contractor allow any subcontractor to commence work on their subcontract until all similar insurance required of subcontractor has been so obtained and approved. All policies shall be in amounts, form and companies satisfactory to the County which must carry an A-6 or better rating as listed in the A.M. Best or equivalent rating guide. Insurance limits indicated below may be lowered at the discretion of the County.

Employers Liability and Workers Compensation Insurance - The Contractor shall take out and maintain during the life of this contract, **Employers Liability and Workers Compensation Insurance** for all of its employees employed at the site of work, and in case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. Workers Compensation coverage shall meet Missouri statutory limits. Employers Liability limits shall be \$500,000.00 each employee, \$500,000.00 each accident, and \$500,000.00 policy limit. In case any class of employees engaged in hazardous work under this Contract at the site of the work is not protected under the Workers Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide Employers Liability Insurance for the protection of their employees not otherwise protected.

Commercial General Liability Insurance - The Contractor shall take out and maintain during the life of this contract, such commercial general liability insurance as shall protect it and any subcontractor performing work covered by this contract, from claims for damages for personal injury including accidental death, as well as from claims for property damages, which may arise from operations under this contract, whether such operations be by themselves or for any subcontractor or by anyone directly or indirectly employed by them. The amounts of insurance shall be not less than \$3,000,000.00 combined single limit for any one occurrence covering both bodily injury and property damage, including accidental death. If the Contract involves any underground/digging operations, the general liability certificate shall include X, C, and U (Explosion, Collapse, and Underground) coverage. If providing Commercial General Liability Insurance, then the Proof of Coverage of Insurance shall also be included.

Contractor may satisfy the minimum liability limits required for Commercial General Liability or Business Auto Liability under an Umbrella or Excess Liability policy. There is no minimum per occurrence limit of liability under the umbrella or Excess Liability; however, the Annual Aggregate limit shall not be less than the highest "Each Occurrence" limit for either Commercial General Liability or Business Auto Liability. **Contractor agrees to endorse the County as an Additional Insured on the umbrella or Excess Liability, unless the Certificate of Insurance state the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.**

Business Automobile Liability - The Contractor shall maintain during the life of this contract, automobile liability insurance in the amount of not less than \$3,000,000.00 combined single limit for any one occurrence, covering both bodily injury, including accidental death, and property damage, to protect themselves from any and all claims arising from the use of the Contractor's own automobiles, teams and trucks; hired automobiles, teams and trucks; non-owned and both on and off the site of work.

Subcontractors: Contractor shall cause each Subcontractor to purchase and maintain insurance of the types and amounts specified herein. Limits of such coverage may be reduced only upon written agreement of County. Contractor shall provide to County copies of certificates of

insurance evidencing coverage for each Subcontractor. Subcontractors' commercial general liability and business automobile liability insurance shall name County as Additional Insured and have the Waiver of Subrogation endorsements added.

Proof of Carriage of Insurance - The Contractor shall furnish the County with Certificate(s) of Insurance which name the County as additional insured in an amount as required in this contract). The Certificate of Insurance shall provide that there will be no cancellation, non-renewal or reduction of coverage without 30 days prior written notice to the County. In addition, such insurance shall be on an occurrence basis and shall remain in effect until such time as the County has made final acceptance of the services provided.

INDEMNITY AGREEMENT: To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County, its directors, officers, agents, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of Contractor, of any subcontractor (meaning anyone, including but not limited to consultants having a contract with contractor or a subcontract for part of the services), of anyone directly or indirectly employed by contractor or by any subcontractor, or of anyone for whose acts the contractor or its subcontractor may be liable, in connection with providing these services. This provision does not, however, require contractor to indemnify, hold harmless, or defend the County of Boone from its own negligence.

Nothing in these requirements shall be construed as a waiver of any governmental immunity of the County, its officials nor any of its employees in the course of their official duties.

Failure to maintain the required insurance in force may be cause for contract termination. In the event the Agency/Service fails to maintain and keep in force the required insurance or to obtain coverage from its subcontractors, the County shall have the right to cancel and terminate the contract without notice.

Certificate Holder address:

County of Boone, Missouri
C/O Purchasing Department
613 E. Ash Street
Columbia, MO 65201

AREA DATA**LOCATION**

The City of Columbia is located in central Missouri at the intersection of Interstate Highway 70 and U.S. Highway 63. Columbia is midway between St. Louis and Kansas City, being approximately 125 miles from the center of each metropolitan area. Jefferson City, the state capitol, is located 33 miles to the south of Columbia.

GOVERNMENT

The City of Columbia operates under a home rule (Council-Manager) form of government. The City has a zoning ordinance, building codes and a comprehensive city plan. The City Council is composed of the mayor and six ward representatives. The Council is the policy and lawmaking body for Columbia.

Columbia is the county seat of Boone County. The County is governed by a commission composed of three commissioners. The Commission oversees the budget and makes policy decisions pertaining to county government. The County maintains a planning and zoning program by use of a zoning ordinance, subdivision regulations and building codes.

POPULATION AND WORK FORCE

The US Census Bureau estimated population in 2010 at 108,500 for the City of Columbia and 162,642 for Boone County. The Columbia population showed an increase of 28.36% from the 2000 Census estimate of 84,531. The 2015 census estimate is 119,108 persons. The population of Boone County increased 20.1% from the 2000 census of 135,454 to a total of 162,642. The county population is currently estimated at about 177,000.

The period from 1960 to 2000 was a time of dramatic population growth in Boone County. From 1960 to 1980 the population of Boone County changed from 55,205 to 100,376, an increase of 81.8%. This represents an average annual increase of 4%. The period from 1980 to 2000 indicated a change in population of Boone County from 100,376 to 135,454, an increase of 34.9%. This represents an average annual increase of 1.7%. The period from 2000 to 2010 represents an average annual increase of 2.8%.

EMPLOYMENT AND ECONOMY

The unemployment rate in Columbia is consistently lower than state and national rates due to the diverse economic base of the area. The largest employment sectors in the Columbia MSA are education, services, government, and retail trade. The education sector includes the University of Missouri, Columbia's largest employer. The service sector includes a large healthcare and insurance component.

Below is a list of employers within the Columbia MSA that employ 500 or more people. An analysis of the most significant industries/sectors is provided after the list of employers.

| Organization | Product/Service | Number of Employees |
|--|------------------------|----------------------------|
| University of Missouri (MU) | Education | 8,750 |
| University Hospital & Clinics | Medical/Education | 4,502 |
| Columbia Public Schools | Education | 2,524 |
| Boone Hospital Center | Medical Care | 2,000 |
| City of Columbia | Government | 1,360 |

| | | |
|---|------------------|-------|
| Harry S. Truman Veteran's Hospital | Medical Care | 1,400 |
| Veterans United Home Loans | Mortgage Lending | 1,442 |
| Shelter Insurance Companies | Insurance | 1,128 |
| MBS Textbook Exchange | Education/Retail | 851 |
| State Farm Insurance Companies | Insurance | 850 |
| Columbia College | Education | 766 |
| Joe Machens Dealerships | Auto Sales | 711 |
| Hubbell Power Systems, Inc. | Manufacturing | 580 |
| Kraft Foods | Food Production | 550 |
| State of Missouri (excludes MU) | Government | 502 |

HEALTH SERVICES

With six major hospitals and approximately 1,256 hospital beds, Columbia has hospital facilities capable of serving a regional population of 450,000. The employed labor force working in medically related occupations includes over 1,000 doctors specializing in every medical field and over 2,200 registered nurses and over 660 licensed practical nurses.

Columbia's healthcare facilities include a major teaching hospital and children's hospital (University Hospital), one private community hospital (Boone Hospital Center), a veteran's hospital (Harry S. Truman Memorial Veteran's Hospital), a cancer treatment center (Ellis Fischel Cancer Center) a 60-bed rehabilitation hospital (Rusk Rehabilitation Center), a psychiatric care facility (Missouri Psychiatric Center) and a long term acute care hospital (Landmark Hospital of Columbia). Both the University and Boone hospitals recently expanded their facilities and programs. The University projects include three phases with a projected cost of \$850 million dollars. The Ellis Fischel relocation to the University of Missouri campus was completed in 2013. Boone Hospital completed a 920 space-parking garage and patient tower in 2013. The cost was \$120 million dollars. Boone Hospital recently completed the first phase of a south campus office facility. The south campus will include a 65,000 square foot main building, two 12,000 square foot buildings and a 35,000 square foot facility. Some of the building will be available for lease to health care professionals.

It is anticipated that Columbia's medical industry will continue to grow; due in part to a large referral practice conducted by central Missouri physicians. The medical industry not only provides an excellent level of health care for residents, but also has a positive impact on the economy. The Boone Hospital Center lease with BJC is up for renewal and the hospital is seeking proposals for a new management agreement. The University of Missouri Health Care system is considering a partnership, however, negotiations recently paused.

Recently Columbia is expanding the Health Services industry by attracting high-tech medical companies. Clinical Research Organization, BioPharma Services Inc. has recently chosen Columbia to open new facilities. Northwest Medical Isotopes recently revealed plans to invest \$50 million dollars to construct a radioisotope production facility at Discovery Ridge Research Park, which will bring 68 high-paying jobs to the region.

EDUCATION

Education is Columbia's largest and most important employment sectors. Education accounts for a majority of the jobs in Columbia. The education system includes: one university, two liberal-arts colleges, trade schools, satellite locations of other colleges, the public-school system, parochial schools, and private schools.

The flagship campus of the University of Missouri is located in Columbia. The Columbia campus was established in 1839 as a land grant institution. The campus, which includes 1,358 acres of land, is located in the central sector of the city at the south edge of the central business district (“The District”).

At present, the University offers degree programs in 18 schools and colleges and maintains an enrollment of over 30,000. The enrollment has grown significantly over the past 10 years but has declined since 2015. The 2018 freshman class is projected to stabilize or increase slightly; however, it will be smaller than the 2018 graduating class, thus, total enrollment will likely decline again.

Significant cuts in enrollment and funding have been met with reductions in staff and course offerings. Additional cuts to staff/programs are projected for Fall 2018. The University is making significant strides to improve the situation with changes in administration including a new chancellor and president.

In the near term, the funding cuts and lower enrollment will adversely affect most segments of the local economy to some extent. Real estate will not escape the effects. Student oriented businesses and student housing are projected to be the most directly impacted, however, all segments will be affected to some extent. Staff reductions and uncertainty will adversely affect the single-family home market to some degree.

Vacancies for Fall 2017 have increased while future rates will be dependent on the extent of enrollment declines and new apartment construction.

The number of students enrolled at the University of Missouri for the last seven years is as follows:

Historic:

| <u>MU Fall Enrollment</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Campus Total | 32,415 | 33,805 | 34,748 | 34,658 | 35,441 | 35,448 | 33,266 | 30,870 |
| Increase (%) | 3.77% | 4.29% | 2.79% | -0.26% | 2.26% | 0.20% | -6.16% | -7.20% |

Enrollment had previously been projected to continue increasing through 2019, however as of August 23, 2016, the Fall 2016 enrollment was 2,182 students lower than 2015. The decline is due to a combination of factors including shrinking freshman class size, including smaller high school class sizes, increased recruiting from other universities, and campus turmoil in the Fall 2015. Further declines occurred in 2017.

Columbia College, a private college founded in 1851, is located at the north edge of “The District”. The Columbia campus currently maintains an enrollment, including evening and extended studies students, of 16,946 students. The total annual enrollment including day, evening, nationwide campuses, online campus, and graduate studies is about 27,500. Thirteen major programs offered at Columbia College include art, business administration, criminal justice administration, education, administration, psychology, and social work. Fall 2017 enrollment is expected to grow about 10% with about 1,050 traditional students. The college recently received approval for a four-story classroom and residence hall.

Stephens College is a private women’s college located at the east edge of “The District”. Established in 1833, the college has a current enrollment of 866, including graduate and

continuing studies programs. The residential student population is 700. The college offers programs for business administration, radio-TV-film, fashion, legal assistants, and equestrian science. Moberly Area Community College, Bryan College, William Woods University, and Central Methodist University have Columbia campuses.

The Columbia Public School District includes 21 elementary, 6 middle schools and 4 senior high schools, and an area vocational school. Battle High School opened in 2013. Over 18,170 students were enrolled in the 2016-2017 school year, and over 2,000 faculty and staff members are a part of this system. The school district has an AAA rating, the highest possible in Missouri, and is recognized for excellence on a regular basis both state and nationwide. According to the Missouri State Board of Education there are 12 non-public schools in Columbia with an enrollment of over 1,200 students. In 2012, Father Tolton Catholic High School completed construction in south Columbia on Gans Road west of Highway 63. Columbia Independent School purchased and renovated a former office building for school use in 2009. There is a total of 17 private and parochial schools.

INSURANCE

The insurance industry has a significant role in Columbia's economy. Columbia is the corporate headquarters of Shelter Insurance and the regional headquarters of State Farm Insurance. In 2004-05 State Farm relocated several jobs to Columbia as a result of closing offices in Monroe, Louisiana. They added 188 jobs in 2004, and 180 in the first half of 2005, plus another 60 unrelated training jobs. Other insurance companies operating in Columbia include Columbia Mutual Insurance Company and Missouri Employers Mutual Insurance Company.

INDUSTRY AND MANUFACTURING

The manufacturing sector continues to represent a decreasing percentage of Columbia's economic base. According to the Missouri Economic Research and Information Center, about 4% of the employed labor force in Boone County is employed in manufacturing.

The largest industrial employers in the area include: Hubbell/Chance Co, Columbia Foods (Oscar Mayer), Square D Company, Watlow Electric, Dana Corporation, EAG Laboratories, Inc., 3-M Company, Otsccon, and PepsiCo.

A majority of Columbia's industrial base is made up of "clean" industry. There are very few "smokestack" type industries operating here. Our market has had difficulty, along with the region, in securing larger manufacturing concerns and the local economic development corporation is focusing on the recruitment of technology or knowledge-based employers that can benefit from a relationship with MU.

American Outdoor Brands Corporation, a leading provider of quality products for shooting, hunting, and rugged outdoor enthusiasts, announced March 2 plans to potentially establish a national distribution center in the Columbia area of Boone County, Missouri. Under the plans, the company would break ground on the new 500,000 sq. ft. facility in the next several months. The company's plans to establish the new facility in Boone County are contingent upon the approval of incentives, completion of due diligence, and the finalization of agreements related to other terms and conditions.

On February 6, 2017, the Columbia City Council unanimously approved the Purchase and Sale Agreement of the city-owned Missouri state certified Sutter Industrial Site to AOD-MO Holdings, LLC. Affiliates of AOD-MO Holdings, LLC are the leading producers of store-brand organic milk and butter for U.S. retailers and is headquartered in Boulder, Colorado.

With this purchase and capital investment, AOD-MO Holdings, LLC will construct an approximately 80,000 square foot dairy processing facility including warehouse distribution of their product. The first phase of the project will include a capital investment of \$89 million in building and equipment. It will also create 100 or more full-time positions that pay an average wage above the Boone County average wage of \$36,225/annually (plus benefits). The project includes plans for an expansion anticipated within the first five years of operation that would bring an additional \$50 million capital and add an additional 40 or more full-time positions.

RETAIL TRADE

Approximately 13% of the employed labor force works in the retail sector. Columbia serves as a regional shopping center for mid-Missouri and has tremendous buying power within its own population. Sales growth slowed in 2008 due to the recession and expansion of shopping facilities in other central Missouri towns, such as Jefferson City, but has resumed increases since 2010. The trend in taxable sales, which are tabulated by the MO Department of Revenue, provides a good indication of the growth in this sector. A summary of taxable sales for Columbia, published by the City of Columbia for the last 6 years, is provided. Note: These figures are not adjusted for inflation.

| Year | Taxable Sales | \$ Increase | % Increase |
|-------------|----------------------|--------------------|-------------------|
| 2010 | \$1,959,805,400 | \$38,000,700 | 1.98% |
| 2011 | \$2,074,241,900 | \$114,436,500 | 5.80% |
| 2012 | \$2,173,169,500 | \$98,927,600 | 6.00% |
| 2013 | \$2,255,243,500 | \$82,074,000 | 3.78% |
| 2014 | \$2,342,346,600 | \$87,103,100 | 3.86% |
| 2015 | \$2,380,852,200 | \$38,505,600 | 1.64% |
| 2016 | \$2,431,853,000 | \$51,000,800 | 2.14% |

CONVENTION AND TOURISM TRADE

Columbia maintains a strong convention trade due to its strategic geographic location within the state and the facilities it offers for lodging and convention type business. There are four exhibition facilities and numerous hotels with meeting facilities.

The Columbia hotel/motel market includes a total of 37 hotels/motels with 3,555 guestrooms. The most recent completed new construction in the local market is the Candlewood Suites, which was recently completed just north of Clark Lane. This extended-stay hotel includes 96 rooms. The Holiday Inn Express and Suites, was constructed in 2014 at the Stadium Boulevard and Highway 63 interchange. This hotel includes 121 rooms. The Broadway Columbia, a Doubletree hotel located downtown was completed in 2014 and includes 114 guestrooms. A Best Western Plus was opened in 2015 at the Highway 63 and I-70 interchange. This hotel had formerly been a Comfort Inn but had been closed in recent years. A Springhill Suites is currently under construction north of Clark Lane and this hotel will include 82 rooms. A TownPlace by Marriott is under construction at the Highway 63 and Gans Discovery Parkway interchange and this hotel will include 96 rooms. The Howard Johnson Inn located on I-70 Drive Southeast was recently razed and construction of a new Drury Inn & Suites with 210 rooms is ongoing at a cost of approximately \$9 million. The Baymont Inn & Suites located at 801 Keene Street recently converted to a Quality Inn.

Columbia's tourism trade is supported by college events such as sports and graduation, and by other events such as the annual Show-Me State Games and Special Olympics state games (both multi-sport competition with participants from throughout the state) and the Roots and Blues and BBQ festival.

One measure of the health of Columbia's convention and tourism trade is the tax collected for the Convention and Tourism Fund. This room tax was increased in January 2000 from 2% to 4%, and again in January 2017 to 5% of all receipts from the rental of any sleeping accommodations at hotels or motels. A summary of the tax for 2010 through 2016 follows. Annual reporting is on a fiscal year of October 1 to September 30 for the City of Columbia.

| YEAR | TAX REV | \$ CHANGE | % CHANGE | GROSS ROOM REV |
|------|-------------|--------------|----------|----------------|
| 2010 | \$1,799,349 | \$77,570.00 | 4.5% | \$44,983,723 |
| 2011 | \$1,939,309 | \$139,960.00 | 7.8% | \$48,482,725 |
| 2012 | \$1,968,362 | \$29,053.00 | 1.5% | \$49,209,050 |
| 2013 | \$2,154,762 | \$186,400.00 | 9.5% | \$53,869,052 |
| 2014 | \$2,328,765 | \$174,003.00 | 8.1% | \$58,219,125 |
| 2015 | \$2,491,275 | \$162,510.00 | 7.0% | \$62,281,875 |
| 2016 | \$2,496,674 | \$5,399.00 | 0.2% | \$62,416,850 |

Based on an STR report provided by the Columbia Convention and Visitors Bureau, the overall occupancy rate for hotels/motels in Columbia was 59.0% for 2016 vs. 56.5% for 2015. The ADR was \$88.57 for 2016 vs. \$86.97 for 2015. RevPAR was \$52.23 for 2016 vs. \$49.13 for 2015.

COMMERCIAL DEVELOPMENT

Permits for commercial construction activity during the last six years, as tracked by the Columbia Community Development Department, are summarized below.

| YEAR | New Non-Residential CONSTRUCTION | | NON-RESIDENTIAL ADDITIONS AND ALTERATIONS | |
|------|----------------------------------|--------------|---|--------------|
| | PERMITS | AMOUNT | PERMITS | AMOUNT |
| 2010 | 33 | \$20,778,190 | 218 | \$42,349,821 |
| 2011 | 42 | \$19,058,403 | 164 | \$46,905,325 |
| 2012 | 35 | \$58,015,303 | 197 | \$40,782,599 |
| 2013 | 41 | \$55,653,531 | 251 | \$60,808,332 |
| 2014 | 36 | \$59,173,040 | 211 | \$53,652,668 |
| 2015 | 57 | \$49,635,694 | 213 | \$71,644,778 |

HOUSING DEVELOPMENT

As of the 2010 Census, the City of Columbia included 46,758 total housing units. Total housing units increased from 35,916 in 2000, an average annual increase of 3%. While total sales appear to have stabilized over the past three years, new home sales and permits have declined somewhat. New home sales in 2017 were the lowest since 2011. As interest rates and development costs increase, new home sales for 2018 are expected to decline again and total home sales may decline somewhat over the next few years.

COLUMBIA APARTMENT MARKET

Moore and Shryock conducts a survey of the Columbia apartment market every year. The Fall 2017 report indicated the following vacancy rates.

| <u>Market Sector</u> | <u>Vacancy Rate</u> |
|----------------------|---------------------|
| Conventional | 5.66% |
| Student Downtown | 5.64% |
| Student Off-Campus | 23.18% |

The 2017 survey included 65 apartment complexes within the Columbia market. These complexes comprise two distinct market segments: the conventional market and student market. Each of which contain sub-sectors which were analyzed in the survey. The student complexes are defined as those that are purpose-built for this use and offer amenities that are attractive to this segment of the market. Twenty-three complexes in this survey were defined as student complexes. The remainder were defined as conventional complexes.

The off-campus student sector had the highest vacancy rate and the southwest sector of the conventional market had the lowest vacancy rate. The student market had the highest number of units added in the last two years. Many units were added to the downtown sector and it continues to capture a higher percentage of the market demand.

The off-campus student market showed a significant increase in vacancy over the last three years. During this period, the downtown sector has increased supply and captured a larger share of the overall student market, maintaining a relatively low vacancy rate compared to the off-campus sector. Some off-campus units have continued to have strong occupancy while some have struggled. The downtown student sector added about 1,400 beds to the market in the fall of 2017. These additional units came on-line in the face of two years of declining enrollment at the University of Missouri. The MU enrollment is projected to stabilize or increase somewhat in the Fall of 2018 and development of new units targeted for students is minimal. However, the graduation of one of the larger MU classes with replacement by a significantly smaller sophomore class will further adversely impact the apartment market.

Additional market rate apartments are also being added. The 2018 vacancy rates are expected to increase.

COST OF LIVING INDEX

The Columbia, MO MSA index averaged near 95% for several years. This rate is higher than Kansas City, Springfield, and St. Louis. Columbia's cost of living is below the U.S. average due in part to the affordability of housing.

SUMMARY AND OUTLOOK

Overall, Columbia is a prosperous community and an appealing place to live. The city's economic success is indirectly supported by its exceptionally high quality of life. There are a wide variety of cultural, social and recreational opportunities available to visitors and residents.

The economy of Columbia is generally stable due to the diversity of industries, which comprise the base. The government sector is large, and these jobs are generally affected less by business cycles than manufacturing and retail sectors. The medical and insurance industries are also reasonably stable. The stability of these industries filters into other businesses and job sectors, and the real estate market in general. The lower enrollment at the University of Missouri will adversely impact the local economy to some extent over the next few years.

In the future, we expect additional population growth as new job opportunities develop. Columbia's strategic location, economic stability, quality of life, and non-union orientation will continue to attract new employers over the long term.

MARKET CONDITIONS SUMMARY-1ST QUARTER 2018

According to the January Beige Book for the Eighth District economic conditions have continued to improve at a modest pace since our previous report. Labor market conditions remain tight, the pace of hiring remains slow, while wage growth has been moderate. Reports on consumer spending were positive. Residential real estate conditions have improved modestly after a few months of sluggish home sales. District bankers reported moderate loan growth across most categories. Price pressures have increased moderately. Reports from general retailers, auto dealers, and hoteliers indicate consumer spending has grown modestly since our previous report. November real sales tax collections increased. Most manufacturing contacts expect conditions in 2018 to be similar to those in U.S. GDP is forecast to range from 2.2% to 2.8% with a midpoint of 2.5% in 2018. If tax changes provide a boost to growth 2018 real GDP may trend to the upper side of the range. This is the 10th year of economic expansion and GDP has averaged about 2.1% per year.

The Wells Fargo Housing Market Index (HMI) rose 5 points to 74 in December. This index is now at an 18-year high. Recession remains a low probability in the next few months. It appears likely the Federal Open Market Committee will raise short term interest rates three times in 2018.

Commercial property owners are the biggest beneficiaries of the tax bill. The 1031 exchange provision remains in place. Commercial landlords will still be entitled to a full mortgage interest deduction, in addition to benefiting from the reduced corporate tax rate of 21%. The bill also reduces the depreciation period for multifamily and commercial properties to 25 years. The new plan will likely be a net positive for the multifamily sector by discouraging home ownership.

The current 4.1% unemployment rate is indicative of a labor market that continues to tighten. Meanwhile, hiring, though strong, has been slowing since 2015.

Because the new economy is built on technology it will change the commercial real estate sector forever. Many brick and mortar stores are struggling to stay afloat as customers are increasingly choosing to make online purchases. Many retail properties are in prime locations and can easily be repurposed. E-commerce is propelling demand for warehousing in some locations. Situs RERC survey respondents did not predict much change in the CRE values in the next year as 80% said CRE values would remain the same, and 20% predicted a 1% increase. More respondents felt that the CRE price growth over the past recovery cycle will continue in 2018 and that the eventual correction in values will be minimal.

In Columbia, the local economy is buoyed by the number of persons employed by the University of Missouri, other state supported institutions, the medical industry and the insurance industry. At present, the University offers degree programs in 18 schools and colleges and maintains an enrollment of over 30,000. The enrollment has grown significantly over the past 10 years but has declined since 2015. The 2018 freshman class is projected to stabilize or increase slightly; however, it will be smaller than the 2018 graduating class, thus, total enrollment will likely decline again. Significant cuts in enrollment and funding have been met with reductions in staff and course offerings. Additional cuts to staff/programs are projected for Fall 2018. The University is making significant strides to improve the situation with changes in administration including a new chancellor and president.

In the near term, the funding cuts and lower enrollment will adversely affect most segments of the local economy to some extent. Real estate will not escape the effects. Student oriented businesses

and student housing are projected to be the most directly impacted, however, all segments will be affected to some extent. Staff reductions and uncertainty will adversely affect the single-family home market to some degree. Vacancies for Fall 2017 have increased while future rates will be dependent on the extent of enrollment declines and new apartment construction.

As the U.S. economic recovery gains momentum, most commercial markets have improved. The volume of land sales with commercial development potential has improved. There have been additional land sales for single-family residential development in 2017 as residential lot absorption continues at a steady pace and a backlog of cheaper lots has been absorbed. A strong demand for lots and small acreage home sites outside the city limits continues.

Land suitable for multi-family or student housing was in strong demand until 2016, especially in "The District", however, the number of units under construction, combined with significant declines in enrollment at MU, has softened demand. Based on interviews with commercial brokers, demand for downtown land suitable for large multi-family projects has declined significantly due to the current market trends and uncertainty regarding the new development code. These same brokers indicated remaining interest is at considerably lower land prices than experienced through 2015.

Commercial improved property sales and leasing are reasonably strong. Appealing listings of commercial property are limited. The Plaza Commercial Realty 2017 Market Report indicates increases in occupancy for office and decreases for industrial markets. Retail occupancy remained stable. All remain below the national averages.

Nationally cap rates for most property segments declined since 2015 and projections are for stabilization through 2018. Higher interest rates are forecast to have more impact on deal volume than cap rates in 2018, but further interest rate increases could put upward pressure on cap rates.

Apartments have been the strongest segment both locally and nationally for the past few years and expansion of this market has continued through 2017. There were several student-oriented complexes that opened in August 2017. The new apartments delivered included downtown student housing (1,400+ beds) and market rate units in the southwest and southeast areas. Demographics of increasing population, young people entering the housing market, increasing immigrants likely to lease, and the increasing number of single person households all will have a positive effect on the future apartment market, however, declines in MU enrollment will likely offset gains in the next few years.

The local retail market has improved. Most national sources expect a stabilization of this sector through 2018. Online sales are adversely affecting growth of city revenue and the city's ability to fund operations.

The retail and office space in The District (downtown business district) has experienced improved occupancy and increased rents. There have been more sales of improved properties for office or retail use. The retail market segment will be directly impacted by MU enrollment declines.

The demand for office space within The District remains relatively stable with governmental and financial institutions providing a stable base. Trends of less space per employee and more efficient use of space are likely to continue. Squeezing more people into less space will put structural stress on office building systems and public parking.

The general office market has been generally steady with limited new product coming on line. Demand by Veterans United, the largest local employer, has absorbed significant available supply. Medical office space in the local market continues to be in average demand however,

some projects are taking a wait and see approach regarding the future of Boone Hospital's operator. There are a few vacancies within medical office buildings in the local market.

The manufacturing/warehouse market is steady. While there has been growth in the industrial sector nationwide, locally there has been limited new development. Sources are indicating an improvement in leasing demand due to the improvement in the economy. While our market has had difficulty, along with the region, in securing larger manufacturing prospects, several older industrial buildings have sold, and several larger tracts of industrial land have been absorbed for new development.

American Outdoor Brands Corporation, a leading provider of quality products for shooting, hunting, and rugged outdoor enthusiasts, announced March 2 plans to potentially establish a national distribution center on about 180 acres east of Columbia in Boone County. Plans call for the company to break ground on the new 500,000 sq. ft. facility in the next several months. The company's plans to establish the new facility in Boone County are contingent upon the approval of incentives, completion of due diligence, and the finalization of agreements related to other terms and conditions.

On February 6, 2017, the Columbia City Council unanimously approved the Purchase and Sale Agreement of 100 acres of the city-owned Missouri state certified Sutter Industrial Site to AOD-MO Holdings, LLC. Affiliates of AOD-MO Holdings, LLC are the leading producers of store-brand organic milk and butter for U.S. retailers and are headquartered in Boulder, Colorado.

With this purchase and capital investment, AOD-MO Holdings, LLC will construct an approximately 80,000 square foot dairy processing facility including warehouse distribution of their product. The first phase of the project will include a capital investment of \$89 million in building and equipment. It will also create 100 or more full-time positions that pay an average wage above the Boone County average wage of \$36,225/annually (plus benefits). The project includes plans for an expansion anticipated within the first five years of operation that would bring an additional \$50 million capital and add an additional 40 or more full-time positions. Columbia ranked 4th among Missouri cities in 2016 with the most rentals and income for homeowners offering either one room or an entire house to out of town guests through Airbnb. The median Airbnb income for Columbia hosts was about \$2,200 or \$422,000 total. The local hotel market has experienced expansion of new facilities as some older properties struggle. A Drury Inn is under construction and an expansion of the Broadway Hotel downtown is planned. While long-term prospects for the area are good, the decline of MU enrollment and funding cuts will adversely impact the local economy to some extent over the next few years.

NEIGHBORHOOD DESCRIPTION

The subject property is located east of Highway 63 and Oakland Gravel Road and north of Starke Avenue at the northeast edge of the City of Columbia. The subject neighborhood is defined as those properties located along the Highway 63 corridor north of the Vandiver Drive interchange to the Wagon Trail Road overpass north of the subject. Said interchanges include (from north to south) Prathersville Road, Brown School Road, Route B, and Vandiver Drive.

The Prathersville Road interchange with Highway 63 includes mixed commercial uses. The northeast quadrant, with access from Masonic Drive, is developed with three fraternal related buildings that are office or institutional type use. There is also some undeveloped land zoned for office and residential uses in this area. The southeast quadrant and southwest quadrants are owned by Boone County and used for institutional uses including a juvenile detention facility and the former county Central Missouri Events Center. The northwest quadrant is developed with a Case farm implement dealership and some second-tier industrial uses.

Prathersville Road is a one-mile, two-lane, corridor between Range Line Street and Oakland Gravel Road. This area of mixed development includes residential, industrial and other second-tier commercial land uses. Developments along Prathersville Road include a retail strip center with a gas/ convenience store located at the corner of Prathersville Road and Range Line, a fitness center located in an older shop / warehouse building, an automotive repair business, a beer brewing facility and a Boone County Fire District station. There is also a large, multi-tenant office / warehouse building on Tower Drive toward the east end of the Prathersville Road corridor west of Highway 63. Commercial occupancy in the area is stabilized. Overall, Prathersville Road is a mixed-use corridor with residential and second-tier commercial land uses. While there are several tracts of industrial land for sale in the area, there has been recent sale and construction activity to suggest demand for the land is improving. At the east end of the corridor near Oakland Gravel Road is the former Boone County Central Missouri Events Center (subject). Cottonwoods RV Park is located on the east side of Oakland Gravel Road adjacent to the subject's northwest corner and includes a 97 pad RV park and campground.

Continuing south on Highway 63, the Oakland Gravel Road/Brown School Road interchange includes institutional uses in the northwest and northeast corners including the county jail and former Central Missouri Events Center with a few smaller commercially zoned, but largely undeveloped, tracts closer to the corners. The subject property is located in the northeast quadrant of this interchange on the east side of Oakland Gravel Road and north of Starke Avenue.

Route B is a major thoroughfare providing access from downtown through northeast Columbia, with traffic volumes ranging from approximately 13,000 to 20,000 cars per day. Route B, north of Highway 63, was widened to five lanes with existing development consisting of primarily sales/service and industrial type uses including Quaker Oats, 3M, Schneider Electric, Mid-City Lumber Co., Tractor Supply, and Kraft Foods/Oscar Mayer. A considerable amount of vacant land remains available along the east side of Route B north of Highway 63. The southern section of Route B, south of Highway 63, has also been widened. Commercial properties along this part of Route B are retail and service oriented. Some of the commercial uses south of Highway 63 include an Orscheln Farm and Home, Landmark Bank, Linweld, Midwest Block & Brick, RSC Rental Equipment, and UPS Freight.

The Vandiver Drive interchange includes a significant amount of vacant land, as well as a mix of commercial and residential uses. The west side of Highway 63 includes most of the existing development, with the Centerstate project anchored by Bass Pro Shops retail store and Menard's home improvement store, both located south of Vandiver, and residential and office-oriented uses north of Vandiver. The east side of Highway 63 is undeveloped; however, most of the land outside of the Hinkson Creek floodplain already has entitlements in place to permit additional commercial development. A 70-acre tract sold in the last two years at the southeast quadrant of Vandiver and Highway 63 and a 7-acre tract sold in the last three years at the northeast quadrant of the same intersection. No development has occurred on either tract. Both sites were purchased by investors. The I-70 and Highway 63 interchange is about one mile south of Vandiver. While most other Highway 63 interchanges within the city are near fully developed, considerable other vacant land along Highway 63 exists near the south city limits at the Gans Road interchange. This land would compete with the subject location to some extent but is generally considered superior in location.

The subject neighborhood is best described as a destination oriented, mixed use, neighborhood with mostly scattered public institutions, a few destination retail uses at prominent corner locations, offices, and considerable vacant land (much of which has infrastructure and entitlements in place). Demand for other retail and office use is projected to be weak. While some evidence of multi-family development exists further south along the corridor, demand for such use closer to the subject is projected to be weak. There has been recent demand for larger tracts

for light industrial use in the west part of the neighborhood and along Route B and Route Z. Future development is expected to be limited in the near term despite the availability of land, improving economy, and improving demand for properties further south of the subject. The Columbia CATSO major Roadway plan shows extension of Prathersville/Waco Road extending east to Route Z and I-70 which would improve access throughout the neighborhood, but the time frame for development is likely be several years.

LOCAL INDUSTRIAL LAND MARKET

Columbia benefits from its centralized location and association with one of nation's top universities; however, until the past two years, the local market has experienced nominal demand for new industrial development. A summary of industrial land sales in Columbia over the past 8 years is summarized below.

| Date | Location | # of Acres | S/Acre | Rail |
|------|---------------------------|------------|----------|------|
| 2009 | Route Z | 22 | \$10,000 | No |
| 2011 | Leupold Court | 10 | \$18,000 | No |
| 2011 | Trade Winds Parkway | 113 | \$13,000 | No |
| 2011 | Brown Station Road | 50 | \$8,000 | Yes |
| 2012 | Rangeline Road S. of I-70 | 14 | \$18,557 | No |
| 2013 | Tower Drive | 3.46 | \$40,462 | No |
| 2013 | Paris Road | 4.3 | \$45,000 | No |
| 2014 | Confidential | >75 | \$8,000 | No |
| 2016 | Trade Winds Parkway | 30.24 | \$13,000 | No |
| 2016 | N. 763 | 134 | \$11,190 | No |
| 2017 | Route Z | 22 | \$22,000 | No |
| 2017 | Route Z | 186 | \$15,000 | No |
| 2017 | Waco | 103 | \$20,000 | No |
| 2017 | Tower Drive | 11 | \$32,727 | No |

The three properties that sold in 2011 were tracts of land that had been developed as industrial subdivisions with most of the necessary infrastructure already in place. Each of these tracts were bank-owned and were sold at auction after foreclosure. In an interview with the former listing agents most thought the sale prices were below market value. Market conditions have improved since 2011, however, there has been minimal development on the 2011 sale tracts.

The small industrial tracts provide limited comparability to a larger tract such as the subject, but two small tracts (<10 acres) are considered herein as support of the overall volume and type of market activity that has occurred since the end of the recession. The two 2013 sale tracts sold to end users for prices over \$40,000 per acre. Several smaller tracts similar to these sales remain available in the market. Considering the market trends, supply, and demand, the larger subject parcel will command significantly lower unit values compared to these sales. More recent sales of larger tracts support a reasonably strong demand at prices below \$20,000 per acre.

We have also considered the number of active listings currently competing with the subject in the local market. A partial list of the properties and their respective sizes and list prices are noted on the following page. Additional land with industrial potential exists but is not presently listed on the open market. Also, similar land in surrounding smaller towns is available at prices of \$20,000 per acre or less.

The listings are comprised of land in all different phases of development, with most of the lots having the necessary infrastructure in place to permit immediate development; however, some of the larger tracts will require extension of public utilities and/or additional off-site improvements before development would be permitted. The smaller lots are located in various developments throughout the Columbia market.

| Certified Sites | | |
|---------------------------------|------------|-------------------------|
| Location | # of Acres | \$/Acre |
| Heller Road 109 | | \$21,344 |
| Highway 63 & Discover Parkway | 115 | \$2.30 (per s.f./lease) |
| Other Sites Listed | | |
| Location | # of Acres | \$/Acre |
| North | | |
| 5000 Paris Road Hinshaw East | 81 | \$30,000 |
| Singleton Road (Centralia) | 48 | \$15,000 |
| 5001 Paris Road Hinshaw West 26 | | \$36,538 |
| 11507 Route B (Hallsville) 200 | | \$15,000 |
| Cartwright Park (Ashland) | 380 | N.A. |
| Heller Road 174 | | \$19,388 |
| East | | |
| I-70 Drive SE & Route Z | 22 | \$196,020 |
| South | | |
| Meyer Industrial Drive | 60.5 | \$76,104 |
| 696 Highway UU | 135 | \$105,000 |

There are currently two Missouri Certified Sites available including: 109 acres also in northern sector at Brown Station Road and Heller Road (Ewing Industrial Park/Lender); and 123 acres in the southern sector at Highway 63 and Discovery Parkway (University of Missouri). Site certification provides a standardized tool by which both development professionals and businesses can review prospective sites for compatibility with their development needs. Economic development sources indicated that those sites that are not certified are at a considerable disadvantage when competing against other sites that are certified.

Most of the listed tracts have been marketed for an extended period of time and have received nominal interest. The list price of some parcels has been lowered over the past two years. Activity for this type of land has increased recently, with roughly 450 acres being purchased for three developments. This absorption level is in stark contrast to the prior 10-year rate and is due in part to improvement in the overall economy, lower land prices, and strong industrial development efforts by REDI.

As supported by the data available, there is a limited, but competitive/active, market for the smaller (<5 acres) tracts, which is primarily comprised of local buyers/end-users that have purchased the tracts for immediate development. Sales prices for these smaller tracts has increased somewhat, but volume remains low.

Although there have been recent large sales for immediate development, the long-term average absorption by end industrial users is lower. Based on local sites marketed publicly, a total of about 1,400 acres are available. These sites range in size and do not include the subject property. Five tracts are over 100 acres. The past 10-year absorption rate is estimated at about 80 acres per year, however, it is unknown if this rate can be sustained. Roughly one-half of this absorption occurred in the past two years. At a rate of 80 acres per year the present availability would supply the market demand for about 17 years. Considering the industrial market trends, demand for industrial land has fluctuated significantly over the past ten years. The most recent sales of larger industrial tracts have sold at prices significantly below the historical list prices for similar land.

Draft Commission Order language for public roads at CMEC/fairgrounds to revert to private roads:

Now on this day the County Commission of the County of Boone does hereby declare that certain public roads at the Boone County Fairgrounds created by the Quit-Claim Deed recorded at Book 3742, Page 92 Boone County Records, which was authorized in Boone County Commission Order 557-2010 and accepted by Boone County Commission Order 568-2010, are no longer needed for public road purposes and, therefore, hereby revert back to private drives. The roads are described in the Quit-Claim Deed recorded at Book 3742, Page 92 Boone County Records and are within the boundaries of the property described as Tract #1 in a survey recorded at Book 4852, Page 155 Boone County Records.

Done this ____ day of _____, 2020.

Daniel K. Atwill
Boone County Presiding Commissioner

Fred J. Parry
District I Commissioner

Janet M. Thompson
District II Commissioner

ATTEST

Brianna L. Lennon
County Clerk

**BOONE COUNTY AND CITY OF COLUMBIA
TRAIL MAINTENANCE AGREEMENT**

THIS AGREEMENT is entered into by and between **Boone County, Missouri**, through its County Commission, a political subdivision of the State of Missouri, herein "County" and the **City of Columbia, Missouri**, a political subdivision of the State of Missouri, herein "City".

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations in this agreement the parties agree as follows:

1. PURPOSE AND CONSIDERATION: The purpose of this agreement is to formalize an understanding regarding the maintenance of the MKT Trail generally from Scott Boulevard to its intersection with the Katy Trail. This agreement constitutes partial consideration to the County from the City as part of a larger transaction that includes the transfer of real estate from the County to the City.
2. MAINTENANCE OF SPECIFIED TRAIL: Prior to this Agreement, County has maintained portions of the MKT Trail as generally shown in the attached Exhibit A. From and after the date of this Agreement, City agrees to maintain all those portions of the MKT Trail as part of its trail system. County will no longer maintain any portion of the MKT Trail after the date of this Agreement.
3. LOCATION: The general location of the trail areas to be maintained by City per this agreement can be described as follows:
 - a. That portion of the MKT Trail generally from Scott Boulevard east to the trail intersection with the Katy Trail, as shown in Exhibit "A".
4. POSSIBLE RELOCATION OF PORTION OF TRAIL BY CITY: Nothing herein shall prohibit City from relocating any portion of the MKT trail and, if relocated, City maintenance on the former "footprint" of the MKT trail will cease.
5. NONAPPROPRIATION: Any and all obligations in this Agreement which impose any financial obligations on either party are conditioned upon there being sufficient, unencumbered funds appropriated for that purpose.
6. AUTHORITY: The individuals signing this agreement below certify that they have obtained the appropriate authority to execute this agreement on behalf of the respective parties.

IN WITNESS WHEREOF the parties, through their duly authorized representatives, have executed this agreement effective as of the date of the last party to execute the same.

Executed by the City of Columbia, Missouri this _____ day of _____, 2020.

Executed by Boone County, Missouri this _____ day of _____, 2020.

CITY OF COLUMBIA, MISSOURI

By:

John Glasscock, City Manager

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Attorney

BOONE COUNTY, MISSOURI

By:

Daniel K. Atwill, Presiding Commissioner

ATTEST:

Brianna L. Lennon, County Clerk

APPROVED AS TO FORM:

C.J. Dykhouse, County Counselor

ATTACHMENT: [Faint text]

EXHIBIT A TRAIL DIAGRAM [Faint text]

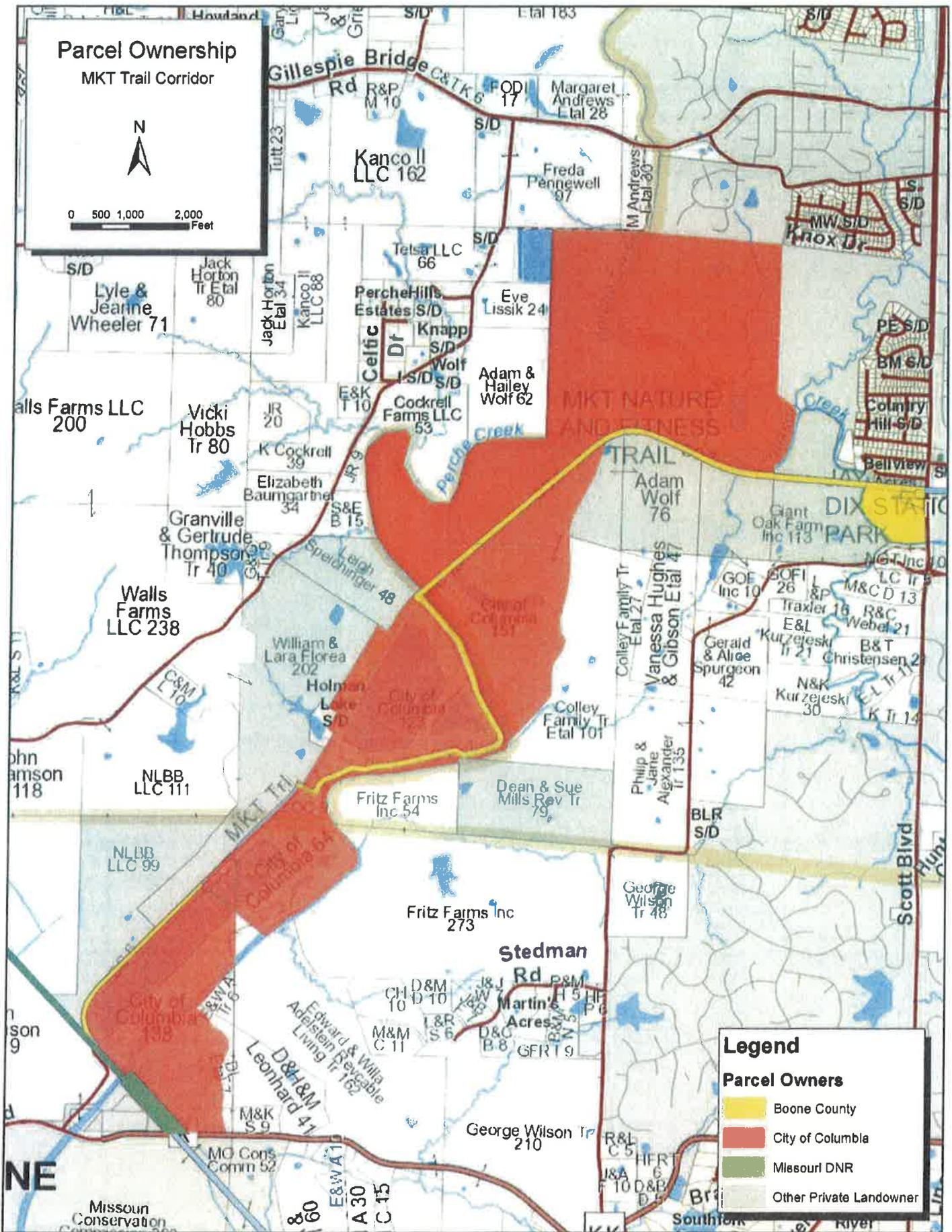
DRAFT

Parcel Ownership

MKT Trail Corridor



0 500 1,000 2,000 Feet



Legend

Parcel Owners

- Boone County
- City of Columbia
- Missouri DNR
- Other Private Landowner