

## FUNDING AGREEMENT

THIS FUNDING AGREEMENT (“Agreement”) is entered into this \_\_\_\_ day of \_\_\_\_\_ by CITY OF LEE'S SUMMIT, MISSOURI (the “City”), and [DEVELOPER], (the “Company”).

### RECITALS

A. The City is a constitutional charter city incorporated and exercising governmental functions and powers pursuant to the Constitution and the Statutes of the State of Missouri. The principal office of the City is located at the City Hall, 220 SE Green St., Lee's Summit, Missouri 64063.

B. The Tax Increment Financing Commission of Lee's Summit, Missouri (the “**Commission**”) was created pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 et seq. of the Revised Statutes of Missouri (the “**TIF Act**”), and under Ordinance No. 3724, adopted by the City Council of the City. The principal office of the Commission is located at City Hall, 220 SE Green St., Lee's Summit, Missouri 64063.

C. The Land Clearance for Redevelopment Authority of Lee's Summit, Missouri (the “**LCRA**”), was created pursuant to the Land Clearance for Redevelopment Authority Act set forth in Sections 99.400 et seq. of the Revised Statutes of Missouri (the “**LCRA Act**”), and under Ordinance No. 681, 686 and 2662. The principal office of the LCRA is located at City Hall, 220 SE Green St., Lee's Summit, Missouri 64063.

D. Pursuant to the Missouri Community Improvement District Act, Sections 67.1401 et seq. of the Revised Statutes of Missouri (the “**CID Act**”), the City may consider and approve the establishment a Community Improvement District upon a proposal by Company, to facilitate the development or redevelopment of the Plan (hereinafter defined).

E. Pursuant to the Missouri Transportation Development District Act, Sections 238.200 et seq. of the Revised Statutes of Missouri (the “**TDD Act**”) and upon a proposal by Company to facilitate development or redevelopment of the Plan (hereinafter defined), the City may provide a resolution of support for a Transportation Development District petition

F. The Company is engaged in the business of land development with registered office address at \_\_\_\_\_.

G. The City has been requested by the Company to consider a potential plan for economic development-based financing for the Company related to the development of the Project, more fully described in **Exhibit A**, which may include, without limitation, economic incentive tools or options that are or may become available to the City such as, tax increment financing, a community improvement district, a transportation development district, or the Land Clearance for Redevelopment Authority (the incentives to be requested by the Company are collectively referenced herein as the “**Plan**”) and, if such Plan is approved then the City may be requested to provide such other services and assistance as may be required to implement and administer the Plan through its completion.

H. The City, the Tax Increment Financing Commission and the Land Clearance for Redevelopment Authority do not have a source of funds to finance costs incurred by them, in the form of additional City staff time, legal, fiscal, planning, transportation and engineering consultants, direct out-of-pocket expenses and other costs, resulting from services rendered in connection with the review, evaluation, processing and consideration of applications for tax increment financing assistance authorized by the Act,

or any other local or state economic development-based financing tool or option that is or may become available to the City.

I. If the Company's Plan is approved by the City Council and if sufficient revenues are generated by the redevelopment contemplated by the Plan, City costs covered by this Agreement and paid by Company may be, in part as related to the Plan, reimbursed to Company from monies deposited into the appropriate accounts pursuant to Missouri Law and as outlined in the then applicable TIF Act, LCRA Act, CID Act, TDD Act, NID Act (hereinafter defined), or RSMo. 70.210 et seq. (Sales Tax Reimbursement Agreements).

J. The parties agree that Article X, Section 22 of the Constitution of the State of Missouri is not applicable and therefore shall not apply to any term of this Agreement including but not limited to any reimbursement for internal staff, legal, transportation, financial, engineering expenses or any third-party consulting or legal fee of any type.

## **AGREEMENT**

1. Services to be Performed by the City. The City shall:

a. Prepare or consult with the Company on the preparation of and consideration of the Plan in accordance with the law, give all notices, make all publications and hold hearings pursuant to applicable law on behalf of the City for the economic incentive tools that are proposed by the Company;

b. Provide necessary legal, financial, engineering and transportation assistance to prepare and present an conceptual presentation and Plan to the City (including staff reports, consultant reports and other third party reports, analysis and other information) and to permit consideration of the Plan by the City, to prepare any resolutions or motions and, if the City recommends approval of the Plan, to prepare and present required ordinances to the City Council of the City.

c. Apply to the appropriate local or state agencies, authorities or entities as necessary or as required by the Plan, or as requested by the Company and approved by the City.

d. If applicable, participate in the court process required to form a transportation development district, if this incentive is proposed by the Company and after proper authorization by the City Council.

e. Provide any other assistance requested by the Company and agreed to by the City in connection with the Plan.

f. If the City Council of the City approves the Plan, provide the necessary staff and legal assistance to prepare and negotiate definitive agreements between the Company and the City for implementation of the Plan and the approved economic incentive tools.

g. If a definitive agreement is entered into, provide the necessary staff and legal assistance to administer such agreement and Plan and determine appropriate funding sources.

2. Deposit Amount. The City acknowledges receipt of an initial deposit of funds (the

“**Deposit**”) from the Company in the amount equal to the Deposit Amount as required in Table 1 based on the incentive amount being requested. The City shall disburse the Deposit Amount as set forth in Section 4 and shall bill the Company pursuant to Section 3 to re-establish the Deposit Amount to the amount required in Table 1. Further, prior to consideration or approval by the City Council of any ordinance, Company shall deposit with the City an amount equal to an amount determined by City staff to be sufficient to cover costs incurred during the City Council process from which additional disbursements may be made as required.

The Company will be billed for actual out-of-pocket or City authorized third party consultant costs for services as set forth in Section 1. The City shall bill the Company at such other interval or times as City shall determine to be appropriate, pursuant to Section 3 to re-establish the Deposit Amount. In addition, other closing fees outside of this funding agreement may be required and negotiated prior to the relevant transactions.

Chapter 100 Industrial Development Projects (“Chapter 100”) (RSMo. 100.010 et seq.): If a Chapter 100 tax abatement plan and one or more Chapter 100 bond issuances are proposed by Company, the fees associated with such Chapter 100 bond transactions are not covered by this Agreement and such bond transaction fees shall be as negotiated between the City, Company and bond counsel selected by the City prior to such transactions.

Neighborhood Improvement District (“NID”) (RSMo. 67.453 et seq. “NID Act”): If a NID plan is proposed by Company and one or more bond issuances for the NID are proposed by Company, the fees associated with such NID bond transactions are not covered by this Agreement and such bond transaction fees shall be negotiated by the City, Company and bond counsel selected by the City prior to the transactions.

Table 1

Incentive Requested:	Less Than \$5,000,000	\$5,000,000 to \$25,000,000	More than \$25,000,000
<b>Deposit Amount:</b>	<b>\$25,000</b>	<b>\$50,000</b>	<b>\$75,000</b>

3. **Additional Funding.** The City shall submit from time to time an itemized statement for administrative expenses, legal expenses, professional expenses, and actual out-of-pocket expenses necessary to perform its obligations hereunder or for any additional obligations or expenditures incurred by the City. The account shall be replenished as provided below in this section to the Deposit Amount, as applicable according to Table 1, until termination of this Agreement. Subject to the remaining provisions of this Section 3, such itemized statements may be submitted upon execution of consultant contracts relating to the Plan or as expenses are incurred by the City in connection with the City's review and consideration of the Plan. The Company may be billed in advance for the full amount of third-party consultant contracts expenses or internal expenses upon approval of the contract by the City Manager or the City Council.

The Company shall pay the City the amounts set forth on such statements (the “**Additional Funds**”) within ten (10) days of receipt thereof or before final consideration of the application. As to any amounts billed in advance for any contract or consultant fees, City shall have the right to elect not to execute any such contract or to engage or authorize such consultant, contractor or staff member to proceed until such advance billing amount is paid by the Company.

If any such amounts are not so paid when due, the unpaid balance shall accrue interest at the rate of two percent (2%) per month from the date billed until paid, but in no event shall such interest rate exceed twenty-four percent (24%) per annum. Further the City shall be relieved of any and all obligations hereunder (including without limitation any obligation to review or consider the Plan) until all such amounts (with interest) are paid, or the City may terminate this Agreement pursuant to Section 6.a.

In addition, if such funds (including any advance-billed costs) are not so received, all work by staff and third party consultants on the economic incentive application shall cease until full payment is made, including penalties, and the fund balance is restored to the Deposit amount as set forth in Section 2 or, prior to any consideration or approval by the City Council, an amount sufficient to cover anticipated costs incurred during the final consideration process is deposited as provided herein. Company acknowledges and agrees that the City shall have the right to delay final consideration of the Plan, or consideration or approval by the City Council of any ordinances with respect to the Plan or the projects contemplated therein, until all outstanding expenses have been paid and the fund balance is sufficient to cover all remaining cost anticipated to be incurred by or on behalf of the City through the anticipated conclusion of such final consideration process, including but not limited to meeting expenses, court reporting, attorneys' fees and other third party consultant preparation and attendance.

4. **Schedule of Fees.** Company has reviewed the City's schedule of fees and agrees that the City's fees will correspond with the rates as set forth in the City's schedule of fees as adjusted annually.

5. **Disbursement of Funds.**

a. The City shall disburse the Deposit and Additional Funds for reimbursement for costs to the City, which shall cover internal costs and external consulting fees and the payment of all out-of-pocket expenses incurred by the City in connection with the performance of its obligations under this Agreement. Upon a request by the City for reimbursement from the Deposit Amount, the City shall provide an itemized invoice for Company with respect to such disbursements,

b. All of the services set forth in Section 1 are eligible reimbursable redevelopment costs pursuant to Missouri Law, but only to the extent ultimately set forth in the approved Plan and the redevelopment contract to be entered into in connection with any implementation of the Plan.

6. **Plan Administration.** In addition to the services set forth in Section 1, the City will be required to provide services from time to time for the continuing administration of the Plan and management of the monies deposited into the appropriate accounts pursuant to Missouri Law and as outlined in the then applicable TIF Act, LCRA Act, CID Act, TDD Act, NID Act or RSMo. 70.210 et seq. (Sales Tax Reimbursement Agreements). The City may be reimbursed from such monies for Project meetings, upon appropriate itemization of staff time and expenses. In addition, the City may retain monies deposited into the appropriate accounts pursuant to Missouri Law and as outlined in the then applicable TIF Act, LCRA Act, CID Act or TDD Act., in an amount equal to the documented expenses of the City that are reasonable or incidental to the general operations of City with respect to administration of the Plan.

7. **Termination.**

a. In the event the Company fails to perform any of its obligations herein, the City may terminate this Agreement, and any other agreement between the parties, at its sole discretion upon ten (10) days written notice to the Company. Termination by the City shall also terminate any duties and obligations of the City with respect to this Agreement, including, but not limited to, the City's processing of Company's application and/or Plan. Upon such termination, the City shall

retain the Deposit and Additional Funds, if any, necessary to reimburse all outstanding expenses incurred by the City pursuant to this Agreement and any monies due and owing to the City pursuant to any other agreement and shall pay all remaining refundable Deposit and Additional Funds, if any, to the Company within ninety (90) days of such termination.

b. The parties hereto acknowledge that the Company may determine to abandon the Plan. Upon notice of abandonment by the Company, this Agreement shall terminate and the City may terminate any other agreement between the parties and shall retain the Deposit and Additional Funds, if any, necessary to reimburse its staff time accumulated to the date of termination and outstanding expenses incurred pursuant to this Agreement and any monies due and owing to the City pursuant to any other agreement and shall pay all remaining refundable Deposit and Additional Funds, if any, to the Company within sixty (60) days of such termination.

c. In the event the Deposit and Additional Funds are insufficient to reimburse the City for the outstanding expenses of the City payable hereunder, the Company shall reimburse the City as set forth in Section 3.

d. If the Plan is approved by City Council, termination of this document shall occur upon the execution of the relevant Plan implementation documentation. Upon such termination, the City shall retain the Deposit and Additional Funds, if any, necessary to reimburse all outstanding expenses incurred by the City pursuant to this Agreement and any monies due and owing to the City pursuant to any other agreement and shall pay all remaining refundable Deposit and Additional Funds, if any, to the Company or as otherwise outlined in the Plan implementation documentation, within ninety (90) days of such termination.

8. Subsequent Redevelopers. In the event the City selects another redeveloper pursuant to a request for proposals or other bid process to carry out the Plan, the City shall require the subsequent redeveloper to assume all obligations of the Company under this Agreement as of the date it is designated as redeveloper and to reimburse the Company for its expenditures hereunder.

9. Notice. Any notice, approval, request or consent required by or asked to be given under this Agreement shall be deemed to be given if it is in writing and mailed by United States mail, postage prepaid, or delivered by hand, and addressed as follows:

To the City:

City Manager  
City of Lee's Summit, Missouri  
220 SE Green St.  
Lee's Summit, MO 64063

With a copy to:

City Attorney  
City of Lee's Summit, Missouri  
220 SE Green St.  
Lee's Summit, MO 64063

To the Company:

[insert here]

With a copy to:

[insert here]

Each party may specify that notice be addressed to any other person or address by giving to the other party ten (10) days prior written notice thereof.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their duly authorized representatives the day and year first above written.

**CITY OF LEE'S SUMMIT, MISSOURI**

By: \_\_\_\_\_  
Mark Dunning  
City Manager

[SEAL]

ATTEST:

\_\_\_\_\_  
Trisha Fowler Arcuri  
City Clerk

Approved as to form:

\_\_\_\_\_  
Brian Head, City Attorney

**CERTIFICATE OF ACKNOWLEDGEMENT**

STATE OF MISSOURI     )  
  ) SS.  
COUNTY OF JACKSON    )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me appeared Mark Dunning, to me personally known, who, being by me duly sworn, did say that he is the City Manager of the **CITY OF LEE'S SUMMIT, MISSOURI**, a constitutional charter city and political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its City Council, and said person acknowledged said instrument to be the free act and deed of said City.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

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Notary Public

My Commission expires:

[COMPANY]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CERTIFICATE OF ACKNOWLEDGEMENT**

STATE OF MISSOURI     )  
  ) ss  
COUNTY OF JACKSON    )

On this \_\_\_\_ day of \_\_\_\_\_, 2026, before me, a Notary Public in and for said state, personally appeared \_\_\_\_\_, the \_\_\_\_\_, a \_\_\_\_\_, known to me to be the person who executed the within Funding Agreement on behalf of said limited liability company and acknowledged to me that he executed the same for the purposes therein stated.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

\_\_\_\_\_  
Notary Public

My Commission Expires:



## **EXHIBIT A**

Description of Project: