

COOPERATIVE AGREEMENT

among

1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT

and

CITY OF KANSAS CITY, MISSOURI

and

KANSAS CITY LIVE, LLC

dated as of

May __, 2020

COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT (“Agreement”), entered into as of this ___ day of May, 2020, among **1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT**, a Missouri political subdivision and community improvement district (as more specifically defined below, the “District”), **CITY OF KANSAS CITY, MISSOURI**, a constitutionally chartered municipal corporation (as more specifically defined below, the “City”), and **KANSAS CITY LIVE, LLC**, a Maryland limited liability company (as more specifically defined below, the “Developer”).

RECITALS

WHEREAS, on February 1, 2019, the Petition (defined below), a copy of which is attached to this Agreement as **Exhibit A**, was filed with the City Clerk (defined below) pursuant to the Act (defined below); and

WHEREAS, on April 11, 2019, the City Council (defined below) held a public hearing regarding the establishment of the District; and

WHEREAS, on May 2, 2019, the City Council adopted Ordinance No. 190306 establishing the District as a political subdivision pursuant to the Act; and

WHEREAS, the purpose of the District is to provide revenue to pay all or a portion of District Project Costs (defined below), and in furtherance thereof the District has imposed the Sales Tax (defined below) for a period of thirty (30) years commencing January 1, 2020; and

WHEREAS, the District is wholly within the tax increment financing redevelopment area established by the TIF Plan (defined below); and

WHEREAS, the parties acknowledge that until such time as the TIF Plan expires or is terminated and the special allocation funds established in connection therewith are dissolved, one half (1/2) of the District Revenues (defined below) will be captured as economic activity taxes in accordance with the TIF Plan and the TIF Act (defined below) and will not available to pay District Project Costs; and

WHEREAS, the parties desire to enter into this Agreement to set forth their respective rights and obligations with respect to the operation and administration of the District and the use and application of District Revenues to pay District Project Costs (defined below) and District Administrative Costs (defined below).

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants herein contained, the parties agree as follows:

ARTICLE 1: DEFINITIONS, RECITALS, AND EXHIBITS

Section 1.1 Recitals and Exhibits. The representations, covenants, and recitations set forth in the foregoing recitals and the exhibits attached to this Agreement are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section, and the appropriate exhibits are incorporated into each section of this Agreement that makes reference to an exhibit.

Section 1.2. Definitions. In addition to words and terms defined by the Act and elsewhere in this Agreement, the following words and terms shall have the meanings ascribed to them in this Section unless the context in which such words and terms are used clearly requires otherwise:

“**Act**” means the Missouri Community Improvement District Act, §§ 67.1401, *et seq.*, RSMo, as amended.

“**Account**” means a non-interest bearing checking account for the deposit of District Revenues and for the payment of District Project Costs and District Administrative Costs, established in the name of the District at a bank selected by the District from time to time by Resolution.

“**Agreement**” means this Cooperative Agreement, as from time to time amended in accordance with its terms.

“**Annual Accounting Certificate**” means a Certificate of the Developer or the City, as applicable, in the form attached to this Agreement as **Exhibit B**.

“**Annual Accounting Challenge**” has the meaning set forth in Section 3.2.B.

“**Applicable Laws**” means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, requirement, decision or agreement by, with or of any unit of government.

“**Block 110 Garage**” has the meaning set forth in the MDA.

“**Block 126 Garage**” has the meaning set forth in the MDA.

“**Board of Directors**” means the Board of Directors of the District.

“**Budget**” means the annual District budget that is prepared in accordance with applicable state laws and the terms of this Agreement.

“**Calculation Date**” means the first (1st) day of each calendar month during the Term.

“**Capital Cost**” means any expenditure treated as capital in nature in accordance with generally accepted accounting principles.

“**City**” means the City of Kansas City, Missouri, a constitutionally chartered municipal corporation.

“**City CID Sales Tax Share**” has the meaning set forth in Section 3.1.B.2.

“**City Clerk**” means the Clerk of the City.

“**City Council**” means the governing body of the City.

“**City Parking Agreement**” has the meaning set forth in the MDA.

“**Developer**” means Kansas City Live, LLC, a Maryland limited liability company, and its successors and permitted assigns.

“**Developer Affiliate**” means an entity that controls, is controlled by or is under common control with, Developer on the date relevant to the determination.

“**Developer CID Sales Tax Share**” has the meaning set forth in Section 3.1.B.3.

“**Distribution Date**” means the twenty-fifth (25th) day of each calendar month during the Term.

“**Distribution Memo**” means a written statement of the amount available for distribution from the Account on such Calculation Date, the amount and payee of each distribution made on such Distribution Date, and the amount, if any, remaining in the Account after such distributions (with an explanation of the basis for retaining such amount), in the form attached to this Agreement as Exhibit C.

“**District**” means the 1200 Main/South Loop Community Improvement District, a political subdivision of the State of Missouri and community improvement district established in accordance with the Act.

“**District Administrative Costs**” means the actual, reasonable costs and expenses incurred by or on behalf of the District for or in connection with the operation and administration of the District, which shall include, but are not limited to, the services of the District’s legal counsel, the Fiscal Agent, and independent certified public accountant, insurance premiums for directors’ and officers’ insurance, and costs of administration, enforcement and collection of the Sales Tax.

“**District Capital Project Costs**” means (a) any Capital Costs of repairs or replacements to the Block 110 Garage or the Block 126 Garage which the City is obligated to perform or provide pursuant to the terms of the City Parking Agreement, and (b) any costs of the construction of future parking facilities that the City is obligated to provide within the District pursuant to Section 6.9 of the MDA, or supporting the debt service relating to any Obligations.

“**District Non-Capital Project Costs**” means all costs and expenses which are incurred by the Developer (directly or through a Developer Affiliate) in operating, maintaining, managing and repairing the Block 110 Garage and the Block 126 Garage, together with any other garages

within the District that are constructed in support of residential buildings now existing or hereafter constructed by the Developer, or constructed by the City and operated by the Developer.

“**District Project Costs**” means District Non-Capital Project Costs and District Capital Project Costs.

“**District Revenue**” means the revenue generated by the Sales Tax (net of collection fees and other fees or costs retained by DOR) and actually deposited in the Account.

“**DOR**” means the Missouri Department of Revenue.

“**Event of Default**” means any event specified in Section 6.1.

“**Fiscal Agent**” means initially SE Cooper & Associates, PC, and in the event SE Cooper & Associates, PC or another entity then serving as the Fiscal Agent under this Agreement ceases to serve under this Agreement, then such other certified public accountant firm designated by Resolution to act as the Fiscal Agent under this Agreement.

“**Fiscal Year**” means the fiscal year of the District, which commences on May 1 and ends on April 30 of each calendar year.

“**List of Current District Administrative Costs**” means the List of Current District Administrative Costs in substantially the form attached as Exhibit D requesting approval by the designated officer of the District of payment of District Administrative Costs listed thereon.

“**MDA**” means that certain Master Development Agreement between the City and the Developer dated April 27, 2004, as now or hereafter amended.

“**Net Non-EATs District Revenues**” has the meaning set forth in Section 3.1.A.3.

“**Obligations**” means any bonds, notes, loans, or other obligations that may be issued by or at the direction of the City for the purpose of financing all or part of the construction of future parking facilities that the City is obligated to provide within the District pursuant to Section 6.9 of the MDA.

“**Petition**” means the Petition for Establishment of the 1200 Main/South Loop Community Improvement District, filed with the City Clerk on February 1, 2019, as now or hereafter amended.

“**Resolution**” means a duly enacted resolution of the Board of Directors of the District.

“**Sales Tax**” means the one percent (1.00%) sales and use tax levied by the District in accordance with the Act for a period of thirty (30) years commencing January 1, 2020.

“**Special Allocation Fund**” means the fund(s) established by the City for the TIF Plan, into which, as required by the TIF Act, fifty percent (50%) of the total additional revenue from

taxes which are imposed by the City or other taxing districts, including the District, which are generated by economic activities within the District are to be deposited.

“**Term**” means the period commencing on the date of this Agreement and ending on the last day of the sixth (6th) full calendar month after the date the Sales Tax expires, unless this Agreement is sooner terminated by reason of default of a party or by mutual agreement, in which event the Term shall end on the date of such earlier termination.

“**TIF Act**” means the Real Property Tax Increment Allocation Redevelopment Act, Section 99.800, *et seq.*, RSMo, as now or hereafter amended.

“**TIF Plan**” means the 1200 Main/South Loop Tax Increment Financing Plan adopted by the City Council by Ordinance No. 040154 on March 4, 2004, as now or hereafter amended.

ARTICLE 2: REPRESENTATIONS

Section 2.1. Representations by the District. The District represents that:

A. The District is a community improvement district and political subdivision, duly organized and existing under the laws of the State of Missouri, including particularly the Act.

B. The District has authority to enter into this Agreement and to carry out its obligations under this Agreement, and by proper action of its Board of Directors, the District official executing this Agreement on behalf of the District has been duly authorized to do so.

C. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the performance of or compliance with the terms and conditions of this Agreement by the District will not conflict with or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under, any mortgage, deed of trust, lease, or any other restriction or any agreement or instrument to which the District is a party or by which it or any of its property is bound, or any order, rule, or regulation of any court or governmental body applicable to the District or any of its property, or result in the creation or imposition of any prohibited lien, charge, or encumbrance of any nature whatsoever upon any of the property or assets of the District under the terms of any instrument or agreements to which the District is a party.

D. There is no litigation or proceeding pending or threatened against the District affecting the right of the District to execute or deliver this Agreement or the ability of the District to comply with its obligations under this Agreement or which would materially adversely affect its financial condition.

Section 2.2. Representations by the City. The City represents that:

A. The City is duly organized and existing under the Constitution and laws of the State of Missouri as a Constitutional Charter City.

B. The City has authority to enter into this Agreement and to carry out its obligations under this Agreement, and by proper action of its City Council, the City official executing this Agreement on behalf of the City has been duly authorized to do so.

C. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, and the performance of or compliance with the terms and conditions of this Agreement by the City will not conflict with or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under, any mortgage, deed of trust, lease, or any other restriction, agreement, or instrument to which the City is a party or by which it or any of its property is bound, or any order, rule, or regulation of any court or governmental body applicable to the City or any of its property, or result in the creation or imposition of any prohibited lien, charge, or encumbrance of any nature whatsoever upon any of the property or assets of the City under the terms of any instrument or agreement to which the City is a party.

D. There is no litigation or proceeding pending or threatened against the City affecting the right of the City to execute or deliver this Agreement or the ability of the City to comply with its obligations under this Agreement.

Section 2.3. Representations by the Developer. The Developer represents that:

A. The Developer is a Maryland limited liability company, duly organized and existing under the laws of the State of Maryland and lawfully authorized to do business within the State of Missouri.

B. The Developer has authority to enter into this Agreement and to carry out its obligations under this Agreement, and by proper action, the Developer official executing this Agreement on behalf of the Developer has been duly authorized to do so.

C. To the best of Developer's actual knowledge, the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the performance of or compliance with the terms and conditions of this Agreement by the Developer will not materially conflict with or result in a material breach of any of the terms, conditions, or provisions of, or constitute a default under, any mortgage, deed of trust, lease, or any other restriction or any agreement or instrument to which the Developer is a party or by which it or any of its property is bound, or any order, rule, or regulation of any court or governmental body applicable to the Developer or any of its property, or result in the creation or imposition of any prohibited lien, charge, or encumbrance of any nature whatsoever upon any of the property or assets of the Developer under the terms of any instrument or agreements to which the Developer is a party.

D. To the best of Developer's actual knowledge, there is no litigation or proceeding pending or threatened against the Developer materially affecting the right of the Developer to execute or deliver this Agreement or the ability of the Developer to comply with its obligations under this Agreement or which would materially adversely affect its financial condition.

ARTICLE 3: DISTRICT REVENUES

Section 3.1. Use of District Revenues. On each Distribution Date, the District Revenues on deposit in the Account on the then immediately preceding Calculation Date shall be used, paid and applied as follows:

A. Until such time as the TIF Plan expires or is terminated and the special allocation funds established in connection therewith are dissolved, the District Revenues on deposit in the Account on the then immediately preceding Calculation Date shall be used, paid and applied on such Distribution Date as follows, in the following order of priority:

1. one half (1/2) of such District Revenues captured as economic activity taxes pursuant to the provisions of the TIF Act shall be disbursed to the City for deposit into the special allocation funds established in connection with the TIF Plan, and shall be expended by the City in a manner consistent with the expenditure of other tax increment financing revenue under the TIF Plan; and

2. such District Revenues remaining shall be used first to pay due and unpaid District Administrative Costs listed on the most recent District-approved List of Current District Administrative Costs or to make provision for regularly recurring District Administrative Costs reasonably anticipated to become due and payable prior to the next Distribution Date; and

3. the remainder of such District Revenues (the “**Net Non-EATs District Revenues**”) shall be disbursed to the Developer and the amount so disbursed to the Developer shall be used solely for the purpose of operating, maintaining, managing and repairing the Block 110 Garage and the Block 126 Garage, together with any other garages within the District that are constructed in support of residential buildings now existing or hereafter constructed by the Developer, or constructed by the City and operated by the Developer. If and to the extent that in any year any portion of the Net Non-EATs District Revenues is not used for the purposes permitted herein, Developer shall reserve any such unused balance for use in future years for the purposes authorized herein.

B. Once the TIF Plan expires or is terminated and the special allocation funds established in connection therewith are dissolved, the District Revenues on deposit in the Account on the then immediately preceding Calculation Date shall be used, paid and applied on such Distribution Date as follows, in the following order of priority:

1. such District Revenues shall be used first to pay due and unpaid District Administrative Costs listed on the most recent District-approved List of Current District Administrative Costs or to make provision for regularly recurring District Administrative Costs reasonably anticipated to become due and payable prior to the next Distribution Date;

2. one half (1/2) of such District Revenues remaining after payment of or provision for District Administrative Costs shall be disbursed to the City and the amount

so disbursed to the City (the “**City CID Sales Tax Share**”) shall be used solely for the purpose of:

(i) funding, in whole or in part, the costs of any capital costs of repairs or replacements to the Block 110 Garage or the Block 126 Garage which the City is obligated to perform or provide pursuant to the terms of the City Parking Agreement; and

(ii) funding, in whole or in part, the construction of future parking facilities that the City is obligated to provide within the District pursuant to Section 6.9 of the MDA, or supporting the debt service relating to any obligations incurred by the City to fund the construction of future parking facilities that the City is obligated to provide within the District pursuant to Section 6.9 of the MDA.

If and to the extent that in any year any portion of the City CID Sales Tax Share is not used for the purposes permitted herein, the City shall reserve any such unused balance for use in future years for the purposes authorized herein; and

3. one half (1/2) of such District Revenues remaining after payment of or provision for District Administrative Costs shall be disbursed to the Developer and the amount so disbursed to the Developer (the “**Developer CID Sales Tax Share**”) shall be used solely for the purpose of operating, maintaining, managing and repairing the Block 110 Garage and the Block 126 Garage, together with any other garages within the District that are constructed in support of residential buildings now existing or hereafter constructed by the Developer, or constructed by the City and operated by the Developer. If and to the extent that in any year any portion of the Developer CID Sales Tax Share is not used for the purposes permitted herein, the Developer shall reserve any such unused balance for use in future years for the purposes authorized herein.

Section 3.2. Annual Accounting by the Developer and the City.

A. Within thirty (30) days following the end of each Fiscal Year during the Term, the District shall deliver a written request, to both the Developer and the City, for a completed Annual Accounting Certificate with respect to the then immediately preceding Fiscal Year. The Annual Accounting Certificate shall be in substantially the same form as attached hereto at **Exhibit B**, and shall include the following: (1) the amount, if any, held by such party from District Revenues as a reserve on the first day of such Fiscal Year; (2) the total amount of the District Revenues disbursed to the certifying party during such Fiscal Year; (3) a list and description of the costs and expenses paid by the certifying party during such Fiscal Year from the District Revenues so disbursed to such party; (4) the amount of District Revenues held by such party as a reserve on the last day of such Fiscal Year; and (5) reasonable documentation of the costs and expenses paid by the certifying party during such Fiscal Year from the District Revenues so disbursed to such party. Upon receipt of the District's written request therefor, but in no event later than August 31 of each year during the Term, the Developer and the City shall each deliver to the District, with a contemporaneous copy to the other party, a completed Annual Accounting Certificate. In addition, within ninety (90) days after the last day of the Term, the

Developer and the City shall each deliver to the District, with a contemporaneous copy to the other party, a completed Annual Accounting Certificate with respect to the period since the last day of the then immediately preceding Fiscal Year.

B. In the event that a party believes that the use of District Revenues by the Developer or the City as stated on an Annual Accounting Certificate is not permitted by this Agreement, or in the event that a party believes that an Annual Accounting Certificate is incomplete or inaccurate, such party shall notify the other two parties of such belief, specifying in reasonable detail the basis for such belief (an “**Annual Accounting Challenge**”). Annual Accounting Challenges shall be issued by a party, if at all, no later than the October 31 next following the date the applicable Annual Accounting Certificate was given to such party. In the event a party issues an Annual Accounting Challenge, then the parties shall meet and confer in an effort to resolve the dispute. If all parties have not agreed to a resolution of the dispute prior to the December 31 next following the date the applicable Annual Accounting Certificate was given to such party, then the matter shall be resolved by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Claims shall be heard in Kansas City, Missouri by a single arbitrator who is an independent certified public accountant with at least five (5) years’ experience. The arbitrator may determine how the costs and expenses of the arbitration shall be allocated between the parties, but the arbitrator shall not award attorneys’ fees.

C. The provisions of this Section 3.2 shall survive the expiration or termination of the Term.

ARTICLE 4: COLLECTION OF FUNDS

Section 4.1. Imposition of the Sales Tax. The District has imposed the Sales Tax, and collection thereof commenced on January 1, 2020.

Section 4.2. Administration, Collection and Enforcement of the Sales Tax.

A. DOR will collect the Sales Tax as provided in the Act and deposit the net amount distributable to the District into the Account periodically pursuant to an agreement between the District and DOR. The District agrees to perform or provide for the performance of all functions incident to the administration, enforcement, and operation of the Sales Tax, to the extent not performed by DOR, pursuant to the Act, and subject to this Agreement. The District shall prepare or cause to be prepared financial statements according to generally accepted accounting principles and the Budgets and reports as set forth in Section 5.1 or such other documents as may be required under the Act or by the Applicable Laws. The District shall have the right to (1) enter into any contract required by DOR for the collection of the Sales Tax and disbursement thereof to the Account in accordance with the Act; and (2) prescribe any required forms and administrative rules and regulations for reporting the Sales Tax. Such actions shall be coordinated with the Fiscal Agent to provide for the proper collection and disbursement of the District Revenues.

B. As provided in the Act and Applicable Laws, DOR will collect and enforce the Sales Tax. The District agrees to cooperate fully with DOR to facilitate DOR's collection and enforcement of the Sales Tax. To the extent required by DOR, the District shall prosecute or defend an action, lawsuit or proceeding or take any other action involving third persons which the District deems reasonably necessary in order to secure the payment of the Sales Tax; provided, however, the District shall not be required to undertake any enforcement action if the cost of such enforcement is reasonably expected to exceed the amount of revenues sought to be collected or if the amount sought to be collected exceeds the expected enforcement costs and the difference, in the District's reasonable discretion, is not enough to justify an enforcement action. Any costs incurred by the District in an attempt to enforce and/or collect the Sales Tax shall be a District Administrative Cost.

C. The City will use reasonable efforts (consistent with applicable laws and regulations) to assist the District in determining the identity of new businesses opening in a location within the District so that the District or its agents can register the business with DOR as being within the District.

Section 4.3. Ownership and Use of District Revenue. District Revenues on deposit in the Account shall be funds of the District only and shall not be deemed to be funds of the Fiscal Agent, the City or the Developer in any respect. The District Revenues which are Economic Activity Taxes pursuant to the TIF Plan are subject to transfer to the Special Allocation Fund for the TIF Plan in accordance with Section 3.1, subject to annual appropriation by the District. Pursuant to Section 99.845.3 of the TIF Act, the District consents to the District Revenues being considered to be economic activity taxes within the meaning of the TIF Act, such that fifty percent (50%) thereof shall be made available by the District for deposit in the Special Allocation Fund until the termination of the Special Allocation Fund.

Section 4.4. Fiscal Agent Provisions.

A. The District hereby appoints the Fiscal Agent as the District's agent to receive and disburse the District Revenues, subject to this Agreement. As the District's agent, the Fiscal Agent shall have the right and obligation to: (1) maintain the Account for deposit of all District Revenues and pay any reasonable bank fees; and (2) maintain the District's checkbook, write checks for signature by, and prepare ACH disbursements for approval by, authorized officers of the District, for payment of District-approved expenditures. The District shall by Resolution designate one or more officers who shall be authorized to approve Certificates of District Administrative Costs prepared by the Fiscal Agent, sign checks and approve ACH disbursements drawn on the account.

B. The District shall arrange for the receipt of monthly sales tax reports from DOR. If and to the extent permitted by law, such reports may at the option of the District be provided to the Fiscal Agent for use in performing its services for the District. Any District records which are confidential pursuant to Section 32.057, RSMo, shall be obtained by the District from DOR and shall, if provided to the Fiscal Agent, be provided in a manner that maintains such confidentiality, and in furtherance thereof, at the option of the District, a principal in the Fiscal Agent shall serve as an officer of the District.

C. The Fiscal Agent shall:

(1) administer the Account and receive and disburse the District Revenues in accordance with the District's Budget and other approvals of the District;

(2) if requested by the District Manager, provide notifications to DOR of new businesses opening within the District by utilizing information provided by the District;

(3) keep accurate records of information and documents received or prepared by the Fiscal Agent in connection with the District, and such records shall be open to the inspection by officers of the District;

(4) within ten (10) days after each Calculation Date, prepare and deliver to the designated officer of the District a completed List of Current District Administrative Costs as of the then current Calculation Date for approval/action by the designated officer of the District;

(5) on each Distribution Date, distribute the District Revenues on deposit in the Account on the applicable Calculation Date in accordance with the terms of Section 3.1, and provide a Distribution Memo to the District, the City and the Developer; and

(6) provide copies of bank statements with respect to the Account to or as directed by the District, including to an independent certified public accountant, if any, engaged by the District to prepare the District's annual financial statements.

ARTICLE 5: SPECIAL COVENANTS

Section 5.1. Annual Budget, Annual Financial Report and Annual Report.

A. Not earlier than 180 days and not later than 90 days before the first day of each Fiscal Year, the District shall prepare, or cause to be prepared, a Budget for the next succeeding Fiscal Year. Each Budget and any amendments thereto shall generally be prepared in accordance with all applicable state statutes, including specifically Section 67.010, RSMo, as amended. The Board of Directors shall hold an annual meeting and adopt an annual Budget not later than 30 days before the first day of each Fiscal Year.

B. As required by Section 105.145, RSMo, the District shall prepare, or cause to be prepared, an annual financial report of the District's financial transactions during each Fiscal Year and submit a copy of the annual financial report to the State Auditor as required by law. The District shall contemporaneously provide a copy of the annual financial report to the City.

C. Within 120 days after the end of each Fiscal Year, the District shall submit a report to the City Clerk and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made during such Fiscal Year, together with copies of written Resolutions adopted during the Fiscal Year.

ARTICLE 6: DEFAULTS AND REMEDIES

Section 6.1. Events of Default. If the following event shall occur and be continuing following the expiration of any cure provisions herein, then such event shall constitute an Event of Default under this Agreement: failure by any party in the performance of any covenant, agreement or obligation imposed or created by this Agreement, and the continuance of such default for thirty (30) days after a non-defaulting party has given written notice to the defaulting party specifying such default.

Section 6.2. Remedies on Default. Except as otherwise provided in this Agreement, in the event of any default in or breach of any term or condition of this Agreement by a party, the defaulting or breaching party shall, upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and, shall, in any event, within thirty (30) days after receipt of notice, commence to cure or remedy such default. If such cure or remedy is not taken or not diligently pursued, or the default or breach is not cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach. If any Event of Default has occurred and is continuing, then any non-defaulting party may, upon its election or at any time after its election while such default continues, by mandamus or other suit, action or proceedings at law or in equity, enforce its rights against the defaulting party and its officers, agents, and employees, and to require and compel duties and obligations required by the provisions of this Agreement.

Section 6.3. Rights and Remedies Cumulative. The rights and remedies reserved by the parties under this Agreement and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The parties shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

Section 6.4. Waiver of Breach. No waiver of any breach of any covenant or agreement contained in this Agreement shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of an Event of Default, a non-defaulting party may nevertheless accept from the defaulting party, any payment or payments without in any way waiving the non-defaulting party's right to exercise any of its rights and remedies as provided herein with respect to any such default or defaults in existence at the time when such payment or payments were accepted by the non-defaulting party.

ARTICLE 7: MISCELLANEOUS

Section 7.1. Termination of Agreement. This Agreement shall terminate upon the last day of the Term, unless sooner terminated by mutual agreement of all parties.

Section 7.2. Modification. The terms, conditions, and provisions of this Agreement can be neither modified nor eliminated except in writing and by mutual agreement between the

parties. Any modification to this Agreement as approved shall be attached hereto and incorporated herein by reference.

Section 7.3. Notice. Any notice, demand, or other communication required or permitted hereunder shall be in writing and shall be given by United States Certified Mail, return receipt requested, postage prepaid, or via a nationally recognized overnight delivery service that provides proof of delivery, charges prepaid, in either event addressed as hereinafter specified. Notices given by mail shall be deemed given and received on the third business day after the date of mailing, and notices given by overnight delivery service shall be deemed given and received on the next business day after deposit with such overnight delivery service. Notices shall be addressed as follows, provided that any party shall have the right to change its address for notices with ten (10) days' prior written notice.

If to the District:

1200 Main/South Loop CID
c/o Jeffrey Williams, Chair
City Hall
414 East 12th Street, 15th Floor
Kansas City, Missouri 64106

With a contemporaneous copy to:

Lewis Rice, LLC
1010 Walnut, Suite 500
Kansas City, Missouri 64106
Attention: Douglas S. Stone, Esq.

If to the City:

City of Kansas City, Missouri
c/o City Manager
City Hall
414 East 12th Street, 29th Floor
Kansas City, Missouri 64106

With a contemporaneous copy to:

City Attorney
City Hall
414 East 12th Street, 23rd Floor
Kansas City, Missouri 64106

If to the Developer:

Kansas City Live, LLC
c/o Nick Benjamin
50 East 13th Street, Suite 200
Kansas City, Missouri 64106

With a contemporaneous copy to:

Stinson LLP
1201 Walnut Street, Suite 2900
Kansas City, Missouri 64106
Attention: David Frantze, Esq.

Any party giving a notice to another party shall contemporaneously provide a copy of such notice to the remaining party who is not the addressee of such notice, which shall be sent by the means and to the address provided above.

Section 7.4. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri and all actions shall be heard in Jackson County Circuit Court.

Section 7.5. No Personal Liability. No official, agent, employee, or representative of any party shall be personally liable to any other party, in the event of default or breach by any

party under this Agreement, or for any amount which may become due to any party or on any obligations under the terms of this Agreement.

Section 7.6. Validity and Severability. It is the intention of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of the State of Missouri, and that the unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable.

Section 7.7. Assignment. No party may assign this Agreement without the prior written consent of the other parties; provided, however, that Developer shall have the right at any time and from time to time without the consent of (but with notice to) the City and the District to assign this Agreement as collateral security to a lender.

Section 7.8. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and no other agreements or representations other than those contained in this Agreement have been made by the parties. Notwithstanding the foregoing, nothing in this Agreement shall amend or modify any provision of the MDA as in effect on the date of this Agreement.

Section 7.9. Execution of Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 7.10. City Approvals. Unless specifically provided to the contrary herein, all approvals of the City hereunder may be given by the City Manager or his/her designee without the necessity of any action by the City Council. The City Manager, at his/her discretion, may seek the advice or consent of the City Council for any requested approval.

Section 7.11. District Approvals. Unless specifically provided to the contrary herein, all approvals of the District hereunder may be given by the District Manager, without the necessity of any action by the Board of Directors. The District Manager, at his/her discretion, may seek the advice or consent of the Board of Directors for any requested approval.

Section 7.12. Developer Approvals. Unless specifically provided to the contrary herein, all approvals of the Developer hereunder may be given by the Manager of the Developer or his/her designee without the necessity of any action by the members of the Developer.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the District, the Developer and the City have hereunto set their hands and seals as of the day and year first above written.

DISTRICT:

**1200 MAIN/SOUTH LOOP COMMUNITY
IMPROVEMENT DISTRICT**

By: _____
Jeffrey Williams, Chairman

CITY:

CITY OF KANSAS CITY, MISSOURI

By: _____
Earnest Rouse, Acting City Manager

DEVELOPER:

KANSAS CITY LIVE, LLC

By: _____
Name: _____
Title: _____

**EXHIBIT A
FORMATION PETITION**

(See Attached)

**PETITION FOR ESTABLISHMENT OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT
CITY OF KANSAS CITY, MISSOURI**

JANUARY 2019

**RECEIVED BY
THE CITY CLERK**

FEB 01 2019



**PETITION FOR THE CREATION OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT**

To the Mayor and City Council of the City of Kansas City, Missouri:

The undersigned real property owners (collectively, the “Petitioners”), being the owners collectively owning

- (1) more than fifty percent by assessed value of the real property, and
- (2) more than fifty percent per capita of all owners of real property

within the boundaries of the hereinafter described community improvement district, do hereby petition and request that the City Council (the “City Council”) of the City of Kansas City, Missouri (the “City”) establish a community improvement district as described herein under the authority of Sections 67.1401 to 67.1571, RSMo, as amended (the “CID Act”). In support of this petition, the Petitioners set forth the following in compliance with the CID Act:

1. District Name. The name for the proposed community improvement district (“CID” or “District”) is:

1200 Main/South Loop Community Improvement District.
2. Legal Description and Boundary Map. A legal description and map generally depicting the boundaries of the proposed District are attached hereto as **Exhibit A** and **Exhibit B**, respectively. The proposed District is located entirely within the City of Kansas City, Missouri.
3. Five-Year Plan. A five-year plan as required by the CID Act is attached hereto as **Exhibit C**.
4. Form of District. The proposed district will be established as a political subdivision of the State of Missouri under the CID Act.
5. Board of Directors.
 - a. Number. The District shall be governed by a Board of Directors (the “Board”) consisting of five (5) members, whom shall be appointed by the City in accordance with this Petition and the CID Act.
 - b. Qualifications. Each member of the Board (“Director”) shall meet the following requirements:
 - (1) be at least 18 years of age;

- (2) be either an owner (as defined in the CID Act) of real property or of a business operating within the District, or a registered voter residing within the District;
 - (3) be and have been a resident of the State of Missouri for at least one year immediately preceding the date upon which he or she takes office in accordance with Article VII, Section 8 of the Missouri Constitution; and
 - (4) except for the initial directors named in this Petition, be nominated according to slates submitted as described in this Petition.
- c. Initial Directors. The initial directors (“Initial Directors”) and their respective terms shall be as follows:
- (1) Jeffrey Williams - four (4) year term. [City Representative]
 - (2) Bruce Campbell - four (4) year term. [City Representative]
 - (3) Kerrie Tyndall - four (4) year term. [City Representative]
 - (4) Dan Bagunu - two (2) year term. [City Representative]
 - (5) Gabriel Robinson - two (2) year term. [KC Live Representative]
- d. Terms. Each Initial Director named above shall serve for the term set forth opposite his/her name or until his/her successor is appointed in accordance with this Petition and the CID Act. Each Successor Director shall serve a four (4) year term or until his/her successor is appointed in accordance with this Petition and the CID Act. In the event of a vacancy on the Board, the remaining Directors shall elect an Interim Director to fill such vacancy for the remainder of the unexpired term and until his/her successor is appointed in accordance with this Petition and the CID Act.

Notwithstanding anything to the contrary, upon any Director’s failure to meet the qualification requirements set forth above, either in a Director’s individual capacity or in a Director’s representative capacity, such Director shall cease to be a Director automatically and without need for action by the remainder of the Board, effective upon the date such person ceased to so qualify. In addition, a Director may be removed for cause by a two-thirds affirmative vote of the Directors as provided by the CID Act.

- e. Successor Directors. Successor Directors shall be appointed by the Mayor with the consent of the City Council by resolution according to slates submitted to the City Clerk of the City (the “City Clerk”). Those Successor Directors to take seats allocated to the “City” shall be designated by the City Manager of the City (the “City Manager”) on a written slate submitted by the City Manager, and that Successor Director to take the seat allocated to “KC Live” shall be designated by

Kansas City Live, LLC (the “Developer”) under that certain Master Development Agreement between the City and the Developer dated April 27, 2004, as amended from time-to-time (the “MDA”) on a written slate submitted by the Developer. For purposes of this Petition, the term “Developer” shall mean Kansas City Live, LLC or its then successor in interest under the MDA, if any.

Upon receipt of a slate of Successor Directors, the City Clerk shall promptly deliver the slate to the Mayor for consideration by the City Council. Not later than 30 days following the date the slate is submitted to the City Clerk:

- (a) the Mayor shall appoint the Successor Directors according to the slates submitted, and the City Council shall consent by resolution to the appointment; or
- (b) the Mayor, or the City Council, may reject the slates submitted and request in writing, with written reasons for rejection of the slate, that the Board submit an alternate slate.

If such action by the Mayor or the City Council is not completed within the 30-day period, the Successor Directors shall be deemed to have been appointed by the Mayor with the consent of the City Council according to the slate submitted.

6. Assessed Value. The total assessed value of all real property in the District is \$17,835,979.00. This amount includes \$9,220,039.00 attributable to real property owned by the City, a political subdivision of the State of Missouri. Real property owned by the City is exempt from ad valorem taxation, but Jackson County, Missouri ascribes an assessed value to such real property. The official total assessed valuation for the District may change by the time the District is created.
7. Blight Determination. Petitioners acknowledge that the area comprising the District has previously been declared and found to be a blighted area pursuant to Missouri law by the City Council.
8. Duration of District. The proposed maximum length of time for the existence of the district is thirty (30) years from the date the ordinance approving the Petition shall become effective. The District may be terminated prior to the stated expiration date in accordance with the provisions of the CID Act.
9. Real Property and Business License Taxes. The District is not authorized to impose a real property tax levy or business license taxes within the District.
10. Special Assessments. The District is not authorized to impose special assessments within the District.
11. Sales and Use Tax. Qualified voters of the District may be asked to approve a sales and use tax of one percent (1%) (“District Sales Tax”), in accordance with the CID Act.

12. Borrowing Limits. There are no limitations on the borrowing capacity of the District.
13. Revenue Limits. There are no limitations on the revenue generation of the District.
14. Authority Limits. No amendment to this Petition may authorize or empower the District to impose special assessments, a real property tax levy or business license taxes within the District unless such amendment to this Petition is executed by the Developer, alone or with others. Except as set forth in this Petition, Petitioners do not seek limitations on the authority of the District, and the District shall have the full range of powers authorized under the provisions of the CID Act.
15. City Auditor. Pursuant to Resolution 130844, the City Auditor shall have the right to examine or audit the records of the District and the District shall make such records available to the City Auditor within ten (10) days after a written request for the same is made.
16. **Revocation of Signatures. EACH PETITIONER ACKNOWLEDGES THAT THE SIGNATURE OF THE SIGNER OF THIS PETITION MAY NOT BE WITHDRAWN FROM THIS PETITION LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE CITY CLERK.**

WHEREFORE, Petitioners respectfully request that the City Council establish the requested 1200 Main/South Loop Community Improvement District in accordance with the information set forth in this Petition and that the Mayor appoint and the City Council consent to the proposed members for the Board of Directors as set forth in this Petition, and take all other appropriate and necessary action that is consistent with the CID Act to establish the requested District.

**EXECUTION PAGE FOR PETITION FOR THE CREATION OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: City of Kansas City, Missouri Owner's telephone number: 816-513-1408

Owner's address: 414 E. 12th Street, Kansas City, MO 64106

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Troy Schulte

Title: City Manager

Signer's telephone number: 816-513-1408

Signer's mailing address: 414 E. 12th Street, 28th Floor, Kansas City, Missouri 64106

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

<input type="checkbox"/>	Corporation	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Limited Partnership	<input type="checkbox"/>	Limited Liability Company
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Urban Redevelopment Corporation
<input type="checkbox"/>	Not-for-Profit Corporation	X	Other - Municipality

Map and parcel number(s):	Assessed Value:	Map and parcel number(s):	Assessed Value:
29-230-45-17-00-0-01-001	\$1,848,992.00*	29-230-19-08-00-0-01-001	\$1,120,781.00*
29-230-11-99-00-0-00-000	\$1,829,120.00*	29-230-18-13-00-0-01-002	\$ 596,928.00*
29-230-13-99-00-0-00-000	\$2,070,144.00*	29-230-18-13-00-0-01-003	\$ 583,136.00*
29-230-20-07-00-0-01-001	\$1,170,938.00*		

Total Assessed Value: \$9,220,039.00

*Exempt from ad valorem taxation

By executing this petition, the undersigned represents and warrants that he is authorized to execute this petition on behalf of the property owner named immediately above.

Troy M. Schulte
Signature of person signing for owner

Date: January 29, 2019

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this ___ day of January, 2019, before me appeared Troy Schulte, to me personally known, who, being by me duly sworn did say that he is the City Manager of The City of Kansas City, Missouri and that said instrument was signed on behalf of said municipality, and said person acknowledged said instrument to be the free act and deed of said municipality.

WITNESS my hand and official seal this 29 day of January, 2019.

My Commission Expires: 1-22-2022

Terrie L. Smidt
Notary Public
Printed Name of Notary: Terrie L. Smidt



TERRIE L. SMIDT
My Commission Expires
January 12, 2022
Platte County
Commission #13440280

**EXECUTION PAGE FOR PETITION FOR THE CREATION OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: Kansas City Live Block 124 Retail, LLC Owner's telephone number: 410-752-5444
 Owner's address: 601 East Pratt Street, 6th Floor, Baltimore MD 21202

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Nick Benjamin
 Title: Authorized Representative
 Signer's telephone number: 816-877-8304
 Signer's mailing address: 50 E. 13th St., Kansas City, Missouri 64106

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

<input type="checkbox"/>	Corporation	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Limited Partnership	<input checked="checked" type="checkbox"/>	Limited Liability Company
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Urban Redevelopment Corporation
<input type="checkbox"/>	Not-for-Profit Corporation	<input type="checkbox"/>	Other _____

Map and parcel number(s): Assessed Value:
 29-230-11-98-00-0-00-000 \$438,048.00

Total Assessed Value: \$438,048.00

By executing this petition, the undersigned represents and warrants that he is authorized to execute this petition on behalf of the property owner named immediately above.

Nick Benjamin
 Signature of person signing for owner

Date: January 28, 2019

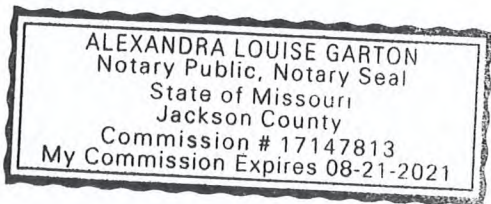
STATE OF MISSOURI)
) ss
 COUNTY OF JACKSON)

On this 28 day of January, 2019, before me appeared Nick Benjamin, to me personally known, who, being by me duly sworn did say that he is the authorized representative of Kansas City Live Block 124 and that said instrument was signed on behalf of said limited liability company, and said person acknowledged said instrument to be the free act and deed of said entity.

WITNESS my hand and official seal this 28 day of January, 2019.

My Commission Expires: 8/21/2021

Alexandra Louise Garton
 Notary Public
 Printed Name of Notary: Alexandra Louise Garton



EXECUTION PAGE FOR PETITION FOR THE CREATION OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT

Name of owner: Kansas City Live Block 138 Retail, LLC Owner's telephone number: 410-752-5444
Owner's address: 601 East Pratt Street, 6th Floor, Baltimore MD 21202

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Nick Benjamin
Title: Authorized Representative
Signer's telephone number: 816-877-8304
Signer's mailing address: 50 E. 13th St., Kansas City, Missouri 64106

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

<input type="checkbox"/>	Corporation	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Limited Partnership	X	Limited Liability Company
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Urban Redevelopment Corporation
<input type="checkbox"/>	Not-for-Profit Corporation	<input type="checkbox"/>	Other _____

Map and parcel number(s): Assessed Value:
29-230-20-07-00-0-00-000 \$ 320.00
29-230-20-07-00-0-02-001 \$439,259.00
29-230-20-07-00-0-02-002 \$141,430.00
29-230-20-07-00-0-02-004 \$ 94,287.00

Total Assessed Value: \$675,296.00

By executing this petition, the undersigned represents and warrants that he is authorized to execute this petition on behalf of the property owner named immediately above.

Nick B.

Signature of person signing for owner

Date: January 28, 2019

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

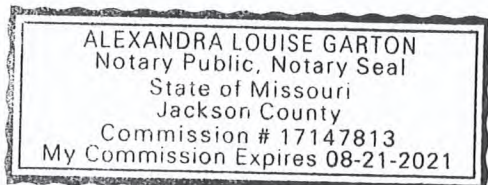
On this 28 day of January, 2019, before me appeared Nick Benjamin, to me personally known, who, being by me duly sworn did say that he is the authorized representative of Kansas City Live Block 138 and that said instrument was signed on behalf of said limited liability company, and said person acknowledged said instrument to be the free act and deed of said entity.

WITNESS my hand and official seal this 28 day of January, 2019.

My Commission Expires: 8/21/2021

Alexandra Louise Garton

Notary Public
Printed Name of Notary: Alexandra Louise Garton



**EXECUTION PAGE FOR PETITION FOR THE CREATION OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: Kansas City Live Block 140 Retail, LLC Owner's telephone number: 410-752-5444

Owner's address: 601 East Pratt Street, 6th Floor, Baltimore MD 21202

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Nick Benjamin
Title: Authorized Representative
Signer's telephone number: 816-877-8304
Signer's mailing address: 50 E. 13th St., Kansas City, Missouri 64106

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

<input type="checkbox"/>	Corporation	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Limited Partnership	<input checked="" type="checkbox"/>	Limited Liability Company
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Urban Redevelopment Corporation
<input type="checkbox"/>	Not-for-Profit Corporation	<input type="checkbox"/>	Other _____

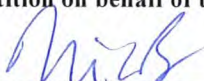
Map and parcel number(s): Assessed Value:

29-230-18-13-00-0-00-000 \$ 320.00

29-230-18-13-00-0-02-003 \$611,296.00

Total Assessed Value: \$611,616.00

By executing this petition, the undersigned represents and warrants that he is authorized to execute this petition on behalf of the property owner named immediately above.


Signature of person signing for owner

Date: January 28 2019

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 28 day of January, 2019, before me appeared Nick Benjamin, to me personally known, who, being by me duly sworn did say that he is the authorized representative of Kansas City Live Block 140 and that said instrument was signed on behalf of said limited liability company, and said person acknowledged said instrument to be the free act and deed of said entity.

WITNESS my hand and official seal this 28 day of January, 2019.

My Commission Expires: 8/21/2021

Alexandra Louise Garton
Notary Public
Printed Name of Notary: Alexandra Louise Garton

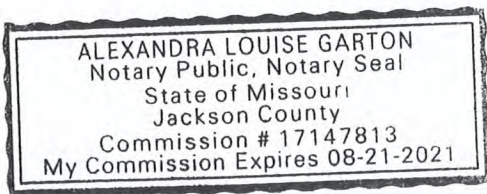


EXHIBIT A

COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 49 NORTH, RANGE 33 WEST, THENCE S 87°22'32" E, ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 1523.04 FEET; THENCE S 02°18'53" W, A DISTANCE OF 24.75 FEET, TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF 12TH STREET AS IT NOW EXISTS, SAID POINT BEING THE POINT OF BEGINNING, THENCE S 87°22'32" E, ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 122.12 FEET, THENCE S 02°19'41" W, A DISTANCE OF 57.84 FEET, THENCE S 87°22'32" E, A DISTANCE OF 47.10 FEET; THENCE N 02°20'28" E, A DISTANCE OF 8.25 FEET; THENCE S 87°22'32" E, A DISTANCE OF 77.00 FEET, TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF WALNUT STREET; THENCE S 02°20'28" W, ALONG SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 384.00 FEET, TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF 13TH STREET, THENCE S 02°16'42" W, A DISTANCE OF 49.50 FEET, TO THE POINT OF INTERSECTION OF THE PROPOSED SOUTH RIGHT-OF-WAY LINE OF 13TH STREET WITH THE WEST RIGHT-OF-WAY LINE OF WALNUT STREET, THENCE S 79°05'19" E, A DISTANCE OF 66.74 FEET, TO THE POINT OF INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF 13TH STREET WITH THE EAST RIGHT-OF-WAY LINE OF WALNUT STREET, THENCE S 87°48'25" E, ALONG SAID SOUTH RIGHT-OF-WAY LINE OF 13TH STREET, A DISTANCE OF 247.82 FEET TO THE WEST RIGHT-OF-WAY LINE OF GRAND AVENUE, THENCE S 02°18'22" W, ALONG SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 436.59 FEET, TO THE NORTH RIGHT-OF-WAY LINE OF 14TH STREET, THENCE S 02°38'08" W, A DISTANCE OF 49.50 FEET, TO THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF 14TH STREET, WITH THE WEST RIGHT-OF-WAY LINE OF GRAND AVENUE; THENCE S 02°19'38" W, ALONG SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 248.75 FEET, TO THE NORTH RIGHT-OF-WAY LINE OF TRUMAN ROAD (I-670); THENCE N 87°33'44" W, ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 248.34 FEET TO THE EAST RIGHT-OF-WAY LINE OF WALNUT STREET; THENCE N 87°38'13" W, A DISTANCE OF 66.00 FEET TO THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID TRUMAN ROAD (I-670) WITH THE WEST RIGHT-OF-WAY LINE OF WALNUT STREET; THENCE N 87°36'55" W ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 245.82 FEET, TO THE EAST RIGHT-OF-WAY LINE OF MAIN STREET, AS IT NOW EXISTS, THENCE N 87°40'13" W, A DISTANCE OF 70.00 FEET, TO THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF SAID TRUMAN ROAD (I-670) WITH THE WEST RIGHT-OF-WAY LINE OF MAIN STREET, AS IT NOW EXISTS; THENCE N 87°28'44" W ALONG SAID NORTH RIGHT-OF-WAY A DISTANCE OF 129.87 FEET; THENCE S 82°13' 14" W, CONTINUING ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 14.46 FEET; THENCE N 87°26'57" W, CONTINUING ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 107.17 FEET TO THE EAST RIGHT-OF-WAY LINE OF BALTIMORE AVENUE, THENCE N 02°05'18" E, ALONG SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 250.00 FEET, TO THE SOUTH RIGHT-OF-WAY LINE OF 14TH STREET, THENCE N 02°05'59" E, A DISTANCE OF 49.50 FEET, TO THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF 14TH STREET, AS IT NOW EXISTS, WITH THE EAST RIGHT-

OF-WAY LINE OF BALTIMORE AVENUE; THENCE S 87°26'57" E, ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 122.04 FEET; THENCE N 02°14'29" E, A DISTANCE OF 144.93 FEET, THENCE N 87°23'11" W A DISTANCE OF 122.34 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF BALTIMORE AVENUE, THENCE N 02°07'17" E, ALONG SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 302.21 FEET, TO THE SOUTH RIGHT-OF-WAY LINE OF 13TH STREET; THENCE NORTH ALONG THE EAST RIGHT-OF-WAY LINE OF BALTIMORE AVENUE TO A POINT WHICH IS 14 FEET SOUTH OF THE NORTHWEST CORNER OF LOT 12, BLOCK 1, REID'S ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI; THENCE EASTERLY ALONG A LINE WHICH IS 14 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID LOT 12 TO THE SOUTHEAST CORNER OF THE NORTH 14 FEET OF SAID LOT 12; THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 12 TO A POINT ON A LINE EXTENDING WESTERLY FROM THE LINE WHICH IS 22 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF LOT 70, BLOCK 5, MCGEE'S ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI, THENCE EASTERLY ON SAID EXTENDING LINE TO THE WESTERNMOST BOUNDARY OF SAID LOT 70, THENCE CONTINUING EASTERLY ALONG THE LINE WHICH IS 22 FEET NORTH OF THE SOUTH LINE OF SAID LOT 70, AND EXTENDING SUCH LINE ACROSS THE RIGHT-OF-WAY OF MAIN STREET TO A POINT OF THE EAST RIGHT-OF-WAY LINE OF MAIN STREET; THENCE N 02°18'53" E, ALONG SAID EAST RIGHT-OF-WAY LINE, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OF UNITS 1 AND 2, BLOCK 125, AND ALL OF UNIT 3, BLOCK 124, REPLAT OF KC LIVE, A CONDOMINIUM SUBDIVISION, IN THE CITY OF KANSAS CITY, JACKSON COUNTY, STATE OF MISSOURI, ACCORDING TO THE RECORDED PLAT THEREOF.

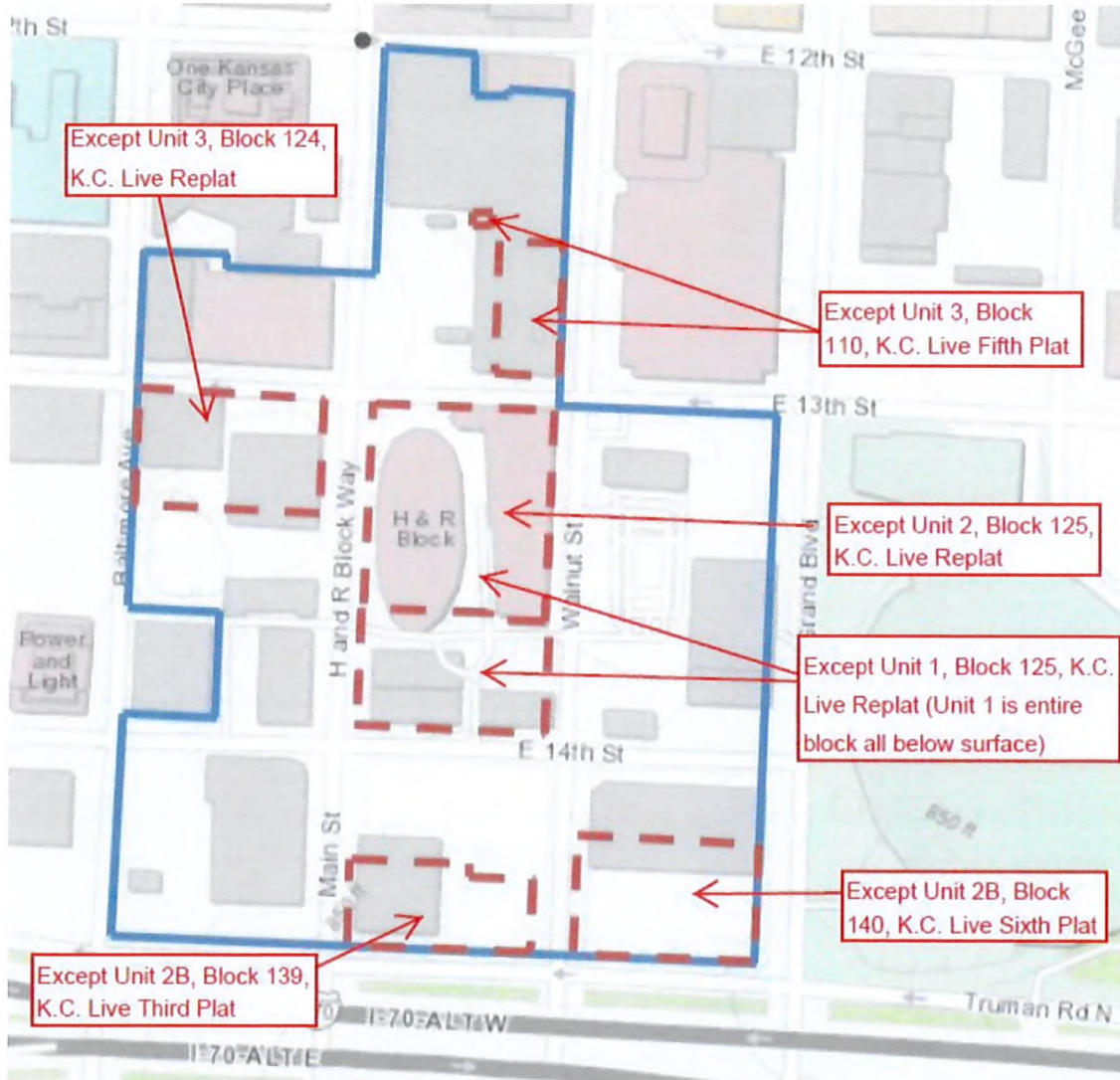
ALSO EXCEPTING THEREFROM ALL OF UNIT 3, BLOCK 110, KC LIVE FIFTH PLAT, A CONDOMINIUM SUBDIVISION, IN THE CITY OF KANSAS CITY, JACKSON COUNTY, STATE OF MISSOURI, ACCORDING TO THE RECORDED PLAT THEREOF.

ALSO EXCEPTING THEREFROM ALL OF UNIT 2B, BLOCK 140, KC LIVE SIXTH PLAT, A CONDOMINIUM SUBDIVISION, IN THE CITY OF KANSAS CITY, JACKSON COUNTY, STATE OF MISSOURI, ACCORDING TO THE RECORDED PLAT THEREOF.

ALSO EXCEPTING THEREFROM ALL OF UNIT 2B, BLOCK 139, KC LIVE THIRD PLAT, A CONDOMINIUM SUBDIVISION, IN THE CITY OF KANSAS CITY, JACKSON COUNTY, STATE OF MISSOURI, ACCORDING TO THE RECORDED PLAT THEREOF.

EXHIBIT B

The blue line represents the exterior boundary of the District. Certain parcels within those boundaries, outlined in red, are excluded from the District, as set forth in the legal description contained on Exhibit A to this Petition.



**EXHIBIT C
FIVE YEAR PLAN**

(Attached)

FIVE YEAR DISTRICT MANAGEMENT PLAN
OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT
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 initial five-year duration of the 1200 Main/South Loop Community Improvement District in Kansas City, Missouri. It is an integral and composite part of the petition to establish the 1200 Main/South Loop Community Improvement District.

Introduction

The 1200 Main/South Loop Community Improvement District (the “District”) is created pursuant to Section 67.1401 through 67.1571 of the Revised Statutes of Missouri (the “CID Act”). 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. This Five-Year District Management Plan (the “Plan”) is intended to satisfy this statutory requirement, and is appended to the Petition for Formation of the District as an integral part thereof. Capitalized terms used but not defined in this Plan have the meaning given to such term in the Petition to which this Plan is appended, except as otherwise stated.

Section 1 - Why Create a Community Improvement District?

The District will encompass existing development generally located within the Power & Light District in Kansas City, Missouri (the “Development”). The purpose of the District is to undertake certain improvements and services 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 in a blighted area, to demolish and remove, renovate, reconstruct, or rehabilitate private improvements subject to certain conditions). 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.

Section 3 - Management Plan Summary

The District in this case will take the form of a separate political subdivision of the State of Missouri, which will be governed by a Board of Directors that will consist of five (5) members appointed by the Mayor of Kansas City with the consent of the City Council pursuant to slates 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 to which this Plan is attached has been signed by the requisite parties.

Location:

The Development is generally located in an area bounded by E.12th Street on the north, E. Truman Road on the south, Grand Boulevard on the east, and Baltimore Avenue on the west, with certain excepted areas.

Assessed Value of District:

The total assessed value of the real property within the District on the date of the Petition is \$17,835,979.00. This amount includes \$9,220,039.00 attributable to real property owned by the City, a political subdivision of the State of Missouri. Real property owned by the City is exempt from ad valorem taxation, but Jackson County, Missouri ascribes an assessed value to such real property.

Improvements and Services:

The purpose of the District is to support the construction, operation, maintenance, management, repairs and/or replacements (including any repairs and replacements that are chargeable to capital under generally accepted accounting principles consistently applied) of future parking facilities that the City is (under certain conditions) obligated to provide within the District pursuant to Section 6.9 of the MDA, as well as to fund costs relating to the operation, maintenance, management, repairs and replacements (including any repairs and replacements that are chargeable to capital under generally accepted accounting principles consistently applied) of certain existing parking facilities within the District, all as more fully set forth in Section 6.13 of the MDA and in Section 5 of this Plan.

Method of Financing:

It is proposed that the District will impose a maximum of one percent (1%) sales and use tax (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.

Estimated Costs:

Attached as **Exhibit A** to this Plan is a table setting forth the estimated cost of the improvements and services, and a table setting forth the projected cash flow for the first five years of the District's existence. Such estimates do not include the cost of constructing, operating, maintaining, managing and repairing garages that may be constructed in the future as contemplated by the MDA and described in this Plan.

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 proposed maximum length of time for the existence of the District is thirty (30) years from the date of the ordinance approving the Petition. The District may be terminated prior to the stated expiration date in accordance with the provisions of the CID Act.

**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**

It is anticipated that the City, Developer and the District will enter into a cooperative agreement (the "CID Cooperative Agreement") immediately following the imposition of the District Sales Tax, to memorialize and confirm as the obligations of the parties the following terms and provisions, among other mutually acceptable terms not inconsistent with the terms set forth hereinbelow.

The revenues generated by the District Sales Tax after collection fees imposed by the Missouri Department of Revenue (the "District Revenues") shall be used, paid and applied as follows:

- A. Until such time as the 1200 Main/South Loop Tax Increment Financing Plan, as amended from time to time (the "TIF Plan") shall expire and the special allocation funds established in connection therewith be dissolved, one half (1/2) of the District Revenues shall be captured as economic activity taxes pursuant to the provisions of the TIF Act and shall be expended by the City in a manner consistent with the expenditure of other TIF Revenues. The balance of the District Revenues, after payment of or provision for the costs of the operation of the CID (the "Net Non-EATs District Revenues") shall be made available to

the Developer for the purpose of operating, maintaining, managing and repairing the Block 110 Garage and the Block 126 Garage (as such terms are defined by the MDA), together with any other garages within the District that are constructed in support of residential buildings now existing or hereafter constructed by Developer, or constructed by City and operated by Developer. If and to the extent that in any year any portion of the Net Non-EATs District Revenues is not used for the purposes permitted herein, Developer shall reserve any such unused balance for use in future years for the purposes authorized herein.

B. Once the TIF Plan shall have expired and the special allocation funds established in connection therewith dissolved, the District Revenues shall be used, paid and applied as follows:

1. One half (1/2) of the District Revenues remaining after payment of or provision for the costs of the operation of the CID (the "City CID Sales Tax Share") shall be made available to the City for the following purposes:

(i) funding, in whole or in part, the costs of any capital costs of repairs or replacements to the Block 110 Garage or the Block 126 Garage which the City is obligated to perform or provide pursuant to the terms of the City Parking Agreement (as such term is defined by the MDA); and

(ii) funding, in whole or in part, the construction of future parking facilities that the City is obligated to provide within the District pursuant to Section 6.9 of the MDA, or supporting the debt service relating to any obligations incurred by City to fund the construction of future parking facilities that the City is obligated to provide within the District pursuant to Section 6.9 of the MDA.

If and to the extent that in any year any portion of the City CID Sales Tax Share is not used for the purposes permitted herein, City shall reserve any such unused balance for use in future years for the purposes authorized herein.

2. One half (1/2) of the District Revenues remaining after payment of or provision for the costs of the operation of the CID (the "Developer CID Sales Tax Share") shall be made available to the Developer for the purpose of operating, maintaining, managing and repairing the Block 110 Garage and the Block 126 Garage, together with any other garages within the District that are constructed in support of residential buildings now existing or hereafter constructed by Developer, or constructed by City and operated by Developer. If and to the extent that in any year any portion of the Developer CID Sales Tax Share is not used for the purposes permitted herein, Developer shall reserve any such unused balance for use in future years for the purposes authorized herein.

Section 6
Governing the Community Improvement District

City Council:

Following the submission of the Petition, the City Council will conduct a public hearing and then consider an ordinance to create the District.

Board of Directors for District:

The District will be governed by a Board of Directors that will consist of five members appointed by the Mayor of Kansas City with the consent of the City Council. It is anticipated that if the successor directors are identified 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 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.

END OF DOCUMENT

**EXHIBIT A TO FIVE YEAR PLAN OF THE
1200 MAIN/SOUTH LOOP COMMUNITY IMPROVEMENT DISTRICT**

ESTIMATED COSTS OF IMPROVEMENTS AND SERVICES¹

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Income					
District Sales Tax	<u>\$ 969,000</u>	<u>\$ 988,380</u>	<u>\$ 1,008,148</u>	<u>\$ 1,028,312</u>	<u>\$ 1,048,878</u>
Expenses					
EATS	\$ 484,500	\$ 494,190	\$ 504,074	\$ 514,156	\$ 524,439
CID Admin	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
KC Live allocation	\$ 474,500	\$ 484,190	\$ 494,074	\$ 504,156	\$ 514,439
<u>Total Expenses</u>	<u>\$ 969,000</u>	<u>\$ 988,380</u>	<u>\$ 1,008,148</u>	<u>\$ 1,028,312</u>	<u>\$ 1,048,878</u>

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

EXHIBIT B
FORM OF ANNUAL ACCOUNTING CERTIFICATE

ANNUAL ACCOUNTING CERTIFICATE

To: District Manager, 1200 Main/South Loop Community Improvement District

Terms not otherwise defined herein shall have the meaning ascribed to those terms in the Cooperative Agreement dated as of May __, 2020 (the "Agreement") among the 1200 Main/South Loop Community Improvement District, the City of Kansas City, Missouri, and Kansas City Live, LLC. In connection with the Agreement, the undersigned hereby states and certifies that:

1. With respect to the Fiscal Year of the District ending on April 30, 20__:
 - (a) The total amount of District Revenues held by the undersigned on the first day of such Fiscal Year as a reserve in accordance with the terms of the Agreement was \$_____;
 - (b) the total amount of the District Revenues disbursed to the undersigned during such Fiscal Year was \$_____;
 - (c) the total amount of District Revenues held by the undersigned on the last day of such Fiscal Year as a reserve in accordance with the terms of the Agreement was \$_____; and
 - (d) Schedule 1 to this Certificate lists and describes in reasonable detail the costs and expenses paid by the undersigned during such Fiscal Year from the District Revenues disbursed to such party pursuant to the Agreement, and there is appended to Schedule 1 reasonable documentation with respect to such costs and expenses

Dated this ___ day of _____, 20__.

[KANSAS CITY LIVE, LLC]

OR

[CITY OF KANSAS CITY, MISSOURI]

By: _____

Name: _____

Title: _____

**EXHIBIT C
FORM OF DISTRIBUTION MEMO**

DISTRIBUTION MEMO

To: District Manager, 1200 Main/South Loop Community Improvement District

Terms not otherwise defined herein shall have the meaning ascribed to those terms in the Cooperative Agreement dated as of May __, 2020 (the "Agreement") among the 1200 Main/South Loop Community Improvement District, the City of Kansas City, Missouri, and Kansas City Live, LLC. In connection with the Agreement, the undersigned hereby states and certifies that:

1. The amount available for distribution from the Account in accordance with Section 3.1 of the Agreement on the most recent Calculation Date was \$_____;

2. Schedule 1 attached hereto lists the amount and payee of each distribution of District Revenues made on the current Distribution Date; and

3. The amount, if any, remaining in the Account after such distributions on the current Distribution Date is \$_____, and the reason for retaining such amount is _____.

Dated this 25th day of _____, 20__.

[NAME OF DISTRICT'S FISCAL AGENT]

By: _____

Name: _____

Title: _____

EXHIBIT D
FORM OF LIST OF CURRENT DISTRICT ADMINISTRATIVE COSTS

LIST OF CURRENT DISTRICT ADMINISTRATIVE COSTS

To: District Manager, 1200 Main/South Loop Community Improvement District

Terms not otherwise defined herein shall have the meaning ascribed to those terms in the Cooperative Agreement dated as of May __, 2020 (the "Agreement") among the 1200 Main/South Loop Community Improvement District, the City of Kansas City, Missouri, and Kansas City Live, LLC. In connection with the Agreement, the undersigned hereby states that:

1. Schedule 1 attached hereto is a list of due and unpaid District Administrative Costs that have been presented to the Fiscal Agent for payment from District Revenues on the next Distribution Date, to which there is appended copies of the invoices associated with such unpaid District Administrative Costs;

2. The Fiscal Agent proposes to set aside the following amounts to make provision for the following regularly recurring District Administrative Costs that will become due prior to the next Distribution Date: _____; and

3. Upon approval hereof by the District, the Fiscal Agent will pay the items listed on Schedule 1 on the next Distribution Date.

Dated this __ day of _____, 20__.

[NAME OF DISTRICT'S FISCAL AGENT]

By: _____
Name: _____
Title: _____

APPROVED ON BEHALF OF THE DISTRICT on _____, 20__.

By: _____
Name: _____
Title: _____