

AN ORDINANCE APPROVING A PETITION FOR THE ESTABLISHMENT AND CREATION OF A COMMUNITY IMPROVEMENT DISTRICT; ESTABLISHING THE NORTH KANSAS CITY DESTINATION DEVELOPERS COMMUNITY IMPROVEMENT DISTRICT AS A POLITICAL SUBDIVISION OF THE STATE OF MISSOURI; AND DIRECTING THE CITY CLERK TO NOTIFY THE MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT OF THE CREATION OF THE DISTRICT.

WHEREAS, the City of North Kansas City, Missouri (the “**City**”) is a body corporate, a third class city and political subdivision of the State of Missouri, duly created, organized and validly existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “**CID Act**”) authorize the governing body of any municipality, upon a proper petition requesting the formation and after a public hearing, to adopt an ordinance establishing a community improvement district; and

WHEREAS, on October 18, 2017, pursuant to Resolution No. 17-068 adopted by the City Council on October 17, 2017, the Mayor executed the Petition for Establishment of the North Kansas City Destination Developers Community Improvement District attached hereto as **Exhibit 1** (the “**CID Petition**”); and

WHEREAS, on October 18, 2017, property owners in the District filed the CID Petition for the creation of the North Kansas City Destination Developers Community Improvement District (the “**District**”) with the Clerk of the City of North Kansas City, Missouri; and

WHEREAS, there are three owners of all real property within the community improvement district described in the CID Petition; and

WHEREAS, the City and North Kansas City Destination Developers, LLC (a) collectively own more than fifty percent by assessed value of the real property within the boundaries of the District, and (b) constitute more than fifty percent per capita of all the owners of real property within the boundaries of the District and, therefore, pursuant to the CID Act, are proper signatories to the CID Petition; and

WHEREAS, none of the signatures of the signers of the CID Petition were withdrawn within seven days after the CID Petition was filed with the City Clerk; and

WHEREAS, all real property included in the District is contiguous and is entirely located within the City of North Kansas City, Missouri; and

WHEREAS, the City Clerk verified that the petition complied with the CID Act and set a public hearing with all proper notice being given in accordance with the CID Act; and

WHEREAS, the City Council held a public hearing on November 7, 2017, at which all persons interested in the formation of the District were allowed an opportunity to speak and at which time the City Council heard all protests and received all endorsements; and

WHEREAS, the City Council finds that notice of the formation of the District has been duly given and the public hearing thereon has been held in which all reasonable protests, objections and endorsements have been heard, all in accordance with Section 67.1431 of the CID Act; and

WHEREAS, the City Council further finds that the petition to form the District is proper in that it meets all of the requirements of Section 67.1421 of the CID Act.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH KANSAS CITY, MISSOURI, AS FOLLOWS:

Section 1. Unless otherwise defined herein, all terms used in this Ordinance shall be construed as defined in the CID Act and the CID Petition.

Section 2. Pursuant to the CID Act and subject to the terms of the CID Petition, the North Kansas City Destination Developers Community Improvement District is hereby established on that real property described in, and pursuant to the terms set forth in, the CID Petition. The District is created within the City as a political subdivision of the State of Missouri having the powers and purposes set forth in the CID Petition. The District shall include the contiguous tracts of real estate described in **Exhibit A** and shown in **Exhibit B** of the CID Petition, and shall be governed by a board of directors consisting of five (5) members appointed by the Mayor with the consent of the City Council pursuant to the passage of Resolution No. 17-068 and this Ordinance, subject to the qualifications set forth in the CID Petition. The District is authorized to impose a sales tax in the amount set forth in the CID Petition. The District is not authorized to impose a real property tax, a business license tax, or special assessments.

Section 3. The term of the existence of the District shall be a maximum length of twenty-three (23) years from the date upon which any sales tax is levied in the District pursuant to the CID Petition.

Section 4. The City Council has previously declared that the real property within the District was found to a “blighted area” pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Section 99.800, et seq. MO. REV. STAT., as amended, and is therefore deemed a “blighted area” under the CID Act.

Section 5. The Board of Directors for the District, having been previously appointed by the Mayor and approved by the City Council as set forth in Resolution No. 17-068, are hereby confirmed and ratified by passage of this Ordinance, along with their respective terms set forth in Resolution No. 17-068, effective on formation of the District.

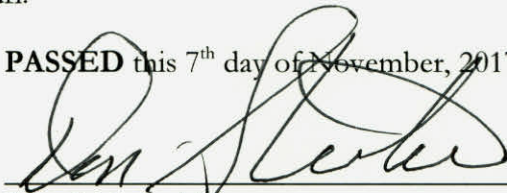
Section 6. The City Clerk is hereby directed to prepare and file with the Missouri Department of Economic Development the report specified in Section 67.1421.6 of the CID Act.

Section 7. The officers of the City are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions to the documents herein approved, authorized and confirmed which they may approve, and the execution of such action shall be conclusive evidence of such necessity or advisability. All actions taken to date by the officers of the City with respect to the CID Petition and the District, including, without limitation, the provision of notices for the public hearing regarding the creation of the District, are hereby ratified.

Section 8. It is hereby declared to be the intention of the City Council that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the City Council intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accord with the legislative intent.

Section 9. This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

PASSED this 7th day of November, 2017.



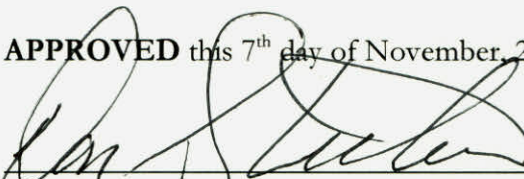
Don Stielow, *Mayor*

ATTEST:



Crystal Doss, *City Clerk*

APPROVED this 7th day of November, 2017.




Don Stielow, *Mayor*

APPROVED AS TO FORM:



Anthony Bologna, *City Attorney*



Thomas E. Barzee, Jr., *City Counselor*

**PETITION FOR ESTABLISHMENT OF THE
NORTH KANSAS CITY DESTINATION DEVELOPERS
COMMUNITY IMPROVEMENT DISTRICT
CITY OF NORTH KANSAS CITY, MISSOURI**

OCTOBER 18, 2017

**PETITION FOR THE CREATION OF THE
NORTH KANSAS CITY DESTINATION DEVELOPERS
COMMUNITY IMPROVEMENT DISTRICT**

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

The undersigned real property owners (the "Petitioners"), being the owner collectively owning

- (1) more than fifty percent (50%) by assessed value of the real property and
- (2) more than fifty percent (50%) per capita of all owners of real property

within the boundaries of the hereinafter described community improvement district, does hereby petition and request that the City Council of the City of North Kansas City, Missouri create a community improvement district as described herein under the authority of Sections 67.1401 to 67.1571, RSMo (the "CID Act"). In support of this petition, the Petitioner sets forth the following information in compliance with the CID Act:

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

North Kansas City Destination Developers Community Improvement District.
2. Legal Description and 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 North Kansas City, Missouri.
3. Five-Year Plan. A five-year plan containing a description of the purposes of the proposed District, the services and public improvements that will be funded by the District, an estimate of costs of these services and improvements to be incurred, and other details and requirements as set forth in the CID Act is attached hereto as Exhibit C (the "Five Year Plan").
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 Board of Directors (the "Board") will consist of five (5) members. The initial Board of Directors shall be appointed by the Mayor with the consent of the City Council. The proposed names of the initial directors and their terms are as follows:

<u>Name</u>	<u>Term</u>
Joel Laner	4 Years
Gordon Gee	4 Years
Steve Warger	2 Years

Don Stielow 2 Years

Eric Berlin 2 Years

Successor members of the Board (each a "Director") shall be appointed by the Mayor, with consent of the City Council, and in accordance with a CID development agreement to be executed in connection with this Petition (the "CID DA").

- 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 of real property within the District ("Owner") or an authorized representative of an Owner, an owner of a business operating within the District ("Operator"), or a registered voter ("Resident") residing within the District, as provided in the CID Act;
 - (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) be appointed according to the terms and provisions set forth in the CID DA.
- c. Terms. Initial Directors shall serve for the term set forth above. Each Successor Director shall serve a four (4) year term or until his/her successor is appointed in accordance with this Petition. If, for any reason, a Director is not able to serve his/her term, the remaining Directors shall elect an interim Director to fill the vacancy of the unexpired term.
6. Assessed Value. The total assessed value of all real property in the District is \$1,497,120.
7. Duration of District. The proposed maximum length of time for the existence of the district is twenty-three (23) years from the date upon which any sales tax is levied within the District pursuant to this Petition.
8. Real Property and Business License Taxes. The District will not have the power to impose a real property tax levy or business license taxes.
9. Special Assessments. The District will not have the power to impose special assessments.
10. Sales Tax. Qualified voters of the District may be asked to approve a sales tax of up to one percent (1%) ("District Sales Tax"), in accordance with the CID Act, to fund certain improvements within the District and/or to pay the costs of services provided by the District. Additional details about the District Sales Tax are set forth in the Five Year Plan attached hereto as Exhibit D.
11. Borrowing Limits. Petitioners do not seek limitations on the borrowing capacity of the District.
12. Revenue Limits. Petitioners do not seek limitations on the revenue generation of the District.
13. Authority Limits. Petitioners do not seek limitations on the authority of the District, except as set forth in this Petition.

14. Blight. Petitioners seek a finding of blight under this Petition. It is acknowledged that contemporaneously with the proposed approval of this Petition by the City Council, the District has been found to be a "blighted area" pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Section 99.800, et. seq., Revised Statutes of Missouri, as amended, and is therefore eligible to be deemed a "blighted area" under the CID Act.
15. Revocation of Signatures. **THE PETITIONERS ACKNOWLEDGE THAT THE SIGNATURES OF THE SIGNERS 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 North Kansas City Destination Developers Community Improvement District in accordance with the information set forth in this Petition and that the Mayor appoint and 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 PAGES FOR PETITION FOR THE CREATION OF THE
NORTH KANSAS CITY DESTINATION DEVELOPERS COMMUNITY IMPROVEMENT
DISTRICT**

Name of owner: City of North Kansas City, Missouri

Owner's address: c/o Eric Berlin, 2010 Howell Street, North Kansas City, MO 64116

Owner's telephone number: (816) 274-6000

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: _____

Title: _____

Signer's telephone number: _____

Signer's mailing address: _____

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	<input checked="" type="checkbox"/>	Other Municipal corporation

Name of owner: North Kansas City Destination Developers, LLC, a Missouri limited liability company

Owner's address: c/o Rick Worner, Manager 2010 Howell Street, North Kansas City, MO 64116

Owner's telephone number: (816) 274-6000

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Rick Worner

Title: Manager, North Kansas City Destination Developers, LLC

Signer's telephone number: 913-383-5156

Signer's mailing address: 7007 Apache Drive, Shawnee, KS 66226

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	<input checked="" type="checkbox"/>	Other Municipal corporation

Parcel numbers (map attached hereto as Exhibit B):

17-611-00-06-008.00
17-611-00-06-009.00
17-611-00-06-008.01
17-611-00-06-007.00
17-611-00-06-006.00
17-611-00-06-005.00
17-611-00-06-004.00
17-611-00-06-002.00
17-611-00-06-001.00
17-611-00-06-011.00
17-612-00-01-002.00
17-612-00-01-001.00
17-608-00-06-013.00
17-612-00-01-002.01

Remaining property located within District is unplatted property that is tax exempt property located within publicly dedicated right of way in which Petitioner holds reversionary interest to fee title.

Total Assessed value:

\$1,497,120

[Signatures follow on separate pages.]

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

City of North Kansas City, Missouri

By:

Name: Don Stielow

Title: Mayor

Date: October 18, 2017

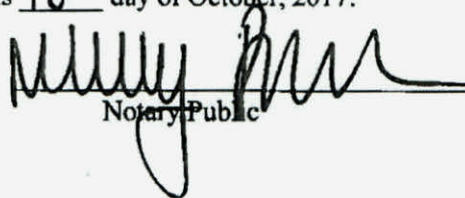
STATE OF MISSOURI)
) ss:
COUNTY OF CLAY)

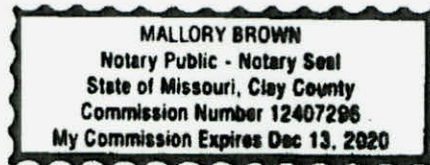
On this 18th day of October, 2017, before me appeared DON STIELOW, to me personally known, who, being by me duly sworn did say that he is the Mayor of the City of North Kansas City, Missouri, a Missouri municipal corporation, and that said instrument was signed on behalf of said municipal corporation, and said municipal corporation acknowledged said instrument to be the free act and deed of said entity.

WITNESS my hand and official seal this 18th day of October, 2017.

My Commission Expires:

Dec 13, 2020


Notary Public



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

North Kansas City Destination Developers, LLC,
a Missouri limited liability company

By: *Rick Worner*

Name: Rick Worner

Title: Manager

Date: October 5, 2017

STATE OF Missouri)
COUNTY OF JACKSON) ss:

On this 5th day of October, 2017, before me appeared Rick Worner, to me personally known, who, being by me duly sworn did say that he is the Manager of North Kansas City Destination Developers, a Missouri limited liability company, and that said instrument was signed on behalf of said limited liability company, and said limited liability company acknowledged said instrument to be the free act and deed of said entity.

WITNESS my hand and official seal this 5th day of October, 2017.

My Commission Expires: 4-18-20 *Jessica Rutland*
Notary Public



EXHIBIT A

Legal Description of North Kansas City Destination Developers Community Improvement District

All that part of a tract of land in Fractional Section 13, Township 50 North, Range 33 West, in North Kansas City, Clay County, Missouri, more particularly described as follows:

Commencing at the Southwest corner of said Fractional Section 13; thence South 89°06'36" East, coincident with the South line of said Fractional Section 13, a distance of 316.69 feet; thence departing said South line, North 00°53'24" East, 30.00 feet, to the point of intersection of the Northerly right-of-way line of 16th Avenue, and the Southeasterly right-of-way line of Interstate 35, as both now exist and the Point of Beginning; thence coincident with said Southeasterly right-of-way line, thence North 23°48'08" East, 266.28 feet; thence continuing along said right-of-way North 35°35'02" East, 170.48 feet; thence departing said right-of-way line, South 54°24'58" East, 477.40 feet to the Northwesterly right-of-way of future Mill Street; thence along said right-of-way and a curve to the left having an Initial Tangent Bearing of North 43°14'05" East, a radius of 264.00 feet, a central angle of 4°50'41" an arc distance 22.32 feet; thence coincident with said right-of-way, along the following three courses; thence North 38°23'24" East, 264.18 feet to a point of curvature; thence along said curve to the left, having a radius of 238.50 feet, a central angle of 36°23'59" an arc distance 151.52 feet; thence North 01°59'25" East, 945.04 feet to said Southeasterly right-of-way line of Interstate 35; thence coincident with said Southeasterly right-of-way line, along the following four courses: thence North 35°35'02" East, 218.64 feet; thence North 58°47'58" East, 781.89 feet; thence South 89°07'37" East, 50.00 feet; thence North 00°52'23" East, 80.71 feet to the Southwest corner of Lot 1, ARMOUR ROAD REDEVELOPMENT, a subdivision in said North Kansas City; thence departing said Southeasterly right-of-way line, coincident with the Southerly line of said Lot 1, South 89°08'55" East, 162.35 feet; thence continuing along said Southerly line, South 50°56'25" East, 75.98 feet to a point on the Northwesterly right-of-way line of Mill Street as it now exists; thence coincident with said Northwesterly right-of-way line, North 39°03'35" East, 379.35 feet to the West line of Lot 2, ARMOUR ROAD REDEVELOPMENT; thence North 12°47'36" West, along said West line 261.37 feet to the Southerly right-of-way line of Armour Road/Missouri Route 210, as it now exists; thence coincident with said right-of-way for the following nine courses: thence North 77°16'31" East, 264.58 feet; thence North 00°45'41" East, 41.13 feet; thence North 77°16'31" East, 400.03 feet; thence South 00°45'41" West, 13.13 feet; thence South 89°17'32" East, 12.00 feet; thence North 00°45'41" East, 15.99 feet; thence North 77°16'31" East, 136.99 feet; thence South 12°44'06" East, 9.00 feet; thence North 77°15'54" East, 60.00 feet; thence departing said Southeasterly right-of-way line of Armour Road/Missouri Route 210, North 90°00'00" East, 64.33 feet to the Northeasterly right-of-way of future Taney Street; thence along said right-of-way line, South 12°41'33" East, 182.26 feet to a point of curvature; thence continuing Southeasterly, Easterly and Northeasterly along said right-of-way and a curve to the left, having a radius of 35.00 feet, a central angle of 108°03'04" an arc distance of 66.00 feet; thence departing said right-of-way line, South 0°00'00" East, 99.13 feet to a point on the Northwesterly line of the Chicago, Burlington and Quincy Railroad, as it now exists; thence coincident with the Northwesterly right-of-way line of said Railroad, along the following courses: thence Southwesterly along a non-tangent curve to the left, having an Initial Tangent Bearing of South 42°21'24" West, a radius of 2365.57 feet; an central angle of 0°49'33", an arc distance of 34.09 feet; thence South 38°17'41" West, 421.05 feet; thence South 38°25'40" West, 386.80 feet; thence North 89°18'36" West, 147.74 feet; thence Southwesterly, along a non-tangent curve to the right having an Initial Tangent Bearing of South 18°41'59" West, a radius of 469.15 feet, a chord bearing of South 28°32'42" West, a chord length of 160.44 feet, an arc distance of 161.23 feet; thence South 38°23'24" West, 1,155.92 feet; thence North 89°06'36" West, 374.99 feet; thence South 38°23'24" West, 1,073.64 feet to a point on the South line of the Southwest Quarter of said Section 13; thence departing the Northwesterly line of said Railroad, and coincident with the South line of said Southwest Quarter, North 89°06'36" West, 48.05 feet; thence departing said South line, North 00°52'01" East, 30.00 feet to a point on the North right-of-way line of

16th Street, as it now exists; thence North $89^{\circ}06'36''$ West, coincident with said North right-of-way line, 563.39 feet to the Point of Beginning, containing 2,294,691 square feet, or 52.679 acres, more or less.

**EXHIBIT C
FIVE YEAR PLAN**

(Attached)

FIVE YEAR DISTRICT MANAGEMENT PLAN
OF THE
NORTH KANSAS CITY DESTINATION DEVELOPERS COMMUNITY IMPROVEMENT
DISTRICT
CITY OF NORTH 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 North Kansas City Destination Developers Community Improvement District in North Kansas City, Missouri. It is an integral and composite part of the petition to establish the North Kansas City Destination Developers Community Improvement District.

Introduction

The North Kansas City Destination Developers Community Improvement District (the "District") is created pursuant to Sections 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.

Section 1 - Why Create a Community Improvement District?

The District will encompass a proposed mixed-use development generally located at the southeast corner of the intersection of US I-35 and Armour Road/MO Hwy 210 in North Kansas City, Missouri (the "Development"). The Development will be comprised of commercial, office, and entertainment components. 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 North Kansas City, Missouri (the "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, certain 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 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 the City with the consent of the City Council pursuant to a slate submitted in accordance with the Petition and a CID development agreement to be executed in connection with the Petition (the "CID DA").

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 owners of 87% of the assessed value and 67% of the per capita property owners within the District.

Location:

The Development is located generally located at the southeast corner of the intersection of US I-35 and Armour Road/MO Hwy 210, in North Kansas City, Missouri and consists of approximately 52.679+/- acres. The District will include commercial, office, and entertainment development.

Assessed Value of District:

The total assessed value of the properties within the District on the date of the Petition is \$1,497,120.

Improvements and Services:

The purpose of the District is to provide funding for the construction of certain public improvements and the provision of certain services within the District's boundaries. The improvements initially contemplated include site work, grading, infrastructure improvements, utility improvements, parking improvements, right-of-way improvements, landscaping, lawns, trees, and any other landscape, utility improvements, construction of infrastructure improvements, as well as any other improvements permitted by the CID Act (the "Improvements"). 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.

The District may also fund the provision of services within its boundaries for the benefit of the owners and tenants of the District (the "Services"), which may include: operating, maintaining, installing, equipping, repairing and protecting the common areas within the District, including, without limitation (a) operating, installing, maintaining and repairing the common driveways and access roads, sidewalks, curbs, signs, streetlights, landscaping and parking areas; (b) causing the necessary engineering and planning performed in connection with the Services; (c) streetscaping, gardening and landscaping (including but not limited to purchasing, installing and maintaining trees, shrubs, flowers and other vegetation, maintaining pots and planters, planting and replacing trees located along or adjacent to public rights-of-way and private drives, installing and maintaining lighting, public art, mowing, seeding and fertilizing grass and other vegetation); (d) maintaining and repairing irrigation systems and fire protection systems; (e) maintaining and repairing sanitary and storm sewers; (f) repairing, lighting, restriping, resurfacing and replacing parking lots; (g) providing or contracting for the provision of cleaning and maintenance services for exterior common areas in order to improve the appearance and image of the District, including but not necessarily limited to litter removal, purchase and maintenance of trash receptacles, cleaning and sweeping of sidewalks, streets, parking areas, private

drives, and gutters; (h) snow and ice removal; (i) trash, garbage, and other refuse removal; (j) repair and maintenance of directional and pylon signs; (k) repainting and repairing exterior areas; (l) repair and maintenance of exterior building and canopy lighting systems and components; (m) repair and maintenance of roofs, gutters, downspouts, fascia and columns; (n) the cost of non-administrative personnel (including, without limitation, workers compensation insurance) to implement such services; (o) employing or contracting for the provision of personnel to assist landowners, occupants, and users to improve security and safety conditions within the District, including but not limited to addressing public safety concerns, identifying and reporting public nuisances, and (if deemed advisable by the District) conducting security patrols; (p) hiring or contracting for personnel to staff and provide services to the District; and (q) and any other services permitted by the CID Act.

It is also anticipated that all costs, including attorneys fees, associated with formation of the District, including, but not limited to, the preparation of the CID Petition, the negotiation and drafting of any agreements entered into upon formation of the District in furtherance of the District's purposes, and the initial implementation of the District ("Formation Costs") will be reimbursed to the advancing party, or paid directly, from funds generated by the District.

Method of Financing:

It is proposed that the District will impose 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 by the Petitioner, or its successors or assigns, to cover the costs contemplated hereunder will be reimbursed by the District upon the availability of funds. 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.

Estimated Costs:

Attached as Exhibit A to this Plan is a table setting forth the estimated cost of the Improvements and the Services, and a table setting forth the projected cash flow for the first five years of the District's existence.

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-three (23) 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, during the first five years, the purpose of the District is to provide revenue sources to fund construction and installation of 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 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 North Kansas City with the consent of the City Council pursuant to the terms of the Petition and the CID DA. The Mayor shall appoint such directors in accordance with the CID DA 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 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 FIVE YEAR PLAN OF THE
NORTH KANSAS CITY DESTINATION DEVELOPERS COMMUNITY IMPROVEMENT
DISTRICT**

ESTIMATED COSTS OF IMPROVEMENTS AND SERVICES¹

Hard Costs

Sitework	\$	12,096,612
Architecture and Engineering	\$	300,000
Hard Construction	\$	2,988,750
Subtotal	\$	15,385,362
Contingency	\$	1,538,536
Hard Costs Total	\$	16,923,898

Soft Costs

Third Party Professional Costs	\$	262,500
Miscellaneous Soft Costs	\$	1,726,463
Subtotal	\$	1,988,963
Contingency	\$	99,448
Soft Costs Total	\$	2,088,411

TOTAL HARD COSTS	\$	16,923,898
TOTAL SOFT COSTS	\$	2,088,411

TOTAL IMPROVEMENT COSTS	\$	19,012,309
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SERVICES COSTS (\$25,000/yr x 23 Years)	\$	\$575,000
TOTAL	\$	19,587,309

CASH FLOW PROJECTION²

YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
\$0	\$81,893	\$163,786	\$248,160	\$250,642

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.

MEMORANDUM

TO: Mayor and City Council

FROM: Thomas E. Barzee, Jr., *City Counselor*

cc: Eric Berlin, *City Administrator*

RE: *Armour Road Redevelopment Area—Approval of Petition and Establishment of the North Kansas City Destination Developers Community Improvement District.*

DATE: November 7, 2017

PURPOSE: The purpose of the accompanying ordinance, if duly passed by the City Council and approved by the Mayor, after a public hearing, is to (1) approve the Petition for Establishment of the North Kansas City Destination Developers Community Improvement District (the “**CID Petition**”) pursuant to the Community Improvement District Act; (2) establish the North Kansas City Destination Developers Community Improvement District (the “**District**”); and (3) direct the City Clerk to notify the Missouri Department of Economic Development of the creation of the District.

REMARKS: Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “**CID Act**”) authorize the governing body of any municipality, upon a proper petition requesting the formation and after a public hearing, to adopt an ordinance establishing a community improvement district. On October 18, 2017, the City of North Kansas City, Missouri (the “**City**”) and North Kansas City Destination Developers, LLC (the “**Developer**”) filed the CID Petition for the creation of the District with the City Clerk. There are three owners of all real property within the community improvement district described in the CID Petition. Significantly, the City and the Developer (a) collectively own more than fifty percent by assessed value of the real property within the boundaries of the District, and (b) constitute more than fifty percent per capita of all the owners of real property within the boundaries of the District and, therefore, pursuant to the CID Act, are appropriate signers of the CID Petition.

As required by the CID Act, prior to consideration of the attached ordinance creating the District, the City Council will hold a public hearing, at which all persons interested in the formation of the District are allowed an opportunity to speak. The City Council is required to hear any and all protests and to receive all endorsements.

Please let me know if you have any questions or comments.