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**SECOND AMENDMENT TO
FIVE YEAR DISTRICT MANAGEMENT PLAN
OF THE
46TH & WORNALL COMMUNITY IMPROVEMENT DISTRICT #2
CITY OF KANSAS CITY, MISSOURI**

The information and details outlined in the following pages represent the strategies, and activities that it is anticipated will be undertaken during the term of October 27, 2026 through October 26, 2031 of the 46th & Wornall Community Improvement District #2 in Kansas City, Missouri.

Introduction

The 46th & Wornall Community Improvement District #2 (the “District”) was created pursuant to Section 67.1401 through 67.1571 of the Revised Statutes of Missouri (the “CID Act”) and Ordinance No. 160746, as amended, adopted by the City Council of the City of Kansas City, Missouri on October 27, 2016 (the “Creation Ordinance”). Section 67.1421, RSMo, requires that the petition for the creation of the District be accompanied by a five-year plan which includes a description of the purposes of the proposed district, the services it will provide, the improvements it will make and an estimate of the costs of these services and improvements to be incurred. Section 13 of the Petition states as follows:

The District shall submit future Five (5) Year Plans meeting the requirements of Section 1421.2(3)(d), RSMo (as amended or replaced from time to time) to the City for comment and review no earlier than 180 days and no later than 90 days prior to the expiration of each then-current Five (5) Year Plan.

This Second Amendment to Five-Year District Management Plan (the “Plan”) is intended to satisfy these requirements and supplements the Petition for the Creation of the District (the “Petition”).

Section 1 - Why Create a Community Improvement District?

The District originally encompassed existing surface parking lots and the Commerce Bank located on 46th St. & Wornall Rd. in Kansas City, Missouri (the “Development”). The purpose of the District is to undertake certain improvements within the District, as discussed below, and to use or make available its revenue to pay the costs thereof, including without limitation debt service on any notes, bonds or other obligations issued and outstanding from time to time to finance all or any of such costs.

Section 2 - What is a Community Improvement District?

A community improvement district is an entity that is separate from the City of Kansas City and is formed by the adoption of an ordinance by the City Council following a public hearing before the City Council regarding formation of the District. A CID may take the form of a political subdivision of the State of Missouri, or a nonprofit corporation that is formed and operated under Missouri corporation laws. CIDs are empowered to provide a variety of services and to construct and/or finance a number of different public improvements and private improvements, as set forth more particularly in the CID Act. CIDs derive their revenue from taxes and assessments levied within the boundaries of the CID. Such revenues are then used to pay the costs of the services or improvements. A CID is operated and managed by a board of directors, whose members may be appointed or elected. Board members serve for a designated period of time, and the Board positions are again elected or appointed at the expiration of each term as provided in the petition creating such CID.

Section 3 - Management Plan Summary

The District in this case has taken the form of a separate political subdivision of the State of Missouri, and is governed by a Board of Directors consisting of five (5) members appointed by the Mayor of Kansas City with the consent of the City Council pursuant to a slate submitted in accordance with the Petition.

District Formation:

CID formation requires submission of signed petitions from a group of property owners:

- collectively owning more than fifty percent (50%) by assessed value of the real property within the District, and
- representing more than fifty percent (50%) per capita of all owners of real property within the District.

In this case, the Petition was signed by the then sole owner of the property within the District.

Location:

The Development is located on The Country Club Plaza in Kansas City, MO on parcels bound by 46th Street, Wornall Road, Broadway Street, and 46th Terrace in Kansas City, Missouri and consists of approximately 1.51+/- acres. The District originally included surface parking lots and an existing Commerce Bank.

Assessed Value of District:

The total assessed value of the properties within the District on the date of the Petition was \$612,752.

Improvements and Services:

The purpose of the District is to provide funding for the construction of certain improvements within the District's boundaries. The improvements contemplated include site work, grading, and construction of a four (4) story parking garage, as well as any other improvements (the "Improvements") or services (the "Services") permitted by the CID Act. It is intended that the Improvements will bring the property it to its highest and best use. The particular items included within the Improvements may be modified from those listed herein from time to time, and the costs of the Improvements to be financed by the District shall include all associated design, architecture, engineering, financing costs incurred to finance such Improvements, legal and administrative costs of same. The District may also provide funding for the District's formation and its ongoing operation and administration costs on an annual basis.

Method of Financing:

The District, and the eligible voters of the District, approved a sales and use tax of up to one percent (1%) (the "District Sales Tax"), which is in addition to any other state, county or city sales and use tax. The District Sales Tax is payable on the same retail sales that are subject to taxation pursuant to Sections 144.010 to 144.525, RSMo, except sales of motor vehicles, trailers, boats or outboard motors, and sales to or by public utilities and providers of communications, cable, or video services. All costs of the District shall be financed in the manner and amount determined by the Board of Directors from the amounts on deposit with the CID. Amounts advanced to the District to cover the costs contemplated hereunder will be reimbursed by the District upon the availability of funds after approval of same by the Board of Directors. All financing costs, including interest costs, associated with any loan obtained by the District, or notes, bonds, or other obligations issued by District to finance Improvements and/or Services may be paid from CID Sales Tax revenues.

Completed Improvements and Costs:

As of 12/6/2022, the Developer has advanced \$24,099,402.25 in funds for the completion of Improvement related to site work, grading and construction of the parking garage.

Estimated Costs:

Attached as **Exhibit A** to this Plan is a table setting forth the estimated cost of any additional Improvements and/or Services, and a table setting forth the projected cash flow during the term of October 27, 2027 through October 26, 2031 (the "**Term**").

City Services:

The CID Act mandates that existing City services will continue to be provided within a CID at the same level as before the District was created (unless services are decreased throughout the City) and that District services shall be in addition to existing City services. The District anticipates that City services will continue to be provided within the District at the same level as before the District was created, and the District will not cause the level of City services within the District to diminish.

Duration:

The District will operate for a maximum term of twenty (20) years, commencing on April 1, 2023 and terminating on April 1, 2043. The District will operate for a maximum term of twenty (20) years from the date that the District Sales Tax commences to be collected within the District. Notwithstanding that the District is at the time providing Services, but subject to the contractual rights of any third parties, the District may be terminated prior to the end of such maximum term if the Improvements have been completed and the costs thereof paid for or reimbursed in full with CID Sales Tax revenue. The petition process must be repeated for the District to continue beyond such maximum term.

**Section 4
District Boundaries**

The legal description of the District is attached as Exhibit A to the Petition.

**Section 5
Facilities and Services to Be Provided**

As explained above, the purpose of the District is to provide revenue sources in support of contracting with any private property owner to effectuate the Improvements, and providing or contracting for the Services.

**Section 6
Governing the Community Improvement District**

City Council:

Following the submission of the Petition, the City Council conducted a public hearing and adopted the Creation Ordinance.

Board of Directors for District:

The District is governed by a Board of Directors that consists of five members appointed by the Mayor of Kansas City with the consent of the City Council pursuant to the terms of the Petition. It is anticipated that if the District submits names of suggested successor directors to the City in writing at least thirty (30) days prior to the expiration date of the terms of the applicable directors, the Mayor shall appoint such directors as successor directors, with the consent of the City Council, unless the Mayor provides the District with a reasonable written explanation that such suggested successor directors do not meet applicable legal requirements or lack the competency to serve as directors.

Annual Budget:

The District's budgets will be proposed and approved annually, within the limitations set forth in this Plan, by the District's Board of Directors. Budgets will be submitted annually to the City Council of the City of Kansas City for review and comment in accordance with the CID Act. The District will operate at all times in accordance with the District Rules and Regulations (Section 7) and the Bylaws of the District.

Section 7
District Rules and Regulations

1. The District shall operate at all times in accordance with Bylaws that may be adopted by the Board of Directors. The District shall at all times conduct its proceedings in accordance with Robert's Rules of Order, except as otherwise provided in any Bylaws.
2. The Board of Directors of the District will meet at least on an annual basis.

**EXHIBIT A TO SECOND AMENDMENT TO FIVE YEAR PLAN OF THE
46TH & WORNALL COMMUNITY IMPROVEMENT DISTRICT #2**

ESTIMATED COSTS OF ADDITIONAL IMPROVEMENTS AND SERVICES¹

Construction Category	Amount
Site Improvements	\$627,307
Services	\$50,000
Total	\$677,307

CASH FLOW PROJECTION²

CID Year	CID Sales Tax Revenue
11 (2027)	\$ 165,000
12 (2028)	\$ 168,000
13 (2029)	\$ 171,000
14 (2030)	\$ 174,000
15 (2031)	\$ 177,000

¹ These costs are estimates and may fluctuate based on actual costs incurred for purposes permitted under the CID Act.

² Any annual revenue generated will be utilized to pay any costs of the District in the discretion of the Board of Directors.