

AN ORDINANCE APPROVING THE PETITION FOR AND ESTABLISHING THE BLUE PARKWAY AND COLBERN ROAD COMMUNITY IMPROVEMENT DISTRICT AND AUTHORIZING THE EXECUTION OF A COOPERATIVE AGREEMENT BETWEEN THE CITY OF LEE'S SUMMIT, MISSOURI AND THE DISTRICT.

WHEREAS, Sections 67.1401 to 67.1571 RSMo, 2000, as amended (the "CID Act"), authorize the governing body of any city, upon presentation of a proper petition requesting the formation and after a public hearing, to adopt an ordinance establishing a community improvement district; and,

WHEREAS, the City of Lee's Summit, Missouri (the "City") is a charter city and a political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and,

WHEREAS, property owners within the proposed community improvement district have filed with the Lee's Summit City Clerk (the "City Clerk") a petition for the establishment of a community improvement district pursuant to the CID Act (the "Petition"), entitled the Petition for the Creation of the Blue Parkway and Colbern Road Community Improvement District (the "District"); and,

WHEREAS, the City Clerk verified that the Petition substantially complies with the CID Act, submitted the verified Petition to the City Council and set a public hearing with all proper notice being given in accordance with the CID Act or other applicable law; and,

WHEREAS, none of the signatures of the signers of the Petition were withdrawn within seven days after the Petition was filed with the City Clerk; and,

WHEREAS, all the real property included in the District is entirely located within the City of Lee's Summit; and,

WHEREAS, on March 22, 2012, the City Council held a public hearing at which all persons interested in the formation of the District were allowed an opportunity to speak; and,

WHEREAS, the Petition to establish the District being fully heard before the City Council, the City now desires to establish the District and make such other findings as necessary; and,

WHEREAS, the District is authorized in accordance with the provisions of the CID Act to contract with the City; and,

WHEREAS, the City desires to contract with the District to establish the rights, duties and obligations of the parties regarding the operating and financing of the District.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. All terms used in this Ordinance shall be construed as defined in the CID Act and the Petition.

SECTION 2. The City Clerk has verified that the Petition substantially complies with all submission requirements of the CID Act.

SECTION 3. The District is hereby approved and shall be established within the City as a political subdivision of the State of Missouri, as provided in the Petition, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference. The District includes the contiguous tracts of real estate as described in the attached Petition and shown on the map set forth in the attached Petition.

SECTION 4. As set forth in the Petition, the District shall be governed by a board of directors consisting of five (5) members, who were initially named in the Petition and whose successors shall be appointed as provided in the Petition.

SECTION 5. The District's Board of Directors shall have authority to impose special assessments and establish a sales tax within the District as set forth in the Petition and in conformance with the CID Act.

SECTION 6. The District shall have and possess without limitation such powers authorized under the CID Act and as set forth or otherwise limited in the Petition.

SECTION 7. The maximum length of time for the existence of the District shall be forty (40) years from the date of adoption of this Ordinance.

SECTION 8. The City Clerk is hereby directed to prepare and file with the Missouri Department of Economic Development (the "Department") the report specified in subsection 6 of Section 67.1421 of the CID Act, substantially in the form provided by the Department.

SECTION 9. The Cooperative Agreement between the City and the District ("Agreement"), attached hereto as Exhibit B and incorporated herein by this reference, is approved and the Mayor is authorized to execute the Agreement in substantial compliance with the attached Agreement.

SECTION 10. City officers and agents of the City are each hereby authorized and directed to take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

SECTION 11. That all ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 12. That this Ordinance shall be in full force and effect from and after its passage, adoption, and approval by the Mayor.

PASSED by the City Council for the City of Lee's Summit, Missouri, this 22nd day of March, 2012.



Mayor Randall L. Rhoads

ATTEST:


City Clerk *Denise R. Chisum*

APPROVED by the Mayor of said city this 26 day of March, 2012.


Mayor *Randall L. Rhoads*

ATTEST:


City Clerk *Denise R. Chisum*

APPROVED AS TO FORM:


Deputy City Attorney *John L. Mautino*

EXHIBIT A
CID PETITION

PETITION FOR THE CREATION OF THE
BLUE PARKWAY AND COLBERN ROAD
COMMUNITY IMPROVEMENT DISTRICT

FILED IN THE OFFICE
OF THE CITY CLERK
DATE: 3/20/12
TIME: 12:40 pm
City of Lee's Summit, Missouri

To the City Council of the City of Lee's Summit, Jackson County, Missouri (the "City"):

The undersigned, collectively representing:

- (1) the owners collectively owning more than fifty percent by assessed value of the real property within the boundaries of the hereinafter described community improvement district, 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 of the City of Lee's Summit (the "City Council") create a community improvement district as described herein under the authority of Sections 67.1401 to 67.1571, inclusive, RSMo (the "CID Act").

- A. Proposed District Name. The name for the proposed community improvement district (the "District") is:

Blue Parkway and Colbern Road Community Improvement District

- B. Legal Description and Map. A legal description and map of the District are attached hereto as **Exhibit A**. The proposed district is located entirely within the corporate boundaries of the City.
- C. Five Year Plan. A five-year plan stating a description of the purposes of the District, the improvements it will make and an estimate of costs of these improvements to be incurred is attached hereto as **Exhibit B**.
- D. Establishment as Political Subdivision. The District will be established as a political subdivision under the CID Act.
- E. Appointment of Directors. The proposed district will be governed by a Board of Directors, which will consist of 5 members, who are named and shall serve for the terms specified below. Successor Directors shall be appointed by the Mayor with the consent of the City Council. In order to implement the contractual arrangements between the City and the Unity School of Christianity ("USC"), and in addition to the qualifications of the Board of Directors as set forth in the CID Act, three members of the Board of Directors shall be selected and designated by the City, and the remaining two directors may be designated by USC, or an assignee of USC.

The initial Board of Directors:

Brian Scott-City	4 years
Greg Foss-City	4 years
Conrad Lamb-City	2 years
Michael VanBuskirk-USC	2 years
Bruce Schall-USC	2 years

- F. Total Assessed Value. The total assessed value of all real property in the proposed district is Forty Two Thousand Six Hundred Sixty Eight and No/100 dollars (\$42,668.00). Parcel ownership and assessed value information is attached as Exhibit C.
- G. No Blighted Area Determination. The undersigned are not currently seeking a determination that any portion of the District is blighted under the CID Act.
- H. Term of Existence. The proposed maximum length of time for the existence of the district is forty (40) years from the date of the ordinance approving the petition.
- I. Sales Tax. Qualified voters of the CID may be asked to approve a sales tax to be imposed in the maximum amount of one percent (1%) ("**District Sales Tax**"), in accordance with the CID Act, to assist in the funding of certain public improvements and services that serve the property within the District.
- J. Real Estate Tax and Business License Tax. Petitioners will not seek to submit to qualified voters any proposition for approval of a real property tax levy or business license taxes.
- K. Maximum Special Assessment. Pursuant to Section 67.1521 of the CID Act, the District may, by resolution and per petition of the Owners, impose a special assessment on real property within the District at a maximum rate in any year equal to fifty percent (50%) of the combined ad valorem real property tax levies of all taxing jurisdictions which impose real property taxes within the District (the "**Special Assessments**"). Other than the Special Assessments, the District shall have no power to submit a special assessment to the qualified voters of the District for approval.
- L. No Borrowing Capacity Limitation. Petitioners do not seek limitations on the borrowing capacity of the District.
- M. No Revenue Limitations. Petitioners do not seek limitations on the revenue generation of the District.
- N. No Power Limitation. Petitioners do not seek limitations on the powers of the District, except that the District shall obtain the approval of the City before designing and constructing any public improvements or providing any public services authorized under the CID Act, or providing funding for any such improvements and services, that are not set forth in the five-year plan attached hereto as Exhibit B.
- O. Petitioner Withdrawal Right Notice. **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.**

**EXECUTION PAGE FOR PETITION FOR THE CREATION OF
THE BLUE PARKWAY AND COLBERN ROAD
COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: Unity School of Christianity
 Owner's telephone number: (816) 524-3550
 Owner's mailing address: 1901 Northwest Blue Parkway, Unity Village, MO 64065

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Charlotte Shelton
 State basis of legal authority to sign: Signer is the President and CEO of the Owner and has been generally authorized under the Owner's Bylaws to sign on its behalf.

Signer's telephone number: 816-347-5500
 Signer's mailing address: 1901 NW Blue Pkwy, Unity Village, MO 64065

- If owner is an individual: Single Married
- If owner is not an individual,
state what type of entity: Corporation General Partnership
- Limited Partnership Limited Liability Company
- Partnership Urban Redevelopment Corporation
- Not-for-profit Corporation Other _____

Map and parcel numbers:

51-600-03-12-00-0-00-000
 51-700-02-04-00-0-00-000
 51-700-02-44-00-0-00-000
 51-600-03-07-02-0-00-000
 51-600-04-04-00-0-00-000
 51-600-04-05-00-0-00-000
 51-600-04-11-00-0-00-000
 51-600-04-06-00-0-00-000
 51-600-04-10-00-0-00-000
 51-600-04-12-00-0-00-000
 51-600-04-08-01-0-00-000
 52-400-03-02-00-0-00-000
 52-400-03-03-00-0-00-000

Assessed value: \$41,984.00

By executing this petition, the undersigned represents and warrants that he or she is authorized to execute this petition on behalf of the property owner named immediately above. The undersigned also acknowledges that the signature may not be withdrawn later than seven (7) days after this Petition is filed with the City Clerk.

Date: 3-19-12

^{BA}
Signature: Charlotte Shelton

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this 19 day of March, 2012 before me, a Notary Public, personally appeared Charlotte Shelton of Unity, known to me to be the person described in the foregoing instrument and who, pursuant to due authority, executed the same on behalf of Unity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Sandra L Meyer
Notary Public:

My Commission Expires:

July 29, 2013

SANDRA L MEYER
My Commission Expires
July 29, 2013
JACKSON County
Commission #09403728



**EXECUTION PAGE FOR PETITION FOR THE CREATION OF
THE BLUE PARKWAY AND COLBERN ROAD
COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: Bernell K. Rice
Owner's telephone number: 816-524-0550
Owner's mailing address: 304 NW Victoria Drive, Lee's Summit, MO 64086

IF SIGNER IS DIFFERENT FROM OWNER:


Name of signer: Bernell K. Rice
State basis of legal authority to sign: Signer is the Owner.
Signer's telephone number: 816-524-0550
Signer's mailing address: 304 NW Victoria Drive, Lee's Summit, MO 64086

- If owner is an individual: Single Married
- If owner is not an individual,
state what type of entity: Corporation General Partnership
- Limited Partnership Limited Liability Company
- Partnership Urban Redevelopment
 Corporation
- Not-for-profit Corporation Other _____

Map and parcel numbers: 51-700-01-19-00-0-00-000

Assessed value: \$684.00

By executing this petition, the undersigned represents and warrants that he or she is authorized to execute this petition on behalf of the property owner named immediately above. The undersigned also acknowledges that the signature may not be withdrawn later than seven (7) days after this Petition is filed with the City Clerk.

Date: 3/15/2012 Signature: 

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this 15th day of March, 2013 before me, a Notary Public, personally appeared Bernell K. Lee of _____, known to me to be the person described in the foregoing instrument and who, pursuant to due authority, executed the same on behalf of self.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Colleen Marie Fetz
Notary Public:

My Commission Expires:

9/16/2014

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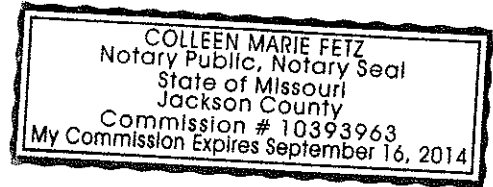


EXHIBIT A TO CID PETITION
BOUNDARY DESCRIPTION AND MAP OF COMMUNITY IMPROVEMENT DISTRICT

BOUNDARY DESCRIPTION

A tract of land in the Southwest Quarter and the Southeast Quarter of Section 25, the Southwest Quarter of Section 30 and the Northwest Quarter and the Northeast Quarter of Section 36, all in Township 48 North, Range 32 West of the 5th Principal Meridian and the Northwest Quarter of Section 31, Township 48 North, Range 31 West of the 5th Principal Meridian in the City of Unity Village and the City of Lee's Summit, Jackson County, Missouri being bounded and described as follows: Beginning at the Southwest corner of the Southeast Quarter of the Southwest Quarter of said Section 25, said corner also being the Northwest corner of "UNITY GARDENS", a subdivision of land in said Lee's Summit; thence South 02°34'25" West, along the West line of said "UNITY GARDENS", 1,221.14 feet to a point on the Northeasterly right-of-way line of Missouri Highway 50, as now established; thence Northwesterly, along said Northeasterly right-of-way line, on a curve to the right, having an initial tangent bearing of North 40°45'36" West with a radius of 683.94 feet, a central angle of 21°47'10" and an arc distance of 260.06 feet; thence North 05°30'24" West, continuing along said Northeasterly right-of-way line, 79.18 feet; thence North 06°48'45" West, continuing along said Northeasterly right-of-way line, 206.37 feet; thence North 12°22'26" West, continuing along said Northeasterly right-of-way line, 500.00 feet; thence North 16°37'05" West, continuing along said Northeasterly right-of-way line, 260.32 feet to a point on the South line of the Southwest Quarter of the Southwest Quarter of said Section 25; thence North 86°17'42" West, along said South line, 251.68 feet; to a point on the West edge of the Southbound lane of Missouri Highway 50, as now established; thence North 11°31'45" West, along said West edge 395.76 feet; thence North 11°58'04" West, continuing along said West edge, 286.03 feet; thence North 11°25'25" West, continuing along said West edge, 425.61 feet; thence North 11°46'03" West, continuing along said West edge, 285.83 feet; thence North 88°11'21" East, 547.44 feet to a point on the East right-of-way line of Blue Parkway, as now established; thence South 28°02'40" East, along said East right-of-way line, 22.81 feet to a point on the North right-of-way line of NE Colbern Road, as now established; thence North 84°44'25" East, along said North right-of-way line, 1,771.34 feet; thence North 05°15'35" West, continuing along said North right-of-way line, 15.00 feet; thence North 84°44'25" East, continuing along said North right-of-way line, 400.00 feet; thence North 05°15'35" West, continuing along said North right-of-way line, 30.00 feet; thence North 84°44'25" East, continuing along said North right-of-way line, 250.00 feet; thence South 05°15'35" East, continuing along said North right-of-way line, 15.00 feet; thence North 84°44'25" East, continuing along said North right-of-way line, 300.00 feet; thence South 05°15'35" East, continuing along said North right-of-way line, 15.00 feet; thence North 84°44'25" East, continuing along said North right-of-way line, 300 feet; thence South 05°15'35" East, continuing along said North right-of-way, 15.00 feet; thence North 84°44'25" East, continuing along said North right-of-way, 2,519.90 feet; thence Easterly, continuing along said North right-of-way, on a curve to the left, being tangent to the last described course with a radius of 2,824.93 feet, a central angle of 12°44'58" and an arc distance of 628.60 feet; thence North 71°59'27" East, continuing along said North right-of-way, 377.80 feet; thence Easterly, continuing along said North right-of-way, along a curve to the right, being tangent to the last described course with a radius of 2,904.93 feet, a central angle of 09°55'57" and an arc distance of 503.58 feet to a point on the East line of said Southwest Quarter; thence South 01°36'59" West, along said East line, 2,644.06 feet to the Southeast corner of said Southwest Quarter, said

corner also being a point on the North line of "LEE'S SUMMIT NORTH INDUSTRIAL PARK, FIRST PLAT", a subdivision in said Lee's Summit; thence North 87°55'04" West, along said North line, said North line also being the South line of the Southwest Quarter of said Section 30, 276.78 feet to the Northeast corner of Lot 12, "LEE'S SUMMIT NORTH INDUSTRIAL PARK, SEVENTH PLAT LOTS 9, 11 & 12", a subdivision of land in said Lee's Summit; thence South 02°05'32" West, along the East line of said Lot 12, 49.53 feet to the Southeast corner of said Lot 12; thence North 88°00'15" West, along the South line of said Lot 12, 1,781.36 feet; thence North 01°59'45" East, continuing along said South line, 25.00 feet; thence Southwesterly, continuing along said South line, on a curve to the left, having an initial tangent bearing of North 88°00'15" West with a radius of 712.27 feet, a central angle of 69°07'43" and an arc distance of 859.37 feet; thence South 22°52'04" West, continuing along said South line, 126.10 feet to the Southwest corner of said Lot 12, said corner also being a point on the Northeasterly right-of-way line of Main Street, as now established; thence North 55°52'27" West, along said Northeasterly right-of-way line, 361.20 feet to a point on the North line of said Lot 12; thence South 63°42'42" West, 161.20 feet to a point on the Southwesterly right of way of the Missouri Pacific Railroad; thence North 26°17'16" West, along said Southwesterly right-of-way line, 525.18 feet; thence North 63°42'42" East, 100.00 feet to a point on the Northeasterly right of way of said Missouri Pacific Railroad; thence North 73°52'34" East, 130.07 feet to a point on the South line of the Southeast Quarter of said Section 25; thence North 87°08'05" West, along said South line, 412.58 feet to a point on the Southwesterly right-of-way line of Ward Road, as now established, said point also being the Southeast corner of Tract 2 as described in Document No. 2005i00455503, recorded in Jackson County, Missouri; thence North 34°09'30" West, along said Southwesterly right-of-way line, 414.70 feet to a point on the West line of the East One-Half of said Southeast Quarter; thence South 02°37'31" West, along said West line, 330.00 feet to the Southwest Corner of said East One-Half; thence North 87°08'05" West, along the South line of said Southwest Quarter, 1308.33 feet to the Southeast corner of the Southwest Quarter of said Section 25; thence North 86°14'22" West, along the South line of the Southeast Quarter of the Southwest Quarter of said Section 25, 1,306.00 feet to the Point of Beginning.

Except: (Residential Apartment Area)

A tract of land as described in "Memorandum of Lease" recorded in Book 1724 at Page 653 described as follows:

All that part of the Southwest Quarter of Section 25, Township 48, Range 32 described as follows: Beginning at a point in the centerline of Colburn Road, as said road is now established, said point being 1,251.11 feet Easterly of the center line of the Northbound slab of U.S. Highway No. 50 as said Highway is now established, as measured along the center line of said Colburn Road; thence Easterly along the center line of said Colburn Road a distance of 514.76 feet; thence deflecting 97 degrees 48 minutes to the right a distance of 500.37 feet; thence Westerly at right angles to the last described course a distance of 510 feet; thence Northerly at right angles to the last described course a distance of 430.51 feet to the point of beginning, except that part in Colburn Road, all in Unity Village, Jackson County, Missouri.

Also Including: All that part of Colburn Road lying Northerly and adjacent to the above described tract of land described in "Memorandum of Lease" recorded in Book 1724 at Page 653.

Also Except: (Residential Dwelling Area)

A tract of land in the Southeast Quarter of Section 25 Township 48 North, Range 32 West of the 5th Principal Meridian in Unity Village, Jackson County, Missouri being bounded and described as follows: Commencing at the Southeast corner of said Southeast Quarter; thence North $87^{\circ}08'05''$ West, along the South line of said Southeast Quarter, 713.66 feet to a point on the East right-of-way line of N. Main Street, as now established; thence North $26^{\circ}17'16''$ West, along said East right-of-way line, 1,427.71 feet; thence Northerly, continuing along said East right-of-way line, on a curve to the right, being tangent to the last described course with a radius of 1,116.30 feet, a central angle of $04^{\circ}01'09''$ and an arc distance of 78.31 feet to the Point of Beginning of the tract of land to be herein described: thence continuing Northerly, along said East right-of-way line and curve, having a central angle of $17^{\circ}00'31''$, and an arc distance of 331.38 feet; thence North $05^{\circ}15'35''$ West, continuing along said East right-of-way line and it's Northerly prolongation, 187.50 feet; thence North $84^{\circ}44'25''$ East, continuing along said North right-of-way line, 193.00 feet; thence South $05^{\circ}15'35''$ East, continuing along said North right-of-way line, 15.00 feet; thence North $84^{\circ}44'25''$ East, continuing along said North right-of-way line, 217.51 feet; thence South $02^{\circ}32'25''$ West, 543.50 feet; thence North $87^{\circ}27'35''$ West, 290.61 feet to the Point of Beginning.

The remaining area contains 331.2 acres more or less.

MAP

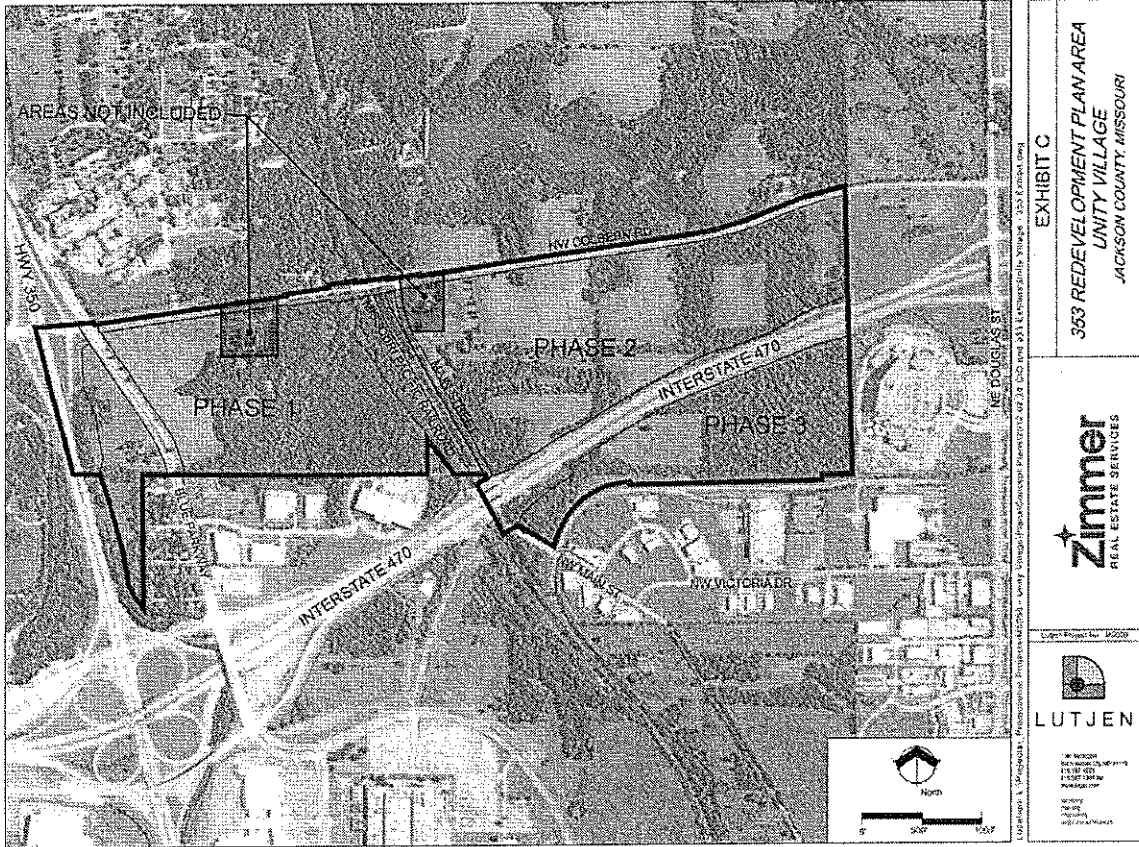


EXHIBIT C
 353 REDEVELOPMENT PLAN AREA
 UNITY VILLAGE
 JACKSON COUNTY, MISSOURI

Zimmer
 REAL ESTATE SERVICES

LUTJEN

1000 Project Ave. #2000
 1000 Project Ave. #2000
 1000 Project Ave. #2000
 1000 Project Ave. #2000

EXHIBIT B TO CID PETITION

DISTRICT FIVE-YEAR PLAN

The information and details outlined in the following pages represent the strategies, activities, services and improvements that will be undertaken during the initial five-year duration of a Community Improvement District in the City of Lee's Summit. It is an integral and composite part of the petition to establish the Blue Parkway and Colbern Road Community Improvement District.

Introduction

The Blue Parkway and Colbern Road 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 improvements it will make and an estimate of the costs of these improvements to be incurred. This Five-Year District Plan (the “**Plan**”) is designed to comply with this statutory requirement, and is appended to the Petition for Formation of the District.

Section 1

Why Create a Community Improvement District?

The District is proposed to provide funding for the construction of public improvements within the District. The District may issue obligations to fund all or a certain portion of the costs associated with the construction of the public improvements. The District may impose a sales tax and also special assessments within the District, the revenues of which will be used to pay for the costs of the public improvements or to repay the District’s obligations issued to fund the public improvements, including specifically any obligation to reimburse the City (defined below) for any funds advanced by the City for funding or financing of the Phase 1 Public Improvements (defined below) and any obligation to reimburse the Unity School of Christianity (“**USC**”), or its successors or assigns, for any funds advanced by USC, or its successors or assigns, for funding or financing of the Phase 2 Public Improvements (defined below) and the Phase 3 Public Improvements (defined below).

Section 2

What is a Community Improvement District?

A community improvement district (“**CID**”) is an entity that is separate from the City of Lee’s Summit, Missouri (the “**City**”) and is formed by the adoption of an ordinance by the City’s 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 public services and to finance a number of different public improvements. CIDs derive their revenue from taxes and assessments levied within the boundaries of the CID. Such revenues are then used for the benefit of the properties within the CID. 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

Plan Summary

This Plan is proposed to improve and convey special benefits to properties located within the boundaries of the District by providing assistance in the construction of certain public improvements that serve the District. 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 members.

District Formation:

CID formation requires submission of signed petitions from 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.

The Petition to which this Plan is attached meets these signature requirements.

Location:

The Project is located in an area bounded generally by NW Colbern Road to the north, St. Luke's Hospital to the east, a line that generally runs east-to-west from the intersection of NW Main Street and Interstate 470 to the south, and Highway 350 to the west, all in Lee's Summit, Missouri. The District will cover approximately 331.2 acres of land, and is represented on the map included as **Exhibit 1** of this Plan. The District is split into Phase 1, Phase 2, and Phase 3 as depicted in **Exhibit 1**.

Assessed Value of District:

The total assessed value of the properties within the District on the date of the Petition is \$42,668.00.

Improvements:

The District will assist in the funding of the construction of certain public improvements (the "**Phase 1 Public Improvements**", the "**Phase 2 Public Improvements**", and the "**Phase 3 Public Improvements**", and collectively referred to herein as the "**Public Improvements**"), a general description and estimated cost of which is provided in **Exhibit 2** and at the locations shown on the map provided at **Exhibit 3** of this Plan.

Method of Financing:

Pursuant to Section 67.1521 of the CID Act, the District may, by resolution and per petition of the Owners, impose a special assessment on real property within the District at a maximum rate in any year equal to fifty percent (50%) of the combined ad valorem real property tax levies of all taxing jurisdictions which impose real property taxes within the District (the "**Special Assessments**"). The District may also impose a sales tax at a rate not to exceed one percent (1.0%) on all retail sales made in the District which are subject to taxation pursuant to sections 144.010 to 144.525 of the Revised Statutes of Missouri, except the sale of motor vehicles, trailers, boats or outboard motors and sales to or by public utilities, all as allowed by Sections 67.1461 and 67.1545 of the Revised Statutes of Missouri (the "**District Sales Tax**"). The revenue collected from the Special Assessments and the District Sales Tax within Phase 1 will be used to repay the amounts advanced by the City in connection with the design, engineering, and construction of the Phase 1 Public Improvements. The revenue collected from the Special Assessments and the District Sales Tax within Phase 2 will be used to reimburse the applicable party for the actual, certified amounts expended by such party in connection with the design, engineering, and construction of the Phase 2 Public Improvements. The revenue collected from the Special Assessments and the District Sales Tax within Phase 3 will be used to reimburse the applicable party for the actual, certified amounts expended by such party in connection with the design, engineering, and construction of the Phase 3 Public Improvements. CID revenues will also be used to pay the administrative costs of the District. Additional details about the distribution of District Sales Tax and Special Assessment revenues and the administration of and accounting for the Special Assessments and the District Sales Tax by the City shall be set forth in a cooperative agreement between the City and the District.

Cost:

The total estimated cost of the Public Improvements and the estimated annual cost of administering and operating the District is set forth in Exhibit 2.

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.

District Services:

The District does not propose to undertake any services for the District property except routine services as necessary to operate and administer the District.

Duration:

The District will operate for a maximum term of forty (40) years beginning on the date of approval by City ordinance in 2012, which is the time period that it is estimated for the District Sales Tax and the Special Assessments are to remain in place to fully fund the costs to be funded by the District. The petition process must be repeated for the CID to continue beyond forty years. No plan for distribution of assets on dissolution may be approved unless the title to assets of the District are to be owned by the State of Missouri or a political subdivision of the State of Missouri. If title to the assets of the District vests in the State of Missouri or a political subdivision of the State of Missouri, the District may be dissolved prior to forty years.

Governance:

The District's budgets and policies will be refined annually, within the limitations set forth in this Plan, by District Board of Directors. The District will enter into a contract with the City to coordinate construction, maintenance and financing activities of the District with the City. Budgets and reports will be submitted annually to the City for review and comment. The District will operate at all times in accordance with the District Rules and Regulations (Section 7) and the Bylaws of the District.

**Section 4
District Boundaries**

Approximately 331.2 acres have been identified for the District. The map of the District is attached as Exhibit 1 to the Plan.

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

As summarized above, during the first five years, the District will be used to finance the costs of constructing the Phase 1 Public Improvements, the Phase 2 Public Improvements, and the Phase 3 Public Improvements. The District will also provide for its operating costs, including administrative and legal 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 CID:

CID budgets and policies will be refined annually, within the limitations set forth in the Plan, by the District Board of Directors. Annual budgets will be submitted annually to the City of Lee's Summit for review and comment.

Contract with the City:

The District will enter into a contract with the City regarding the operation of the District, the imposition, collection and enforcement of the Special Assessments and the District Sales Tax, and any other relevant aspects of the overall financing for the Public Improvements and administration and operation of the District. Pursuant to Section 67.1461.3, RSMo, the contract among the District and the City will also provide for the annual reimbursement to the City for the reasonable and actual expenses incurred by the City to establish the District and review annual budgets and reports of the District which are required to be submitted to the City.

Section 7
District Rules and Regulations

1. The District shall operate at all times in accordance with Bylaws that shall be adopted by the Board of Directors. The initial Bylaws to be adopted by the Board of Directors shall be in substantially the same form as the Bylaws attached to this Plan as **Exhibit 4**. The District shall at all times conduct its proceedings in accordance with Robert's Rules of Order, except as otherwise provided in the Bylaws.
2. The District will meet on an annual or more frequent basis. The District shall hold meetings when so requested by the City.
3. The District will annually prepare a budget, and an annual report describing the major activities of the District during the preceding year and upcoming year. The Budget and Report shall be submitted to the City Manager for review and comment not less than ninety (90) days prior to the intended date of approval of the Budget. The Budget shall not be approved without the prior written consent of the City.

**EXHIBIT 1 to Five Year Plan
Boundary Map**

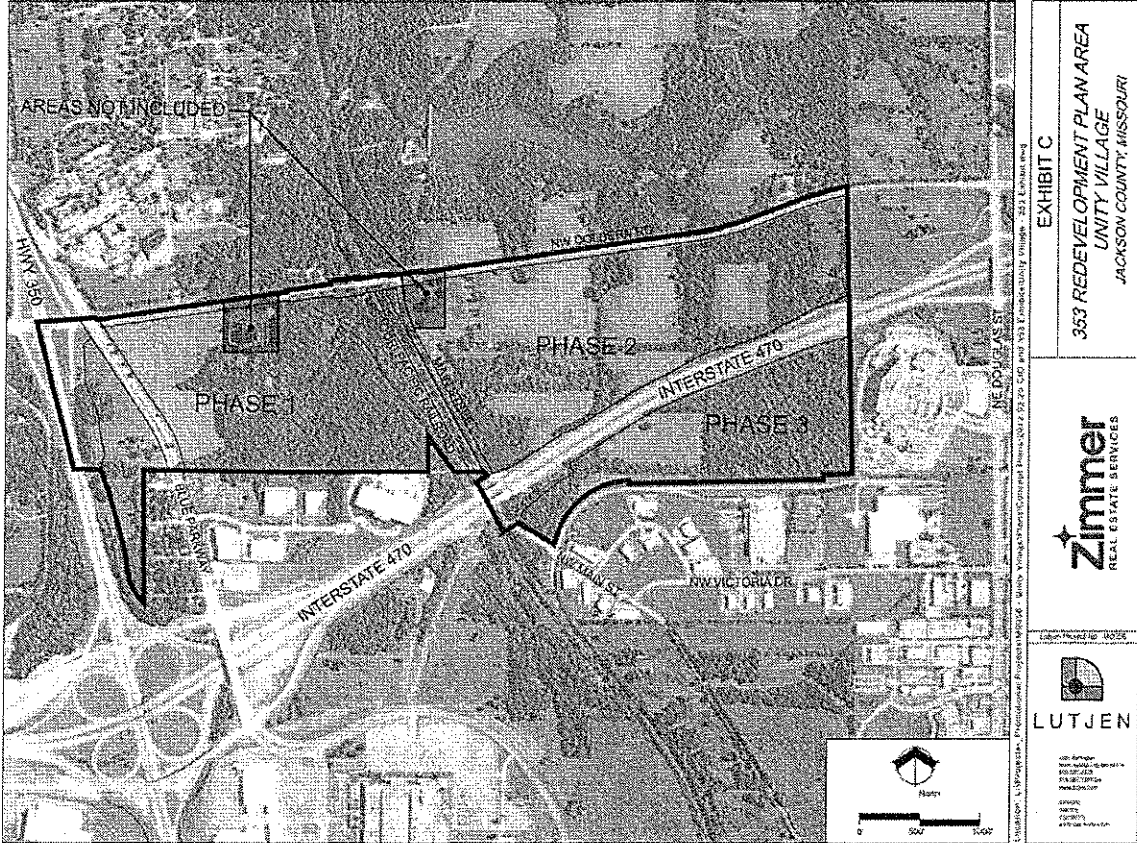


EXHIBIT C
353 REDEVELOPMENT PLAN AREA
UNITY VILLAGE
JACKSON COUNTY, MISSOURI

Zimmer
 REAL ESTATE SERVICES

LUTJEN

**EXHIBIT 2 to Five Year Plan
Budget**

Phase 1 Public Improvements (described below), including design costs and contingency	\$3,832,650
Phase 2 Public Improvements (described below), including design costs and contingency	\$15,270,250
Phase 3 Public Improvements (described below), including design costs and contingency	\$4,455,888
Costs of Formation	\$125,000
Financing Costs	\$4,986,229
Annual Operating Costs	\$15,000

Public Improvements

Phase 1 Public Improvements:

Roadway:

- All roadway work to include roadway grading and subgrade prep, pavement, curb and gutter, concrete drives/medians, enclosed storm sewer and associated inlets, street lighting, sidewalks, dry utility relocations and/or adjustments, street trees or landscaping, or any other ancillary work associated with roadway relocation including professional services associated with design and construction management. Specific improvements include:
- Horizontal and Vertical Re-Alignment of Blue Parkway from its commencement at the southern property limits extending north terminating at the intersection with Colbern Road.
- Vertical Re-Alignment and Widening of Colbern Road from Mo Route 350 Hwy west to the new intersection with Blue Parkway including appropriate transition and taper.
- Roundabout at proposed intersection of Re-aligned Blue Parkway with Colbern Road.

Sanitary Sewer:

- Sewer work to include all material, labor and equipment necessary for extension of public sanitary sewers including manholes, casting, pipe, bedding, backfill, compaction, testing, adjustment, punchlist, or any other ancillary work associated with completion and acceptance of the sewer extension including professional services associated with design and construction management. Specific improvements include:
- Sewer main extension from existing collector branch off the Little Cedar Creek Interceptor extending west through a watershed tributary to the west side of the relocated Blue Parkway.

Water:

- Water work to include all material, labor and equipment necessary for extension of public water mains including hydrants, valves, fittings, sleeves, pipe, blocking, bedding, backfill,

compaction, testing, adjustment, punchlist, or any other ancillary work associated with completion and acceptance of the water extension including professional services associated with design and construction management. Specific improvements include:

- Water main relocation from existing Blue Parkway right of way to coincide with roadway re-alignment.

Phase 2 Public Improvements:

Roadway:

- All roadway work to include roadway grading and subgrade prep, pavement, curb and gutter, concrete drives/medians, enclosed storm sewer and associated inlets, street lighting, sidewalks, dry utility relocations and/or adjustments, street trees or landscaping, or any other ancillary work associated with roadway relocation including professional services associated with design and construction management. Specific improvements include:
- Vertical Re-Alignment and Widening of Colbern Road from its termination with Phase 1 improvements east to the eastern limits of the Phase 2 project area approximately 1200 lf west of the intersection with NE Douglas Street.
- Horizontal and Vertical Re-Alignment of Main Street from its commencement at the southern property limits extending north terminating at the intersection with Colbern Road including intersection improvements.
- Public streets as may be deemed necessary through the entitlement process to ensure public street access to planned development lots.

Sanitary Sewer:

- Sewer work to include all material, labor and equipment necessary for extension of public sanitary sewers including manholes, casting, pipe, bedding, backfill, compaction, testing, adjustment, punchlist, or any other ancillary work associated with completion and acceptance of the sewer extension including professional services associated with design and construction management. Specific improvements include:
- Sewer main extension from existing Little Cedar Creek Interceptor extending east through a watershed tributary to the east side of the relocated or improvement Main Street.
- Sewer pump station and force main located in the NE corner of Phase 2 development discharging west to proposed sewer main extensions constructed in conjunction with phase development ultimately to the Little Cedar Creek Interceptor.
- Sewer main extensions as may be deemed necessary through the entitlement process to ensure public sewer access to planned development lots.

Water:

- Water work to include all material, labor and equipment necessary for extension of public water mains including hydrants, valves, fittings, sleeves, pipe, blocking, bedding, backfill, compaction, testing, adjustment, punchlist, or any other ancillary work associated with completion and acceptance of the water extension including professional services associated with design and construction management. Specific improvements include:
- Water main extension along Colbern Road from Blue Parkway east to eastern limits of the phase 2 project area.
- Water main extension and/or relocation along Main Street from the southern property limits north to the proposed extension along Colbern Road.
- Water main extensions as may be deemed necessary through the entitlement process to ensure public water access to planned development lots.

Phase 3 Public Improvements:

Roadway:

- All roadway work to include roadway grading and subgrade prep, pavement, curb and gutter, concrete drives/medians, enclosed storm sewer and associated inlets, street lighting, sidewalks, railroad crossings, dry utility relocations and/or adjustments, street trees or landscaping, or any other ancillary work associated with roadway relocation including professional services associated with design and construction management. Specific improvements include:
- Vertical and Horizontal improvements to a new public roadway extension from its commencement off existing Victory Drive, extending north to the southernly limits of the Phase 3 project area including railroad crossing and intersection improvements (subject to the real property on which this improvement will be located being added to the District at a later date).
- Public streets as may be deemed necessary through the entitlement process to ensure public street access to planned development lots.

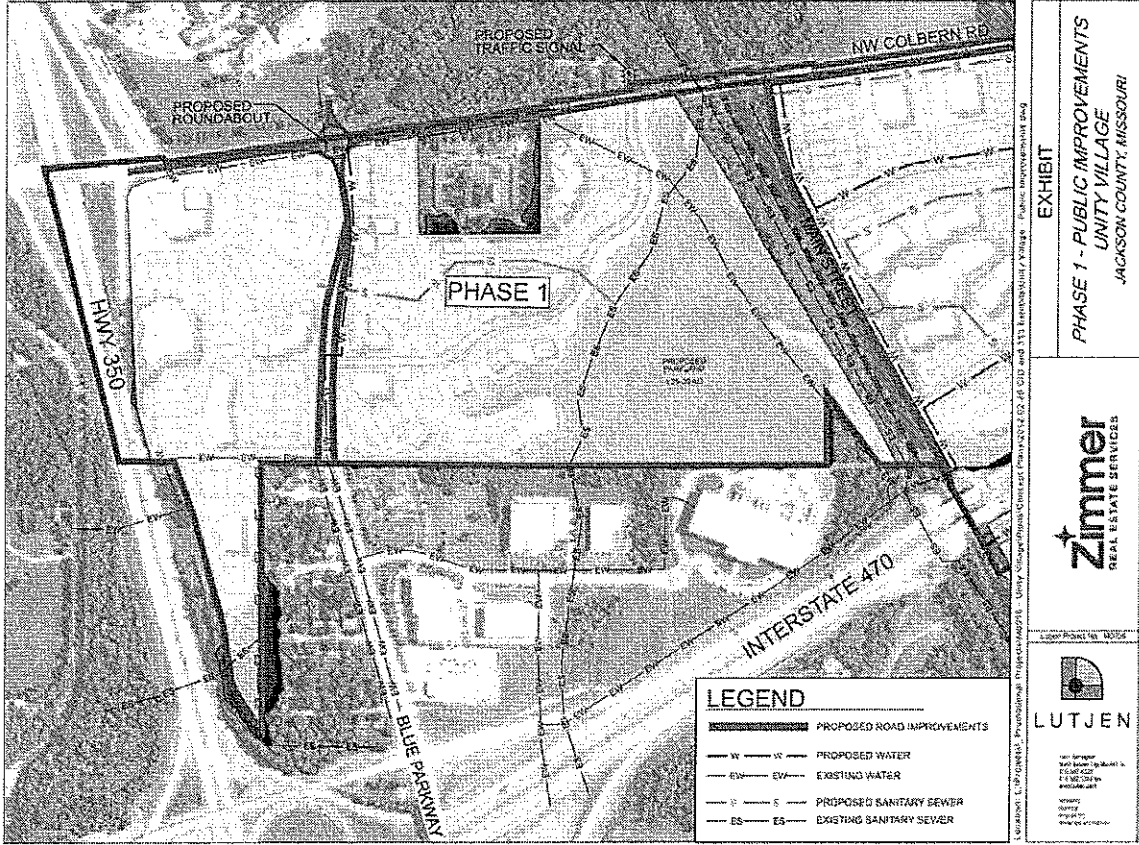
Sanitary Sewer:

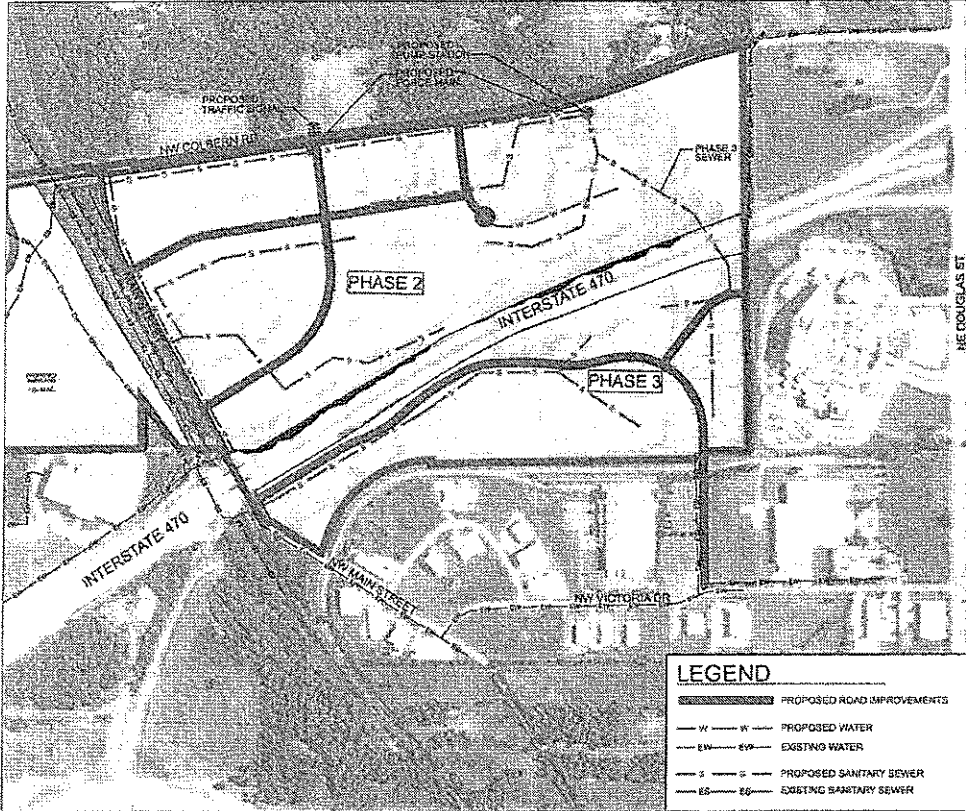
- Sewer work to include all material, labor and equipment necessary for extension of public sanitary sewers including manholes, casting, pipe, bedding, backfill, compaction, testing, adjustment, punchlist, or any other ancillary work associated with completion and acceptance of the sewer extension including professional services associated with design and construction management. Specific improvements include:
- Sewer main extension from existing Little Cedar Creek Interceptor extending east through a watershed tributary to the east side of Main Street.
- Sewer main extension from proposed "Phase II" pump station extending south along the watershed tributary continuing under Interstate 435 terminating in a MH along the South R/W of the interstate.
- Sewer main extensions as may be deemed necessary through the entitlement process to ensure public sewer access to planned development lots.

Water:

- Water work to include all material, labor and equipment necessary for extension of public water mains including hydrants, valves, fittings, sleeves, pipe, blocking, bedding, backfill, compaction, testing, adjustment, punchlist, or any other ancillary work associated with completion and acceptance of the water extension including professional services associated with design and construction management. Specific improvements include:
- Water main extension along new public roadway extension from Victory Drive extending north to the southernly limits of the Phase 3 project area including railroad crossing.
- Water main extensions as may be deemed necessary through the entitlement process to ensure public water access to planned development lots.

EXHIBIT 3 to Five Year Plan
CID Project Map





EXHIBIT

PHASES 2 & 3 - PUBLIC IMPROVEMENTS
 UNITY VILLAGE
 JACKSON COUNTY, MISSOURI

zimmer
 REAL ESTATE SERVICES

LUTJEN

12345 Main St
 Jackson, MO 64501
 (816) 123-4567
 www.lutjen.com

Project No. 12345

**EXHIBIT 4 to Five Year Plan
Bylaws**

BYLAWS

OF

**BLUE PARKWAY AND COLBERN ROAD
COMMUNITY IMPROVEMENT DISTRICT**

**ARTICLE I
OFFICES, RECORDS, SEAL**

1. **Principal Office.** The principal office of the District shall be located within the bounds of Lee's Summit, Missouri, at such place as may from time to time be designated by the Board of Directors.

2. **Records.** The District shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and each committee of the Board of Directors. The District shall keep at its principal office a record of the name and place of residence of each director and each officer.

3. **Seal.** The District shall not have a corporate seal unless it is otherwise required by law to obtain or use such a seal.

**ARTICLE II
PURPOSES**

The purposes of the District shall be to provide those services and improvements set forth in the petition for creation of the District and the Five Year Plan, and for all other lawful purposes that may be authorized by the Board of Directors and allowed by Section 67.1461 of the Revised Statutes of Missouri.

**ARTICLE III
BOARD OF DIRECTORS**

1. **Powers of Board of Directors.** The Board of Directors shall have and is vested with all powers and authorities granted by Section 67.1401 through 67.1571, RSMo, except as it may be expressly limited by law or these Bylaws, to supervise, control, direct and manage the property, affairs and activities of the District, to determine the policies of the District, to do or cause to be done any and all lawful things for and on behalf of the District, to exercise or cause to be exercised any or all of its powers, privileges or franchises, and to seek the effectuation of its objects and purposes.

2. **Official Actions.** In accordance with Section 67.1451, RSMo, all official acts of the Board of Directors shall be by written resolution approved by the Board.

3. **Number of Directors; Qualifications.** The number of directors of the District to constitute the Board of Directors shall be five (5), whose names and initial terms of office were stated in the Petition for the Establishment of the District (the "**Petition**"). The number of directors may not be increased or decreased. Each director shall be at least eighteen (18) years of age and a property owner, or

representative of an owner of property located within the boundaries of the District; or the owner or a representative of the owner of a business operating within the boundaries of the District and shall be and shall 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.

4. Initial Board of Directors. The initial Board of Directors:

Brian Scott-City	4 years
Greg Foss-City	4 years
Conrad Lamb-City	2 years
Michael VanBuskirk-USC	2 years
Bruce Schall-USC	2 years

Thereafter, successor directors shall be selected in the manner and for the terms provided for in paragraph 6 of this Article III.

5. Commencement of Term of Office of Directors. A director shall not be deemed to have commenced his or her term of office or to have any of the powers or responsibilities of a director (i) unless such director is qualified to act as such, and (ii) until the time such director accepts the office of director either by a written acceptance or by participating in the affairs of the District at a meeting of the Board of Directors or otherwise.

6. Successor Directors. Successor Directors shall be appointed by the Mayor with the consent of the City Council. In order to implement the contractual arrangements between the City and the Unity School of Christianity (“USC”), and in addition to the qualifications of the Board of Directors as set forth in the CID Act, three members of the Board of Directors shall be selected and designated by the City (the “City Director(s)”), and the remaining two directors may be designated by USC, or an assignee of USC. To the extent possible, the City Directors shall have the following qualifications: (i) one member shall be the person holding the position of Deputy City Manager of the City; (ii) one member shall be the person holding the position of Finance Director of the City; and (iii) one member shall be the person holding the position of Director of Development of the City. Such employees of the City shall only remain qualified to serve as a City Director for as long as such City Director remains employed in the required position with the City. In the event a City employee serving as a City Director no longer holds the required position with the City, such individual will no longer be deemed qualified to serve as a City Director and will be deemed removed from the Board with no action required to be taken by the City.

7. Removal for Cause. In accordance with Section 67.1451.7, RSMo, any director may be removed for cause by a two-thirds affirmative vote of the Directors of the Board (four Directors). Written notice of the proposed removal shall be given to all directors prior to action thereon.

8. Resignation. Any director may resign from the Board of Directors. Such resignation shall be in writing addressed to the Secretary of the District and shall be effective immediately or upon its acceptance by the Board of Directors as such resignation may provide.

9. **Vacancy.** In accordance with Section 67.1451.4, RSMo, in the event of a vacancy on the Board of Directors prior to the expiration of a director's term, the remaining directors shall elect an interim director to fill the vacancy for the unexpired term. Any interim director appointed pursuant to this paragraph shall possess the qualifications set forth in paragraph 3 of this Article III. At the expiration of the remaining term of the interim director, a new director shall be selected as provided in paragraph 6 of this Article III.

10. **Compensation of Directors.** No director shall receive compensation from the District for any service such director may render to it as a director. A director may be reimbursed for his or her actual expenses reasonably incurred in and about such director's performance of his or her duties as a director.

11. **Committees.** The Board of Directors shall have no authority to appoint an executive committee or any other committee having the authority of the Board of Directors. The Board of Directors may create and appoint any committees it deems necessary and advisable to conduct studies and reviews and provide advice and recommendations to the Board of Directors.

ARTICLE IV MEETINGS AND PROCEDURES

1. **Procedural Rules.** All meetings and proceedings of the District shall be in accordance with Robert's Rules of Order except as otherwise directed by these Bylaws.

2. **Place.** Meetings of the Board of Directors of the District shall be held at the principal office of the District, as designated by the Board of Directors, or at any other place within Cass County, Missouri, as may be determined from time to time by the Board of Directors.

3. **Notice of Meetings.** Meetings may be called by the Chairman, the Vice Chairman or the Secretary or by a majority of the Board of Directors by notice duly signed by the officer or directors calling the same and given in the manner hereinafter provided. Written notice stating the time, date, place and tentative agenda of a meeting shall be delivered to each director not less than twenty four (24) hours before the time of the meeting, either personally, by mail or by facsimile. If mailed, such notice shall be deemed to be delivered three days after depositing such notice in the United States mail addressed to the director at such director's address as it appears on the records of the District, with postage thereon prepaid.

4. **Waiver of Notice.** Any notice provided or required to be given to the directors may be waived in writing by any of them whether before or after the time stated therein. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where the director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

5. **Quorum.** The presence of a majority of the Board of Directors shall be requisite for and shall constitute a quorum for the transaction of business at all meetings. Vacant positions are not counted in determining a majority of the Board of Directors. The acts of directors, in accordance with Robert's Rules of Order, who are present at a meeting at which a quorum is present, shall be valid as the act of the Board of Directors except in those specific instances in which a larger vote may be required according to Robert's Rules of Order, by law or these Bylaws.

6. **Adjournment.** Whether or not a quorum shall be present at any such meeting, the directors present shall have power to adjourn the meeting, without notice other than announcement at the meeting, to a specified date. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that could have been transacted at the original session of the meeting.

7. **Voting.** Each director present at any meeting shall be entitled to cast one vote on each matter coming before such meeting for decision. If a roll call is taken, all votes shall be recorded so as to attribute each "aye" and "nay" vote, or abstinence if not voting, to the name of the respective director.

8. **Official Actions.** In accordance with Section 67.1451.8, RSMo, all official acts of the Board of Directors shall be by written resolution approved by the Board.

9. **Meeting by Conference Telephone.** Members of the Board of Directors may participate in a meeting of the Board of Directors by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting. Notice for such meetings shall designate a place where members of the public may hear the conference call for purposes of complying with Chapter 610 of the Revised Statutes of Missouri, as amended (the "**Sunshine Law**").

10. **Compliance with State Sunshine Law.** The District is a "public governmental body" pursuant to the Sunshine Law; therefore, notwithstanding any other provision of these Bylaws and in addition to any requirements of these Bylaws, the District shall give notice of and conduct all meetings of the Board of Directors in accordance with the Sunshine Law.

ARTICLE V OFFICERS

1. **General.** The officers of the District shall be a Chairman, a Vice Chairman, an Executive Director, a Secretary, a Treasurer and such other officers as the Board of Directors may appoint. The officers shall be appointed from among the members of the Board of Directors and shall at all times while holding such offices be members of the Board of Directors. One Director may hold two or more offices.

2. **Election and Terms of Office.** Initially, the officers shall be appointed by the Board of Directors named in these Bylaws at the first meeting of that body, to serve until the first annual meeting of the Board of Directors and until their successors are duly elected and qualified.

At the first and each subsequent annual meeting of the Board of Directors, the Board of Directors shall appoint officers to serve until the next annual meeting of the Board of Directors and until their successors are duly appointed and qualified.

An officer shall be deemed qualified when such officer enters upon the duties of the office to which such officer has been appointed and furnishes any bond required by the Board of Directors or these Bylaws; but the Board of Directors may also require of such person a written acceptance and promise faithfully to discharge the duties of such office.

The term of office of each officer of the District shall terminate at the annual meeting of the Board of Directors next succeeding his or her appointment and at which any officer of the District is appointed unless the Board of Directors provides otherwise at the time of his or her appointment.

3. **Removal.** If for any reason any officer who is also a member of the Board of Directors ceases to be a member, then such officer shall be deemed automatically removed from office in the District.

4. **Compensation of Officers.** No officer who is also a member of the Board of Directors shall receive any salary or compensation from the District for any services such officer may render to it as an officer. Salaries and compensation of all other officers, agents and employees of the District, if any, may be fixed, increased or decreased by the Board of Directors, but until action is taken with respect thereto by the Board of Directors, the same may be fixed, increased or decreased by the Chairman, or such other officer or officers as may be empowered by the Board of Directors to do so; provided, however, that no person may fix, increase or decrease his or her own salary or compensation. Each officer may be reimbursed for such officer's actual expenses if they are reasonable and incurred in connection with the purposes and activities of the District.

5. **Vacancies.** Vacancies caused by the death, resignation, incapacity, removal or disqualification of an officer of the District shall be filled by the Board of Directors at any annual or other regular meeting or at any special meeting called for that purpose, and such person or persons so elected to fill any such vacancy shall serve at the pleasure of the Board of Directors until the next annual meeting of the Board of Directors, and until such officer's successor is duly elected and qualified.

6. **The Chairman.** The Chairman shall be the chief executive officer of the District, shall have such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive officer of a District, and shall carry into effect all directions and resolutions of the Board of Directors. The Chairman may serve as the Executive Director pursuant to paragraph 10 of this Article V. The Chairman shall preside at all meetings of the Board of Directors at which he or she may be present.

The Chairman may execute all bonds, notes, debentures, mortgages, and other contracts requiring a seal, under the seal of the District and may cause the seal to be affixed thereto, and all other instruments for and in the name of the District.

The Chairman shall have the right to attend any meeting of any committee of the Board of Directors and to express his or her opinion and make reports at such meeting; provided, however, that unless the Chairman shall be specifically appointed to any committee, the Chairman shall not be considered to be a committee member or have the right to vote or be counted for the purpose of determining a quorum at any such meeting.

The Chairman shall have such other duties, powers and authority as may be prescribed elsewhere in these Bylaws or by the Board of Directors.

7. **The Vice Chairman.** The Vice Chairman shall work in cooperation with the Chairman and shall perform such duties as the Board of Directors may assign to him or her. In the event of the death, and during the absence, incapacity, inability or refusal to act of the Chairman, the Vice Chairman shall be vested with all the powers and perform all of the duties of the office of Chairman. In the absence of the Chairman, the Vice Chairman shall preside at all meetings of the Board of Directors at which he or she may be present. The Vice Chairman shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

8. **The Secretary.** The Secretary shall attend the meetings of the Board of Directors and shall record or cause to be recorded all votes taken and the minutes of all proceedings in the minute book of the District to be kept for that purpose. The Secretary shall perform like duties for any committee

established pursuant to these Bylaws when requested by such committee to do so. The Secretary shall be the custodian of all the books, papers and records of the District and shall, at such reasonable times as may be requested, permit an inspection of such books, papers and records by any director of the District. The Secretary shall upon reasonable demand furnish a full, true and correct copy of any book, paper or record in his or her possession. The Secretary shall be the administrative and clerical officer of the District under the supervision of the Chairman and the Board of Directors.

If the District has a seal, the Secretary shall keep in safe custody the seal of the District and when authorized to do so shall affix the same to any instrument requiring the seal, and when so affixed, the Secretary shall attest the same by his or her signature.

The Secretary shall have the general duties, powers and responsibilities of a secretary of a district and shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

9. Treasurer. The Treasurer shall have supervision and custody of all moneys, funds and credits of the District and shall cause to be kept full and accurate accounts of the receipts and disbursements of the District in books belonging to it. The Treasurer shall keep or cause to be kept all other books of account and accounting records of the District as shall be necessary, and shall cause all moneys and credits to be deposited in the name and to the credit of the District in such accounts and depositories as may be designated by the Board of Directors. The Treasurer shall disburse or supervise the disbursement of funds of the District in accordance with the authority granted by the Board of Directors, taking proper vouchers therefor. The Treasurer shall be relieved of all responsibility for any moneys or other valuable property or the disbursement thereof committed by the Board of Directors to the custody of any other person or district, or the supervision of which is delegated by the Board of Directors to any other officer, agent or employee.

The Treasurer shall render to the Chairman or the Board of Directors, whenever requested by them, an account of all transactions as Treasurer and of those under the Treasurer's jurisdiction and the financial condition of the District.

The Treasurer shall have the general duties, powers and responsibilities of a treasurer of a district, shall be the chief financial, accounting and budget officer of the District and shall have and perform such other duties, responsibilities and authorities as may be prescribed from time to time by the Board of Directors.

10. The Executive Director. The Executive Director shall execute documents, take any action and perform any further duties as may be prescribed from time to time by the Board of Directors.

11. Other Agents. The Board of Directors from time to time may also appoint such other agents for the District as it shall deem necessary or advisable, each of whom shall serve at the pleasure of the Board of Directors or for such period as the Board of Directors may specify, and shall exercise such powers, have such titles and perform such duties as shall be determined from time to time by the Board of Directors or by an officer empowered by the Board of Directors to make such determinations.

ARTICLE VI **GENERAL PROVISIONS**

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District. All contracts shall be approved by written resolution of the Board of Directors.

2. **Depositories and Checks.** The moneys of the District shall be deposited in such manner as the Board of Directors shall direct in such banks or trust companies as the Board of Directors may designate and shall be drawn out by checks or drafts signed in such manner as may be provided by resolution adopted by the Board of Directors.

3. **Bonds.** The Board of Directors may require that any officer or employee handling money of the District be bonded at the District's expense, in such amounts as may be determined by the Board of Directors.

4. **Custodian of Securities.** The Board of Directors may from time to time appoint one or more banks or trust companies to act for reasonable compensation as custodian of all securities and other valuables owned by the District, and to exercise in respect thereof such powers as may be conferred by resolution of the Board of Directors. The Board of Directors may remove any such custodian at any time.

5. **Fiscal Year.** The fiscal year of the District shall be the same as the fiscal year of the City of Lee's Summit, in accordance with the CID Act.

6. **Certain Loans Prohibited.** The District shall not make any loan to any officer or director of the District. No loans shall be contracted on behalf of the District and no evidence of any financial obligation shall be issued in its name unless authorized by resolutions of the Board of Directors of the District.

7. **Indemnification and Liability of Directors and Officers.** Each person who is or was a director or officer of the District (including the heirs, executors, administrators and estate of such person) shall be indemnified by the District as of right to the full extent permitted or authorized by the laws of Missouri, as now in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorneys' fees) asserted or threatened against or incurred by such person in such person's capacity as or arising out of such person's status as a director or officer of the District. The indemnification provided by this Bylaw provision shall not be exclusive of any other rights to which those indemnified may be entitled under any other bylaw provision or under any agreement, vote of disinterested directors or otherwise, and shall not limit in any way any right which the District may have to make different or further indemnifications with respect to the same or different persons or classes of persons.

No person shall be liable to the District for any loss, damage, liability or expense suffered by it on account of any action taken or omitted to be taken by such person as a director or officer of the District if such person (i) exercised the same degree of care and skill as a prudent person would have exercised under the circumstances in the conduct of his or her own affairs, or (ii) took or omitted to take such action in reliance upon advice of counsel for the District, or upon statements made or information furnished by directors, officers, employees or agents of the District which such person had no reasonable grounds to disbelieve.

8. **Absence of Personal Liability.** The directors and officers of the District are not individually or personally liable for the debts, liabilities or obligations of the District.

9. **Budgets.** The District will annually prepare a budget, and an annual report describing the major activities of the District during the preceding year and upcoming year. The Budget and Report shall be submitted to the City Administrator for review and comment not less than ninety (90) days prior to the intended date of approval of the Budget. The Budget shall not be approved without the prior written consent of the City. Not later than the first day of each fiscal year, the Board of Directors shall

adopt a budget for the District for the ensuing budget year, for every fund of the District of any kind, in such a manner as may be provided by law. If the Board of Directors fails to adopt a budget by the first day of a fiscal year, the District shall be deemed to have adopted a budget for such fiscal year which provides for application of the District's sales tax revenues collected in such fiscal year in accordance with the budget for the prior fiscal year.

ARTICLE VII
AMENDMENTS

The Board of Directors of the District shall have the power to make, alter, amend and repeal the Bylaws of the District and to adopt new Bylaws, which power may be exercised by a vote of a majority of the members of the full Board of Directors. The District shall keep at its principal office a copy of the Bylaws, as amended, which shall be open to inspection by any member of the Board of Directors at all reasonable times during office hours.

CERTIFICATE TO BYLAWS

The foregoing Bylaws were duly adopted as and for the Bylaws of the Blue Parkway and Colbern Road Community Improvement District by the Board of Directors of said District at its first meeting held on _____, 2012.

Secretary of the Board of Directors

EXHIBIT C TO CID PETITION

PARCEL OWNERSHIP AND ASSESSED VALUE INFORMATION

<u>Owner Name</u>	<u>Parcel Number</u>	<u>Assessed Value</u>
Unity School of Christianity	51-600-03-12-00-0-00-000	\$16,383
	51-700-02-04-00-0-00-000	4,292
	51-700-02-44-00-0-00-000	1,118
	51-600-03-07-02-0-00-000	--
	51-600-04-04-00-0-00-000	894
	51-600-04-05-00-0-00-000	4,205
	51-600-04-11-00-0-00-000	606
	51-600-04-06-00-0-00-000	7,848
	51-600-04-10-00-0-00-000	45
	51-600-04-12-00-0-00-000	13
	51-600-04-08-01-0-00-000	--
	52-400-03-02-00-0-00-000	3,517
	52-400-03-03-00-0-00-000	3,063
	Bernell K. Rice	51-700-01-19-00-0-00-000
Missouri Highways and Transportation Commission	*	*
Total:		\$42,668.00

* The Missouri Highways and Transportation Commission owns the property identified in Exhibit A as I-470. The Jackson County Assessor does not assign a parcel number to, or determine an assessed value for, land used as right of way.

EXHIBIT B
COOPERATIVE AGREEMENT

COOPERATIVE AGREEMENT

between the

CITY OF LEE'S SUMMIT, MISSOURI,

and the

BLUE PARKWAY AND COLBERN ROAD COMMUNITY IMPROVEMENT DISTRICT

dated as of

April 30, 2012

COOPERATIVE AGREEMENT

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COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT (the "Agreement"), entered into as of this 30th day of April, 2012, by and between the **CITY OF LEE'S SUMMIT, MISSOURI**, a Missouri municipal corporation (the "City"), and the **BLUE PARKWAY AND COLBERN ROAD COMMUNITY IMPROVEMENT DISTRICT**, a Missouri community improvement district (the "District" or "CID") (the City and the District being sometimes collectively referred to herein as the "Parties", and individually as a "Party", as the context so requires).

WITNESSETH:

WHEREAS, the owners of real property located within the District filed the Petition (as defined herein) which proposed formation of the District to assist in the funding of certain public improvements that serve the District; and

WHEREAS, on March 22, 2012, the City Council held a public hearing concerning the establishment of the proposed District and adopted Ordinance No. 7165, which approved the Petition and established the District; and

WHEREAS, the Petition and Ordinance No. 7165 require the District to enter into an agreement with the City regarding the operation of the District, the imposition, administration, and disbursement of the District Special Assessments and the District Sales Tax, the construction and maintenance of the Public Improvements (as defined herein), the process by which the City will be reimbursed by the District for expenses incurred to establish the District and for reviewing the District's annual budget and other reports required to be filed with the City, and any other relevant aspects of the overall financing for the construction and maintenance of the Public Improvements within the District.

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. Words and terms defined elsewhere in this Agreement shall have the meanings assigned therein. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

"Administration Fee" means that amount of the District Revenues that the City shall receive as compensation for performing the administrative duties of the District and administering and accounting for the District Special Assessments and the District Sales Tax, as set forth in this Agreement.

"Applicable Laws and Requirements" means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ,

determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by any unit of government.

“Board of Directors” means the governing body of the Blue Parkway and Colbern Road Community Improvement District.

“Budget” shall have the meaning set forth in Section 6.2.

“CID Act” means the Missouri Community Improvement District Act, Sections 67.1401 to 67.1571, RSMo, as amended.

“City Council” means the governing body of the City of Lee’s Summit, Missouri.

“City Manager” means the City Manager of the City of Lee’s Summit, Missouri.

“Costs of Formation” means actual, reasonable costs and expenses of the City related to the formation of the CID.

“County” means Jackson County, Missouri.

“District Revenues” means the District Sales Tax Revenues and the District Special Assessment Revenues.

“District Sales Tax” means the sales tax imposed by the District on the receipts from the sale at retail of all tangible personal property or taxable services at retail within its boundaries pursuant to the CID Act in the amount of up to one percent (1%), as established by resolution of the District and approved by the qualified voters of the District.

“District Sales Tax Revenues” means the monies actually collected, pursuant to this Agreement and the CID Act, from the imposition of the District Sales Tax.

“District Special Assessments” means the special assessments to be imposed, pursuant to Section 67.1521 of the CID Act, on each tract, lot, or parcel within the District for which Tax Abatement is authorized in accordance with the Redevelopment Plan and Redevelopment Agreement, in an amount equal to the amount of Tax Abatement provided for such tract, lot, or parcel pursuant to the Redevelopment Plan and Redevelopment Agreement.

“District Special Assessment Revenue” means the monies actually collected, pursuant to this Agreement and the CID Act, from the imposition of the District Special Assessments.

“Effective Date” means the date that this Agreement is fully executed by the parties.

“Event of Default” means any event specified in Section 7.1 of this Agreement.

“Excusable Delays” means delays due to acts of terrorism, acts of war or civil insurrection, strikes, riots, floods, earthquakes, fires, tornadoes, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, national or regional material shortages, failure to obtain regulatory approval from any Federal or State regulatory body, unforeseen site conditions, material litigation by parties other than the Parties not caused by the Parties’ failure to perform, or any other condition or circumstances beyond the reasonable or foreseeable control of the applicable party using reasonable

diligence to overcome which prevents such party from performing its specific duties or obligation hereunder in a timely manner.

“Fiscal Year” means July 1 through June 30 of each year, which Fiscal Year coincides with the City’s fiscal year.

“Operating Costs” means the actual, reasonable expenses which are necessary for the operation of the District which shall include, but are not limited to, costs associated with notices, publications, meetings, supplies, equipment, photocopying, the engagement of special legal counsel, financial auditing services, and other consultants or services. Time expended by City employees, and materials and supplies used by the City, in the performance of the administrative services set forth in Section 3.3, for which the City receives the Administration Fee, shall not be included as Operating Costs. Costs incurred by the City regarding enforcement of the District Sales Tax and the District Special Assessments in the performance of any actions authorized in Section 3.6 shall be treated as Operating Costs. Costs of Formation shall also be treated as Operating Costs.

“Ordinance” means an ordinance enacted by the City Council.

“Petition” means the Petition to the City of Lee’s Summit, Missouri for Establishment of the Blue Parkway and Colbern Road Community Improvement District, filed with the City Clerk of the City of Lee’s Summit by the owners of real property located within the District, and approved by the City Council on March 22, 2012, pursuant to Ordinance No. 7165.

“Public Improvements” means the design and construction of the Public Improvements described in Exhibits 2 and 3 to the Five-Year Management Plan attached as Exhibit B to the Petition, and any other public improvements that may be approved by the District in accordance with the CID Act.

“Public Improvement Costs” means all actual and reasonable costs and expenses which are incurred by or at the direction of the City or the District with respect to construction of the Public Improvements, including the actual and reasonable cost of labor and materials payable to contractors, builders, suppliers, vendors, and materialmen in connection with the construction contracts awarded in connection with the Public Improvements that are constructed or undertaken, plus all actual and reasonable costs to plan, finance, develop, design, and acquire the Public Improvements, including but not limited to the following:

A. actual and reasonable fees and expenses of architects, appraisers, attorneys, surveyors and engineers for estimates, surveys, soil borings, and soil tests and other preliminary investigations and items necessary to the commencement of construction, financing, preparation of plans, drawings and specifications, and supervision of construction, as well as for the performance of all other duties of architects, appraisers, attorneys, surveyors, and engineers in relation to the construction of the Public Improvements and all actual and reasonable costs for the oversight of the completion of the Public Improvements including overhead expenses for administration, supervision, and inspection incurred in connection with the Public Improvements; and

B. all other items of expense not elsewhere specified in this definition which may be necessary or incidental to the review, approval, acquisition, construction, improvement, and financing of the Public Improvements and which may lawfully be paid for or incurred by the District under the CID Act.

“Redevelopment Agreement” means the Redevelopment Agreement for the Blue Parkway and Colbern Road Redevelopment Area, by and among the City, USC, Bernell K. Rice, and the Blue Parkway and Colbern Road Redevelopment Corporation, dated _____, 2012.

“Redevelopment Plan” means the Chapter 353 Redevelopment Plan for the Blue Parkway and Colbern Road Redevelopment Area, as approved by the City pursuant to Ordinance No. ~~7169~~

“Redevelopment Project Area 1” shall have the meaning ascribed in the Redevelopment Plan.

“Redevelopment Project Area 2” shall have the meaning ascribed in the Redevelopment Plan.

“Redevelopment Project Area 3” shall have the meaning ascribed in the Redevelopment Plan.

“Redevelopment Project 1 Public Improvements” shall have the meaning ascribed in the Redevelopment Plan.

“Redevelopment Project 2 Public Improvements” shall have the meaning ascribed in the Redevelopment Plan.

“Redevelopment Project 3 Public Improvements” shall have the meaning ascribed in the Redevelopment Plan.

“Report” shall have the meaning set forth in Section 6.2.

“State” means the State of Missouri.

“Treasurer” means the official elected then currently serving as the treasurer of the District.

“USC” means Unity School of Christianity, a Missouri corporation, or its successors and assigns under the Redevelopment Plan and Redevelopment Agreement.

Section 1.3. Other Definitions. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed in the Redevelopment Plan or the Redevelopment Agreement.

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, including particularly the CID Act.

B. The District has authority to enter into this Agreement and to carry out its obligations under this Agreement. By proper action of its Board of Directors, the District has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

C. The Public Improvements are authorized by the Petition.

D. 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.

E. The District acknowledges that construction of the Public Improvements are of significant value to the District, the property within the District, and the general public. The District finds and determines that the Public Improvements will promote the economic welfare and the development of the District, the City, and the State through: (i) the creation of temporary and permanent jobs; (ii) stimulating additional development in the area near the Public Improvements; (iii) increasing local and state tax revenues; and (iv) providing necessary street infrastructure for surrounding development. Further, the District finds that the Public Improvements conform to the purposes of the CID Act.

F. 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, 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 the Mayor of the City is duly authorized to execute and deliver this Agreement.

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 or any 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.

ARTICLE 3: DISTRICT SALES TAX AND DISTRICT SPECIAL ASSESSMENTS

Section 3.1. Imposition of the District Sales Tax. The District will approve the District Sales Tax by resolution. The Treasurer shall request each year that the District annually appropriate all District Sales Tax Revenues by resolution in accordance with this Agreement. The District Sales Tax shall be collected by the Missouri Department of Revenue as provided in the CID Act. On behalf of the District, the City shall receive the District Sales Tax Revenue from the Missouri Department of Revenue, which shall be used in accordance with this Agreement.

Section 3.2. Imposition of the District Special Assessments. The District will approve the District Special Assessments by resolution. The District Special Assessments shall be collected by the County. On behalf of the District, the City shall receive the District Special Assessment Revenue from the County, which shall be used in accordance with this Agreement.

Section 3.3. District Administration. The City agrees to perform for the District all functions incident to the administration and enforcement of the District Sales Tax and the District Special Assessments, on behalf of the District, pursuant to the CID Act and this Agreement. The District Revenues shall be deposited by the City in a special trust account. District Revenues generated within Redevelopment Project Area 1 shall be segregated into a separate account within the special trust account to be used to reimburse the City for its costs incurred in the design and construction of the Redevelopment Project 1 Public Improvements. District Revenues generated within Redevelopment Project Area 2 shall be segregated into a separate account within the special trust account to be used to reimburse USC for its costs incurred in the design and construction of the Redevelopment Project 2 Public Improvements. District Revenues generated within Redevelopment Project Area 3 shall be segregated into a separate account within the special trust account to be used to reimburse USC for its costs incurred in the design and construction of the Redevelopment Project 3 Public Improvements. The District may amend the forms, administrative rules, and regulations applicable to the administration, collection, enforcement, and operation of the District Sales Tax and the District Special Assessments, as needed.

Section 3.4. Administration Fee.

A. The City shall be entitled to receive annually an Administration Fee for administering and accounting for the District Sales Tax and the District Special Assessments in the greater amount of (a) one percent (1%) of the total District Revenues, or (b) the actual reasonable costs incurred by the City for performing the duties set forth in this Agreement.

B. In the event that the Administration Fee does not fully reimburse the City for actual costs and expenses incurred in fulfilling its obligations under this Agreement, then the City shall receive reimbursement for those actual costs that exceed the Administration Fee. In the event that there are insufficient funds in any Fiscal Year to cover the actual costs incurred by the City, any unpaid Administration Fee shall be paid in subsequent Fiscal Years.

C. The City may, at its own election, apply any Administration Fee it receives pursuant to this Agreement to pay for reimbursable Public Improvement Costs or Operating Costs.

Section 3.5. Operating Costs. The City, on behalf of the District, shall pay for the Operating Costs of the District from District Revenues. The Operating Costs shall be included in the District's annual budget, as provided in Section 6.2. In the course of performing the enforcement duties set forth in Section 3.6, the City may incur Operating Costs for the District, which shall be approved by the District.

Section 3.6. Enforcement. The District authorizes the City, to the extent required or authorized by the Missouri Department of Revenue, to take all actions necessary for enforcement of the District Sales Tax. The District further authorizes the City, to the extent required or authorized by the County, to take all actions necessary for enforcement of the District Special Assessments. The City may, in its own name or in the name of the District, prosecute or defend an action, lawsuit, or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure the payment of the District Sales Tax or the District Special Assessments. The District hereby agrees to cooperate fully with the City and to take all action necessary to effect the substitution of the City for the District in any such action, lawsuit, or proceeding if the City shall so request. All actions taken by

the City for enforcement and any legal proceeding filed by the City for enforcement and collection of the District Sales Tax or the District Special Assessments shall be treated as Operating Costs of the District.

ARTICLE 4: DESIGN, CONSTRUCTION AND FUNDING OF DISTRICT PROJECTS

Section 4.1. Design and Construction of the Public Improvements.

A. The Public Improvements which are designated as the Redevelopment Project 1 Public Improvements in the Redevelopment Plan will be designed, constructed, and initially funded by or at the direction of the City.

B. The Public Improvements which are designated as the Redevelopment Project 2 Public Improvements and the Redevelopment Project 3 Public Improvements in the Redevelopment Plan will be designed, constructed, and initially funded by or at the direction of USC.

Section 4.2. Financing of the Public Improvements. The District shall impose the District Sales Tax and the District Special Assessments within the boundaries of the District to fund the Public Improvements and other costs authorized by this Agreement. District Revenues generated within Redevelopment Project Area 1 shall be used to reimburse the City for its costs incurred in the design and construction of the Redevelopment Project 1 Public Improvements. District Revenues generated within Redevelopment Project Area 2 shall be used to reimburse USC for its costs incurred in the design and construction of the Redevelopment Project 2 Public Improvements. District Revenues generated within Redevelopment Project Area 3 shall be used to reimburse USC for its costs incurred in the design and construction of the Redevelopment Project 3 Public Improvements. The District shall not use or impose any taxes or assessments other than the District Sales Tax and the District Special Assessments unless the City Council modifies, by Ordinance, the limitations on the District's authority as set forth in the Petition and in accordance with the CID Act. Reimbursable Public Improvement Costs shall be paid to the extent that funds are available from District Revenues in the order of priority set forth in Section 4.3.

Section 4.3. Distribution of the District Revenues. The City shall distribute the District Revenues then on deposit in its special trust account quarterly on each January 1, April 1, July 1, and October 1, beginning July 1, 2012, in the following order of priority:

A. The City shall pay its Administration Fee from all District Revenues.

B. The City shall pay Operating Costs of the District from all District Revenues.

C. The City shall pay, from District Revenues generated within Redevelopment Project Area 1, interest at the Prime Rate plus 0.75% per annum on the amount of any Public Improvement Costs incurred by the City for the Redevelopment Project 1 Public Improvements and not already reimbursed by the District. Such interest shall be payable in arrears on each July 1, commencing on July 1, 2012, and continuing thereafter until any Public Improvement Costs incurred by the City for the Redevelopment Project 1 Public Improvements are reimbursed in full. Interest shall be calculated on the basis of a year of 360 days consisting of twelve months of 30 days each.

D. The City shall pay, from District Revenues generated within Redevelopment Project Area 2, interest at the actual reasonable rate of financing per annum on the amount of any Public Improvement Costs incurred by USC for the Redevelopment Project 2 Public Improvements and not already reimbursed by the District. Such interest shall be payable in arrears on each July 1, commencing on July 1, 2012, and continuing thereafter until any Public Improvement Costs incurred by USC for the Redevelopment

Project 2 Public Improvements are reimbursed in full. Interest shall be calculated on the basis of a year of 360 days consisting of twelve months of 30 days each.

E. The City shall pay, from District Revenues generated within Redevelopment Project Area 3, interest at the actual reasonable rate of financing per annum on the amount of any Public Improvement Costs incurred by USC for the Redevelopment Project 3 Public Improvements and not already reimbursed by the District. Such interest shall be payable in arrears on each July 1, commencing on July 1, 2012, and continuing thereafter until any Public Improvement Costs incurred by USC for the Redevelopment Project 3 Public Improvements are reimbursed in full. Interest shall be calculated on the basis of a year of 360 days consisting of twelve months of 30 days each.

F. The City shall pay for Public Improvement Costs not already reimbursed by the District, as follows: (i) District Revenues generated within Redevelopment Project Area 1 shall be used to reimburse the City for its costs incurred in the design and construction of the Redevelopment Project 1 Public Improvements, (ii) District Revenues generated within Redevelopment Project Area 2 shall be used to reimburse USC for its costs incurred in the design and construction of the Redevelopment Project 2 Public Improvements, and (iii) District Revenues generated within Redevelopment Project Area 3 shall be used to reimburse USC for its costs incurred in the design and construction of the Redevelopment Project 3 Public Improvements.

ARTICLE 5: TERMINATION OF DISTRICT SALES TAX AND DISTRICT SPECIAL ASSESSMENTS

Section 5.1. Repeal of District Special Assessments.

A. The District shall continue to impose the District Special Assessments within Redevelopment Project Area 1 until the City has been fully reimbursed for all Public Improvement Costs for the Redevelopment Project 1 Public Improvements, plus interest as provided in this Agreement.

B. The District shall continue to impose the District Special Assessments within Redevelopment Project Area 2 until USC has been fully reimbursed for all Public Improvement Costs for the Redevelopment Project 2 Public Improvements, plus interest as provided in this Agreement.

C. The District shall continue to impose the District Special Assessments within Redevelopment Project Area 3 until USC has been fully reimbursed for all Public Improvement Costs for the Redevelopment Project 3 Public Improvements, plus interest as provided in this Agreement.

Section 5.2. Repeal of District Sales Tax. The District shall continue to impose the District Sales Tax until the City and USC have been fully reimbursed for all Public Improvements Costs incurred by the City or USC.

Section 5.3. Abolishment of the District. Unless extended in accordance with this Section, the District shall implement the procedures in the CID Act for repeal of the District Sales Tax, and if necessary, the District Special Assessments, and abolishment of the District when (1) the City has been fully reimbursed for the costs incurred by the City to fund the Redevelopment Project 1 Public Improvements, plus interest as provided in this Agreement, and USC has been fully reimbursed for the costs incurred by USC to fund the Redevelopment Project 2 Public Improvements and the Redevelopment Project 3 Public Improvements, plus interest as provided in this Agreement, or (2) forty (40) years following approval of the Petition by ordinance, whichever occurs first. The District shall not implement

the procedures for repeal or modification of the District Sales Tax, and if necessary the District Special Assessments, and abolishment of the District if: (1) any District Revenues are due to the City for outstanding Administration Fees or Public Improvement Costs associated with Redevelopment Project Area 1; (2) the District, with the prior written consent of the City, has approved another project pursuant to the CID Act; or (3) the duration of the District has been extended by mutual agreement of the Parties in compliance with the CID Act. The City's obligation to perform for the District all functions incident to the administration, enforcement, and operation of the District Sales Tax and the District Special Assessments shall terminate concurrent with the repeal of the District Sales Tax and the District Special Assessments. Upon repeal of the District Sales Tax and the District Special Assessments, the City shall:

- A. Retain the Administration Fee to which it is entitled in accordance with this Agreement.
- B. Pay all outstanding Operating Costs.
- C. Retain any remaining District Revenues until such time as the District is abolished and the District has provided for the transfer of any funds remaining in a manner permitted by the CID Act.

ARTICLE 6: SPECIAL COVENANTS

Section 6.1. Ownership and Maintenance of Public Improvements. As allowed by the CID Act, the District's sole role is to fund and assist in the funding of the Public Improvements. The District shall have no ownership of the Public Improvements and title to the Public Improvements shall at all times be vested in the name of the City or another public entity with jurisdiction over the Public Improvements. The City shall at all times be responsible for maintenance of those Public Improvements for which it accepts ownership.

Section 6.2. Annual Budget. The District shall annually prepare or cause to be prepared a budget (the "**Budget**") and an annual report (the "**Report**") describing the major activities of the District during the preceding fiscal year and next fiscal year. The Treasurer shall request each year that the District annually appropriate all District Sales Tax Revenues by resolution in accordance with this Agreement. A proposed Budget shall be submitted to the City Manager for review and comment not less than ninety (90) days prior to the next fiscal year. Not later than thirty (30) days prior to the next Fiscal Year, the Board of Directors shall adopt a Budget for the District for the next budget year, for every fund of the District of any kind, in such a manner as may be provided by law. If the Board of Directors fails to adopt a Budget by the first day of a Fiscal Year, the District shall be deemed to have adopted for such Fiscal Year a Budget which provides for application of the District Sales Tax Revenues collected in such Fiscal Year in accordance with the Budget for the prior Fiscal Year.

Section 6.3. Additional Public Improvements. The District may use District Revenues, as such revenues are available, to pay Public Improvement Costs for new District projects which have been determined by the City Council to be necessary and approved in accordance with the CID Act. The District shall not undertake additional District projects without the prior approval of the City Council. Payments due to the City pursuant to the priority established in [Section 4.3](#) for Administration Fees shall take priority over any costs associated with new District projects.

Section 6.4. Records of the District. The City shall be the official record keeper of the District, and shall keep proper books of record and account on behalf of the District in which full, true, and correct entries will be made of all dealings or transactions of or in relation to its business affairs in accordance with generally accepted accounting principles consistently applied, and will furnish to the District such information as it may reasonably request concerning the District, including such statistical

and other operating information requested on a periodic basis, in order to enable such parties to determine whether the covenants, terms, and provisions of this Agreement have been met. The District shall furnish annual audited financial statements for each Fiscal Year no later than ninety (90) days following the end of such Fiscal Year. District financial audits shall be performed in coordination with City audits. All pertinent books, documents, and vouchers relating to District business, affairs, and properties shall at all times during regular business hours be open to the inspection of such accountant or other agent (who may make copies of all or any part thereof provided that the confidentiality of all records shall be maintained pursuant to such confidentiality agreements as reasonably required) as shall from time to time be designated and compensated by the inspecting party.

Section 6.5. Records of the City. The City shall keep and maintain adequate records pertaining to disbursements for reimbursement or payment of the costs of the Public Improvements. Such records shall be available for inspection by the District upon reasonable notice.

ARTICLE 7: DEFAULTS AND REMEDIES

Section 7.1. Events of Default. If any one or more of the following events shall occur and be continuing, such event or events shall constitute an Event of Default under this Agreement:

A. Failure by the City to make a payment required by this Agreement, and the continuance of such failure for twenty (20) days following written notice to the City from the District of such failure, or failure by the District to make a payment, in a timely manner as required by this Agreement; or

B. Failure by either Party in the performance of any other covenant, agreement, or obligation imposed or created by this Agreement, and the continuance of such default for sixty (60) days after the non-defaulting party has given written notice to the defaulting party specifying such default.

Section 7.2. Remedies on Default. 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 7.3. 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 the Parties hereby waive the right to raise such defense in any proceeding in equity.

Section 7.4. 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.

Section 7.5. Excusable Delays. No Party shall be deemed to be in default of this Agreement because of Excusable Delays. Excusable Delays shall extend the time of performance for the period of such Excusable Delay.

ARTICLE 8: MISCELLANEOUS

Section 8.1. Effective Date and Term. This Agreement shall become effective on the date this Agreement has been fully executed by the Parties. This Agreement shall remain in effect for as long as the District is legally in existence.

Section 8.2. Modification. The terms, conditions, and provisions of this Agreement can be neither modified nor eliminated except in writing and by mutual agreement between the City and the District. Any modification to this Agreement as approved shall be attached hereto and incorporated herein by reference.

Section 8.3. Jointly Drafted. The Parties agree that this Agreement has been jointly drafted and shall not be construed more strongly against either Party.

Section 8.4. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 8.5. Common Representation. The City and the District agree that the engagement of common special legal counsel for the City and the District does not materially limit the representation of the District or the City and will not adversely affect the relationship between the District and the City. To the extent that such common legal representation presents a conflict of interest, the City and the District hereby consent to common representation.

Section 8.6. Validity and Severability. It is the intention of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of the State, 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 8.7. Execution of Counterparts. This Agreement may be executed simultaneously in two counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

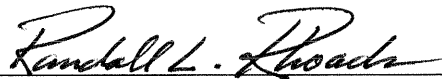
Section 8.8. City Approvals. Unless specifically provided to the contrary herein, all approvals of the City hereunder may be given by the City Manager or his or her designee without the necessity of any action by the City Council.

Section 8.9. District Approvals. Unless specifically provided to the contrary herein, all approvals of the District hereunder may be given by the Executive Director or his or her designee without the necessity of any action by the Board of Directors.


[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

CITY OF LEE'S SUMMIT, MISSOURI

By: 
Randy Rhoads, Mayor


ATTEST:


City Clerk

**BLUE PARKWAY AND COLBERN ROAD
COMMUNITY IMPROVEMENT DISTRICT**

By: 
Brian Scott, Executive Director

ATTEST:


Secretary