

PROPOSAL GUARANTEE AGREEMENT

COMES NOW the City of Jefferson, Missouri hereinafter referred to as “City,” and _____ referred to as “Interested Party,” and enter into the following agreement, effect on December 1, 2022 (“Effective Date”):

WHEREAS, the Dangerous Building located at _____ (“Subject Property”) has been declared a Dangerous Building under the City Code and has been order to be repaired or demolished, and is now subject to demolition by the City; and

WHEREAS, the City has sent out a Call for Interested Parties relating to the Subject Property seeking parties who are interested in repairing and rehabbing the Dangerous Building located on the Subject Property in lieu of it being demolished by the City; and

WHEREAS, by entering into this Bid Guarantee Agreement, the Interested Party is providing to City assurances that if the City were to not demolish the Dangerous Building, acquire the Subject Property, and issue a Request for Proposals seeking redevelopment of the Subject Property, that there will be potential parties who are willing to bid on the Subject Property despite the advanced deterioration and dangerous condition of the Dangerous Building located on the Subject Property.

NOW, THEREFORE, the parties enter into this Bid Guarantee Agreement, as follows:

1. Qualification as an Interested Party.
 - a. Contemporaneously with the execution of this Agreement, Interested Party shall submit an escrow payment of \$_____ (“Escrow Amount”) to the City Finance Director.
 - b. Interested Party (or any member, shareholder, or officer of Interested Party if a corporation, LLC, partnership or other organization authorized to do business in the State of Missouri) hereby represents that it has not been served within the past three years with a notice to abate a nuisance or notice of violation of the City’s Building Codes on any property owned or controlled by Interest Party located in the City of Jefferson.
 - c. Interested Party (or any member, shareholder, or officer of Interested Party if a corporation, LLC, partnership or other organization authorized to do business in the State of Missouri) hereby represents that it does not currently own or has owned within the past three years any Abandoned Building or Dangerous Building which was ordered by the City to be repaired or demolished after notice and hearing under the City Code within the City of Jefferson.
 - i. Parties may still qualify an Interest Party if they either: (1) acquired an Abandon Building had the building removed off the Abandoned Building list, or (2) acquired a Dangerous Building and completed the ordered repairs or demolition.
 - d. If it is later discovered that the representations set forth above are false or become false after the Effective Date, the Escrow Amount shall be forfeited to the City and the City shall be relieved of its obligations under Section 3(a) of this Agreement.

2. Obligations of Interested Party.

- a. If the City acquires the Subject Property and issues a Request for Proposals seeking redevelopment of the Subject Property, Interested Party will submit a Qualified Proposal for Redevelopment for the Subject Property to City.
- b. A Qualified Proposal for Redevelopment shall include:
 - i. Plans for redevelopment on the Subject Property, including cost estimates and timeframes.
 - ii. An offered Purchase Price of no less than fifteen percent (15%) of the fair market value of the subject property, as evidenced by the greater of the fair market value of the Subject Property set through judicial processes or the City's actual purchase price for the Subject Property, as may be applicable.
 - iii. Evidence of Interested Party's ability to finance its plans redevelopment on the Subject Property as maybe further specified by the Request for Proposals.
 - iv. All other elements required by the Request for Proposals issued by the City.

3. Obligations of City.

- a. The City will not demolish the Dangerous Building located on the Subject Property, unless the City of Jefferson City Administrator determines that demolition is necessary to protect the health, safety, and welfare of the public due to a future intervening event (including but not limited to fire, storm damage, catastrophic collapse, or deterioration of part or all of the structure, etc.). Such determination shall be in the sole discretion of the City Administrator and Interested Party's sole remedy if the Dangerous Building on the Subject Property is demolished is return of the Escrow Amount.
- b. This Agreement does not create any affirmative obligation on the City to maintain, protect, or secure the Dangerous Building located on the Subject Property to prevent further deterioration of such Dangerous Building.
- c. Nothing in this Agreement obligates the City to acquire the Subject Property.

4. Disposition of Escrow Amount.

- a. If the City fails to issue a Request for Proposals for the Subject Property within eighteen (18) months of the Effective Date of this Agreement, the Escrow Amount shall be returned to Interested Party.
- b. If the Interested Party fails to submit a Qualified Proposal for Redevelopment in response to a City-issued Request for Proposals, the Escrow Amount shall be forfeited to the City.
- c. If Interested Party's Qualified Proposal for Redevelopment is not selected by the City Council, the Escrow Amount will be refunded to Interested Party.
- d. If the Interested Party's Qualified Proposal for Redevelopment is selected by the City Council, the Escrow Amount will be applied towards Interested Party's purchase price of the Subject Property.
- e. Upon disposition of the Escrow Amount, the City shall retain any interest accrued on the Escrow Amount in compensation of its administration of this Agreement.

5. General Provisions.

- a. Entering into this agreement with the City does not create any developmental rights or special rights of access for the Interested Party in the Subject Property.
- b. Interested Party acknowledges that execution of a Bid Guarantee Agreement is not a prerequisite to submitting a Redevelopment Plan for the Subject Property and parties other than Interest Party may submit competing Redevelopment Plans for the Subject Property.
- c. The City Council may award development rights to the Subject Property to any party submitting a Redevelopment Plan that the City Council determines is the best interests of the City. Interested Party shall not, by execution of this Agreement, enjoy any advantage or special consideration in the City Council's evaluation of Redevelopment Plans submitted for the Subject Property.
- d. This agreement shall not be assignable without the written permission of the City Administrator.
- e. Notices under this Agreement shall be made in writing to the following:

If to the City:

City of Jefferson
Department of Law
320 East McCarty Street
Jefferson City, Missouri, 65101

If to the Interested Party:

- f. Remedies for breach of this Agreement shall be limited to those explicitly set forth in this agreement. This Agreement shall enforceable by specific performance, declaratory judgment, or injunctive relief, provided that nothing herein shall subject the City to any claim for monetary damages.
- g. This Agreement shall be interpreted in accordance with Missouri law.

CITY OF JEFFERSON, MISSOURI

INTERESTED PARTY

City Administrator

Date:_____

ATTEST:

City Clerk

Name & Title:_____

Date:_____

APPROVED AS TO FORM:

ESCROW AMOUNT RECEIVED:

City Attorney

City Finance Director

ESCROW AMOUNTS

Address	Est. Repair Cost	Escrow Amount
109 Adams	\$169,456.65	\$5,000
113 Adams	\$202,240.19	\$5,000
401 E Capitol	\$187,675.02	\$5,000
409 E Capitol	\$213,000.76	\$5,000
413 E Capitol	\$557,006.15	\$5,570.06
419 E Capitol	\$300,598.53	\$5,000
429 E Capitol	\$1,157,564.54	\$11,575.64
114 Jackson	\$349,678.52	\$5,000
410/416 E Capitol	\$448,657.03	\$5,000
415 Commercial	\$309,701.58	\$5,000
517 E Capitol	\$367,424.80	\$5,000